

AFTER THE RAINS,  
THE DROUGHT CONTINUES

INTEGRATED  
REPORT



2022



# Integrated Report 2022

○ ODS 6, 12   ● GRI 2-1, 2-3

Aguas Andinas is pleased to make this 2022 Integrated Report available to its different stakeholders.

The document, externally verified, was prepared for the fifth consecutive year following the standards of the International Integrated Reporting Council (IIRC). It also considers the latest guidelines established by the Global Reporting Initiative (GRI) and the regulatory framework defined by the Financial Market Commission (CMF), based on the legislation in force in Chile on this matter.

The acronyms that accompany some titles correspond to contents established by the GRI and to the Sustainable Development Goals (SDGs) referred to in this report, which provides detailed information about the economic results obtained by the company during the period from January 1 to December 31, 2022. It also provides detailed information on the progress made in the plan and

the commitments assumed by Aguas Andinas on environmental, social and corporate governance (ESG) management.

The content of the document, although structured on the basis of the six capitals of the IIRC, is developed taking into account the results of a materiality study carried out in the 2022 fiscal year, during which all of the company's stakeholders were consulted on the subject. In addition, the progress made in managing the financial risks and opportunities arising from climate change.

The ESG Indicators chapter, meanwhile, provides details on progress related to the roadmap of the Sustainability Strategy 2021-2024. The contents of the Sustainable Financial Management chapter, in turn, allow us to monitor the placements associated with sustainable finance, through the Green and Social Bond, series AC; and the Green and Social Bond, series AE.

● GRI 102-1, 102-3, 102-53

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## Series of shares

Serie A: "Aguas-A"  
Serie B: "Aguas-B"

## # PAPERBOX



As in previous years, this Integrated Report is available in a digital version, in accordance with Aguas Andinas' commitment to sustainable development of the planet. Environmental protection is a shared responsibility; we thank you for your understanding and support.



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# 2022

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## Introduction

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"We have been working for many years to address and mitigate the effects of the climate crisis so that Santiago can be an increasingly resilient city, even under such adverse conditions."

# Message from Felipe Larraín

GRI 2-22

I am very pleased to present the fifth integrated report of Aguas Andinas, corresponding to fiscal year 2022, the year in which I assumed the chairmanship of the company's Board of Directors for the second time. It is a task that fills me with pride to once again perform in a business group that has contributed so much to the development and progress of our region and Chile. It also comes at a special time: the beginning of a new stage marked by the fact that we have become part of a global group such as Veolia, which makes us a leading business project in environmental matters, hand in hand with our ambition to become a champion of global ecological transformation.

This last point is fundamental, because we know that great challenges await us. We are going through complex scenarios to which the company has had to strengthen and adapt, such as the pandemic and the social crisis, which have been defining our course, but especially climate change. The faces of this planetary phenomenon are varied and have direct consequences on people's lives: climatic events, extreme heat waves and water shortages. We see it in the various natural disasters that hit the world and that we have also seen in our own country, with 14 consecutive years plunged into a deep mega drought. However, at Aguas Andinas we are committed to act and not just diagnose the emergency. Thanks to our experience and efforts in management and investments, during this long period of water stress, the city and its inhabitants have not experienced any alterations in the supply of potable water.

The truth is that we have spent many years dedicated to face and mitigate the effects of the climate crisis to make Santiago an increasingly resilient city, even in such adverse conditions. The modernization of the Padre Hurtado Plant - which strengthened and almost doubled the production of potable water for the eastern sector of the capital- and the Cerro Negro-Lo Mena wells, which reinforced the service for the southern zone, both inaugurated in 2022, are clear examples of the path taken in this direction.

Even before the onset of the megadrought, the company has been promoting various environmental projects to improve the quality of life in the region, with a historic milestone that put us at the level of developed countries, such as achieving the treatment of all sewage water thanks to our biofactories, which generate new resources such as agricultural fertilizer and clean energy with the city's waste. Circular economy in its maximum splendor, but also a medium-term solution that will allow us to face the structural water shortage, through the project of sustainable return of treated water for irrigation to the first section of the Maipo River, after being used in the city. This will allow us to make a more efficient use of the resource and, at the same time, provide greater sustainability and resilience to the basin.

Just to give you an idea, in the last five years we have invested close to US\$ 250 million to address climate change and its impacts. We will not stop, we will deploy all the necessary efforts to continue strengthening Santiago in terms of water and for this we have another US\$ 300 million in projects that we expect to deploy in the next 5 years.

Plans of this magnitude would not have been possible without the joint work we have done with authorities and citizens in general. At this point I would like to highlight the irrigators of the First Section of the Maipo River, who have allowed us to make up for the water deficit when the flow of the river has been insufficient to supply the city's demand. Also to the communal authorities who, in the midst of the complex water situation, have taken decisive actions to watch over the care of water in their communes. This is the right path.

Undoubtedly, we have made progress, but much remains to be done. Mitigation is not enough: we must adapt to the new climate reality. This entails the urgent need to find new solutions, in line with the company's leadership role, and more sanitation infrastructure. In this, we will be the driving force to make Santiago a city better prepared for the

adversities caused by nature, and at the same time, more connected, modern and inclusive. In this new phase that is beginning, we ratify our commitment to work tirelessly and ahead of schedule. I am certain that we have the best team, now with the support of a global business leader.

Customers, authorities, citizens in general, our employees, and all Aguas Andinas stakeholders can be assured that in the face of the challenges we currently face, we are committed to providing various solutions and a powerful investment plan, always with a view based on sustainability and the circular economy, ensuring care for the environment. To this end, we must continue to work together, based on a public- private partnership model that allows us to continue providing the city with more and better sanitation infrastructure, because this is what Santiago and its inhabitants deserve. Promoting and leading this change is our duty and commitment as an environmental services company, spreading a collective awareness about the care and good use of water and its management. Please know that this is our task.

Felipe Larraín  
Chairman of the Board



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## Message from Marta Colet

● GRI 2-22



"The climate crisis has advanced much faster than anticipated, which requires us to redouble our efforts to adapt to scenarios where water resources will become increasingly scarce."

In 2022, the company made great progress, both in understanding the risks we face and in implementing specific measures to mitigate them, especially in the area of climate change. We have been working for 14 years on adapting to the impacts of climate change and seeking to make Santiago a more resilient and prepared city, especially in the face of the mega-drought and its effects on the availability of water resources. During the year reported, the city and its inhabitants, once again, were able to perceive relevant results from the initiatives we have been deploying, because despite going through a scenario of deep water stress, the supply has not recorded impacts.

On the one hand, the agreement we signed at the end of 2021 with the irrigators of the first section of the Maipo River was fundamental to maintain continuity of service during the months of greatest imbalance between water supply and demand. Thanks to the consolidation of this agreement, in the summer of 2022 we managed to supply a quarter of the city's potable water needs through transfers made by the other users of the river. In addition, we have managed to jointly build a common diagnosis of the basin, an essential step to manage it in a more integrated and sustainable manner.

Two crucial projects were also completed: the new Cerro Negro-Lo Mena wells - which provide a flow of 1,500 l/s to the potable water network, strengthening the supply of the southern zone of Santiago and allowing 37 hours of autonomy in the event of extreme turbidity events in the Maipo River - and the modernization and expansion of the new Padre Hurtado plant, which adds an additional 1,000 l/s, almost doubling its capacity to supply the eastern zone. But perhaps even more relevant is the long-term work plan behind these works, which required years of studies and efforts to materialize.

We have made significant progress along the way. Another of them has been the joint and collaborative work with citizens, municipalities and authorities. A noteworthy achievement is the containment and clear decrease in water consumption by users, especially in the irrigation of parks and gardens, which is in line with the campaigns to promote the responsible use of water resources that the company has been promoting for several years. This is a trend that is consolidating and that we hope will continue in this direction.

As measures to adapt to and mitigate the climate crisis, we have continued to apply the principles of the circular economy. For this reason, we are currently working on the project to return treated water from our Mapocho Trebal Biofactory to the first section of the Maipo River, which will allow us to have more raw water in the river to supply the city's needs and then deliver it in the same quantity to the Agricultural Irrigation Channel Operators

This will result in a more efficient and intelligent use of a resource that is becoming increasingly scarce and, at the same time, will provide a real and concrete solution to face the drought in the medium and long term.

In this sense, and because we want to continue advancing in solutions of this nature in all our facilities, in order to take advantage of the maximum efficiency of available resources, including energy, in 2022 we had another important milestone. This was the internalization of the operation of our two biofactories, a complex process that was carried out within the planned timeframe and without impacts on the operation, and which was due to the normal evolution of the company, allowing us to integrate the full circle of water treatment under a single command.

As in previous years and as part of our water efficiency plan, another major focus of our work was the search for and repair of leaks in the network, for which we are applying cutting edge technologies that have made it possible to triple efficiency, with significant increases in the volume of water recovered.

The deployment of the Avanza project, an initiative that aims to transform the company and better adapt it to present and future challenges, has been fundamental to these achievements. Launched in 2021, during the year covered by this report, the leaders and teams involved showed a strong commitment and a high capacity to define goals and execute actions, with the appropriate tools, objective indicators and permanent monitoring. This is part of the reasons for the successes achieved in 2022.

The project involves more than 400 initiatives aimed at risk reduction, economic sustainability and also the cultural transformation of the company, a tremendously important dimension because none of the challenges we face as an organization can be successfully addressed without a human team that is up to the task. We are already seeing results in this area, with an organization that is increasingly more horizontal, flexible, diverse, welcoming and empathetic to employees and closer to customers.

This is especially important if we consider the challenges of the future. The climate crisis has advanced much faster than anticipated, which requires us to redouble our efforts to adapt to scenarios where water resources will be increasingly scarce. In other words, we need more planning, more innovation, more integrated watershed management, more dialogue with the authorities and the public, and, undoubtedly, more investment to be able to implement new solutions such as the reuse of treated water. But also, more sanitary and resilient infrastructure that must be approved by the authority.

At Aguas Andinas we are aware that the supply of potable water for a city like Santiago, which has a growing population, makes it necessary to project new infrastructure, which requires drawing up a financing strategy aligned with internal debt limits. To this end, in 2022 Aguas Andinas completed its international rating process with Standard & Poor's, which classified it in category A-.

Thus, it is the only non-state-owned company in the country with such a high international rating. In addition, at the end of the year, the company issued for the first time a green and social bond with great success in the Asian market to finance projects that have a positive environmental contribution.

Likewise, these new infrastructures must be socialized and valued as essential by all stakeholders. Progress has also been made in this area, such as the increase in the levels of safety that the sanitary infrastructure must have in regulatory processes. The draft Political Constitution plebiscited in September 2022 contributed to this awareness, including in its wording the human right to water and sanitation, as well as the priority of human consumption of water over other uses.

Although the proposal was generally rejected, we hope that this consensus on water will be transferred to the new process. To this end, we hope to continue contributing to the discussion that will take place during 2023, always with the same goal: to be guarantors of human access to water and sanitation. This is the ultimate goal of all the initiatives I have described above, as well as other efforts to ensure that the bill payment agreements offered by the company, together with the state subsidies in this regard, reach all customers who need them in times of economic uncertainty.

Finally, a milestone of great value for our company has been the change of controller that we experienced at the beginning of the year. The purpose of Aguas Andinas and its strategy of an environmental services company will not only maintain its essence, but will be enhanced and strengthened with the arrival of Veolia, a business group of excellence, as our approaches, values and priorities are very similar and complementary to achieve the mission of becoming world leaders in ecological transformation. We are confident that we will benefit from the high value that Veolia places on networking and sharing experiences in a more practical and direct way, but - above all - focused on commitment and care for the environment to meet the challenges of climate change.

This is our determined path.

**Marta Colet**  
Chief Executive Officer



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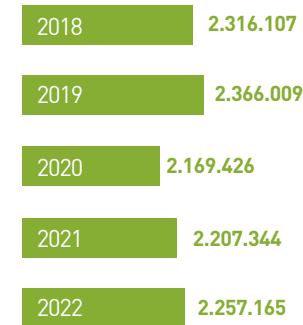




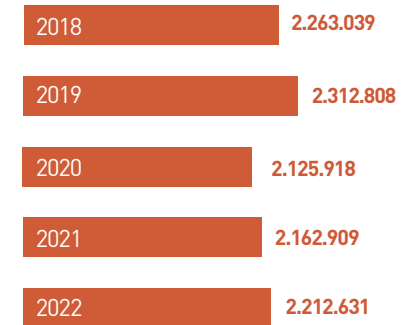
## Evolution of the company\*

● ODS 6

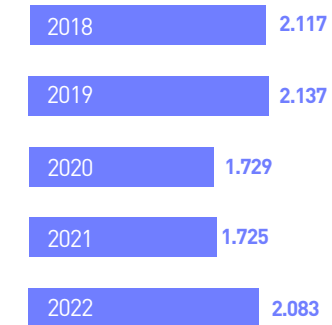
### POTABLE WATER CUSTOMERS



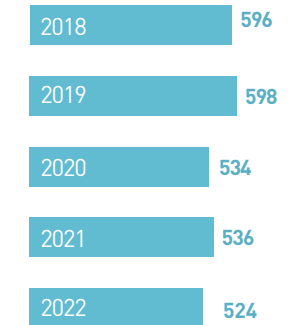
### SEWAGE CUSTOMERS



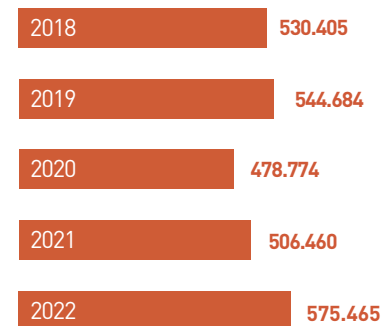
### NUMBER OF WORKERS



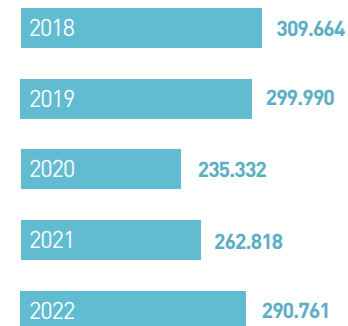
### WATER BILLED (MILLION OF MT3)



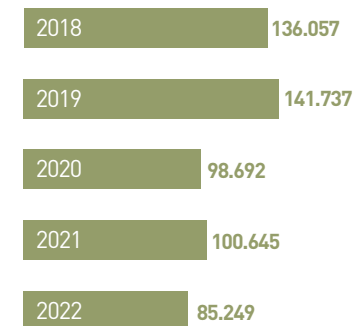
### REVENUE (MILLION PESOS)



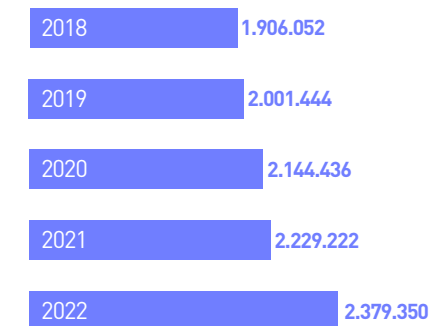
### EBITDA (MILLION OF PESOS)



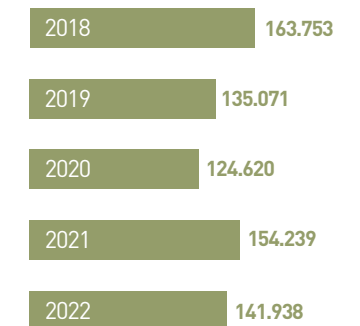
### NET INCOME (MILLION OF PESOS)



### ASSETS (MILLION OF PESOS)



### INVESTMENTS (MILLION OF PESOS)



\*Until 2019 the data includes ESSAL S.A.



2022 ESG Indicator Highlights



**790**  
million pesos  
in R&D&I



**25%**  
of the management  
team are women



**100%**  
of the energy  
consumed by  
biofactories is  
renewable and  
self-generated



**768,6**  
million m<sup>3</sup> of total  
potable water  
production



**141.938**  
million pesos  
earmarked for  
investment



**47,03** GWh  
of self-generated  
power in the  
biofactories



**481,2**  
million m<sup>3</sup> of clean  
water returned  
to the waterways



**2.083**  
workers



**86,6%**  
of unionization



**100%**  
of wastewater  
treated



**913**  
million pesos in  
social investment



**72%**  
of biosolids used  
in the agricultural  
sector



**218.800**  
tons of waste  
recycled /  
reused



**3.472**  
million pesos in  
trade discounts of  
customer debt



**70%**  
of the electrical  
energy consumed  
came from  
renewable sources

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# Main Achievements of Aguas Andinas that contribute to the SDGs in 2022



**2.083** workers.



**3** occupational diseases.  
**0** fatal accidents.



**91.480** total hours of training.  
**\$453** million invested in training.



**22%** of the total workforce is made up of women.  
**25%** of the management team are women.



**100%** water supply system.  
**100%** treatment plants.



**70%** of consumption comes from renewable energy.



**95%** of the total workforce has an indefinite-term contract.  
**86,56%** of the workforce is unionized.



**\$790** million invested in R&D&I.  
**37 horas** of autonomy in case of extreme turbidity events with the Pirque Mega Ponds.



**6.517** Forgiven customers



**\$913** million in social investment.



**72%** biosolids was used on agricultural land.  
**100%** of the energy consumed by the Mapocho Trebal biofactory is renewable and self-generated.



**207.882 tCO<sub>2</sub>** emitted in the period.  
**5,7%** less than in 2021



**\$78** million for biodiversity conservation initiatives



**0** complaints of corruption.  
Certification **ISO 37001**



**100%** of stakeholders was consulted in the process of materiality of materiality.  
**24** affiliations or memberships to associations.

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## 2022 Awards and acknowledgements



### PWC Innovation

Aguas Andinas achieved this recognition, in the "Consolidated Company" category, thanks to Huechún, a fertilizer produced from biosolids obtained from wastewater treatment. The award highlights innovative business models that contribute to competitiveness.



### Dow Jones Sustainability Index

The company was selected to join the Dow Jones Sustainability Index, which groups the leading companies in sustainability in Chile.



### Merco Companies

Aguas Andinas ranked 36th in the ranking of companies with the best reputation in the country, eight places higher than in the 2021 list.



### Merco ESG Responsibility

The Corporate Reputation Monitor released for the first time in Chile. its report with the 100 most responsible companies in ESG (environmental, social and governance) areas. Aguas Andinas governance) ranked 43rd.



### Merco Talento 2022

The company ranked 39th on the list of 100 companies with the greatest capacity to attract and retain talent in Chile.



### ISS-OEKOM

Aguas Andinas obtained an excellent evaluation in ISS-OEKOM, with a grade of B (range from D- to A+) corresponding to to the 2nd decile, and "Prime" status. We will participate in the 2023 process.



### Sustainability Yearbook

For the fourth consecutive year, Aguas Andinas is part of the Sustainability Yearbook 2023, an annual publication where Corporate Sustainability Assessment (CSA) S&P Global presents the companies with the best ESG performance rating.



### GLIO - GRESB

Aguas Andinas is listed in GLIOGRESB: and obtained a B grade (EA scale). This score of 79 points implies first place in the Latin American region.



### Cadem Citizen Brands (second semester)

The company once again led the "Services" category of Cadem's Citizen Brands survey.



### ALAS20

The Sustainable Leaders Agenda, which evaluates, qualifies and recognizes sustainable development practices, government The "Leader in corporate and responsible investment" category, awarded second place to Aguas Andinas in the "Leader in investor relations in Chile" category.



### CDP

For the fourth consecutive year, Aguas Andinas obtained an "ARating" in the evaluation of its performance in combating climate change. And for the first time achieved an "Agrade" in the Water Security questionnaire.



### IWA Climate Smart utilities

Recognition of the company's management for its contribution to the adaptation and mitigation of climate change climate.



### British-Chilean Chamber of Commerce

First place in Environmental Innovation in the Large Companies category obtained in the XIII version of the in Environmental Innovation (RIGA), with the Huechun Fertilizer project, being the most relevant recognition in environmental innovation in Chile. In this more than 30 projects applied.

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# Our history

The origin of Aguas Andinas dates back to 1861, the year in which Empresa de Agua Potable de Santiago was founded, under whose umbrella works of great importance for the Metropolitan Region were executed, such as the Laguna Negra aqueduct (1917), the Las Vizcachas plant (1946) and the El Yeso reservoir (1967). In 1977 the company was renamed Empresa Metropolitana de Obras Sanitarias (EMOS) and, twelve years later, it was

transformed into a company. A stock corporation, a subsidiary of Corfo. A decade later, as a result of a privatization process, control passed to Inversiones Aguas Metropolitanas (IAM), a company formed at that time by the Suez Environment Group and the Agbar Group, with 50% each. IAM currently owns 50.1% of Aguas Andinas' shares.



EMOS changes its corporate name to Aguas Andinas S.A.



2001



La Farfana wastewater treatment plant begins operations.



2003



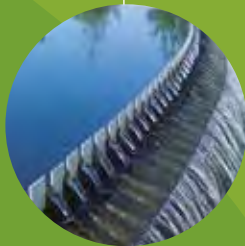
100% of the Metropolitan Region's wastewater is cleaned up, placing Santiago among the capitals with the best sanitation service indexes in the world.



2013



2002



The company's Operational Control Center, the most advanced in the country and the region, begins operations.



2010



The Mapocho Urbano Limpio project was inaugurated to decontaminate the flow of the Mapocho River as it flows through the city of Santiago.



2015



The company is selected to join the Dow Jones Sustainability Index for Emerging Markets and the Dow Jones Sustainability Index Chile.

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Aguas Andinas introduces an innovative concept in the global sanitation industry: biofactories, facilities capable of transforming wastewater into electricity, natural gas, reclaimed water and agricultural fertilizer.



2017



Science Based Targets Initiative (SBTi) approves the company's science-based greenhouse gas reduction targets with an ambition to limit the average global temperature rise to 1.5°C.



2019



An agreement is signed with the irrigation associations of the first section of the Maipo River. The Avanza project is launched, with more than 200 initiatives to transform Aguas Andinas into a more resilient company. Nitrate treatment operation begins at Farfana.



2021



2018

The company places the first Green and Social Bond issued in the Chilean capital market. For its contribution to the health of the planet, at COP24 the UN awarded the Impulse for Change prize to Aguas Andinas' biofactories.



2020

The Pirque mega-tanks were inaugurated, with a capacity of 1.5 million m, providing 34 hours of autonomy to Santiago's potable water supply.



2022

The Cerro Negro-Lo Mena wells are inaugurated, increasing supply autonomy to 37 hours. Padre Hurtado potable water production plant expansion is completed. Nitrate treatment operation begins at El Trebal.



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# Purpose, vision, mission and values



## Purpose

To be a **resilient environmental services** company that guarantees a quality supply to customers, **aligned with the Sustainable Development Goals (SDGs)**, generates social and environmental value for citizens and contributes to the country's development through innovative, effective and sustainable solutions.



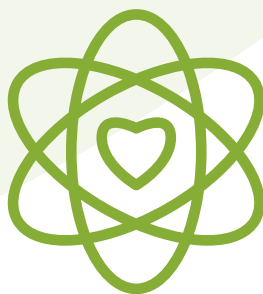
## Vision

Going beyond water, managing resources sustainably.



## Mission

- We are dedicated to **our customers** 24 hours a day.
- We manage the **underground city** to guarantee the continuity of our services.
- We deliver **quality water** and transform **waste into resources**.
- We create **shared value** with **our environment**.
- We are committed to people's **quality**.



## Values

- Excellence
- Innovation
- Sustainability
- Commitment
- Community
- Alliances

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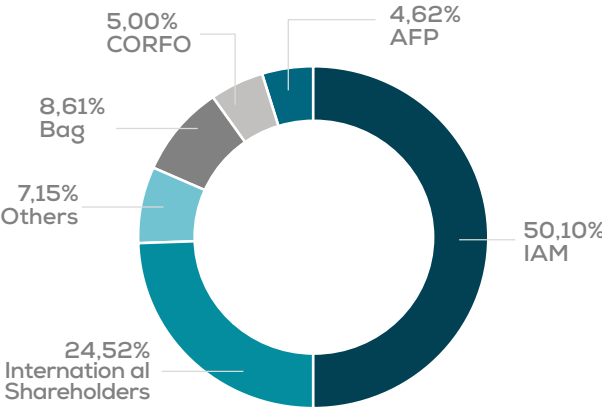
# Company ownership and control

Aguas Andinas is an open corporation, whose direct controller is Inversiones Aguas Metropolitanas S.A. (IAM) with a 50.10% ownership interest, which in turn is controlled by Veolia Environnement S.A. (France), through the Chilean companies Veolia Inversiones Aguas del Gran Santiago Ltda. (IAGSA), Veolia Inversiones Andina S.A. and the entity Agbar S.L.U., based in Spain.

- With more than 150 years of experience, Agbar is today one of the world's largest operators of healthcare services.
- Founded in France in 1853, Veolia is a world leader in the provision of environmental services, designing and delivering innovative solutions to manage water, waste and energy.

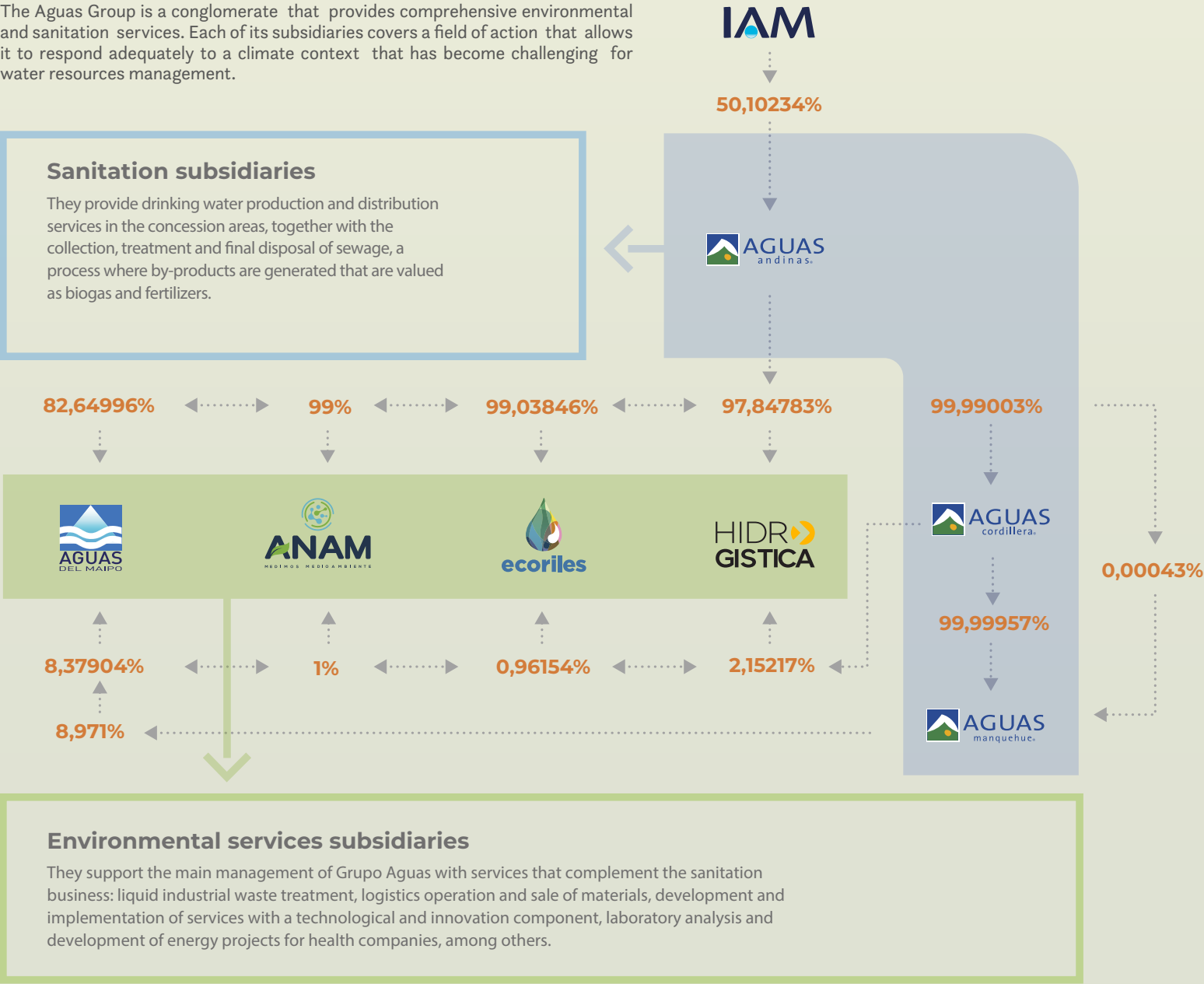
The change in the indirect controller of Aguas Andinas resulted in the renewal of its Board of Directors and the beginning of a process of integration and operational adaptations, the first stage of which was very well evaluated by all parties involved, demonstrating the convergence of strategies and purposes of both companies, as well as the complementarity of their teams, assets and knowledge.

Shareholding composition



## Aguas Group and its subsidiaries

The Aguas Group is a conglomerate that provides comprehensive environmental and sanitation services. Each of its subsidiaries covers a field of action that allows it to respond adequately to a climate context that has become challenging for water resources management.



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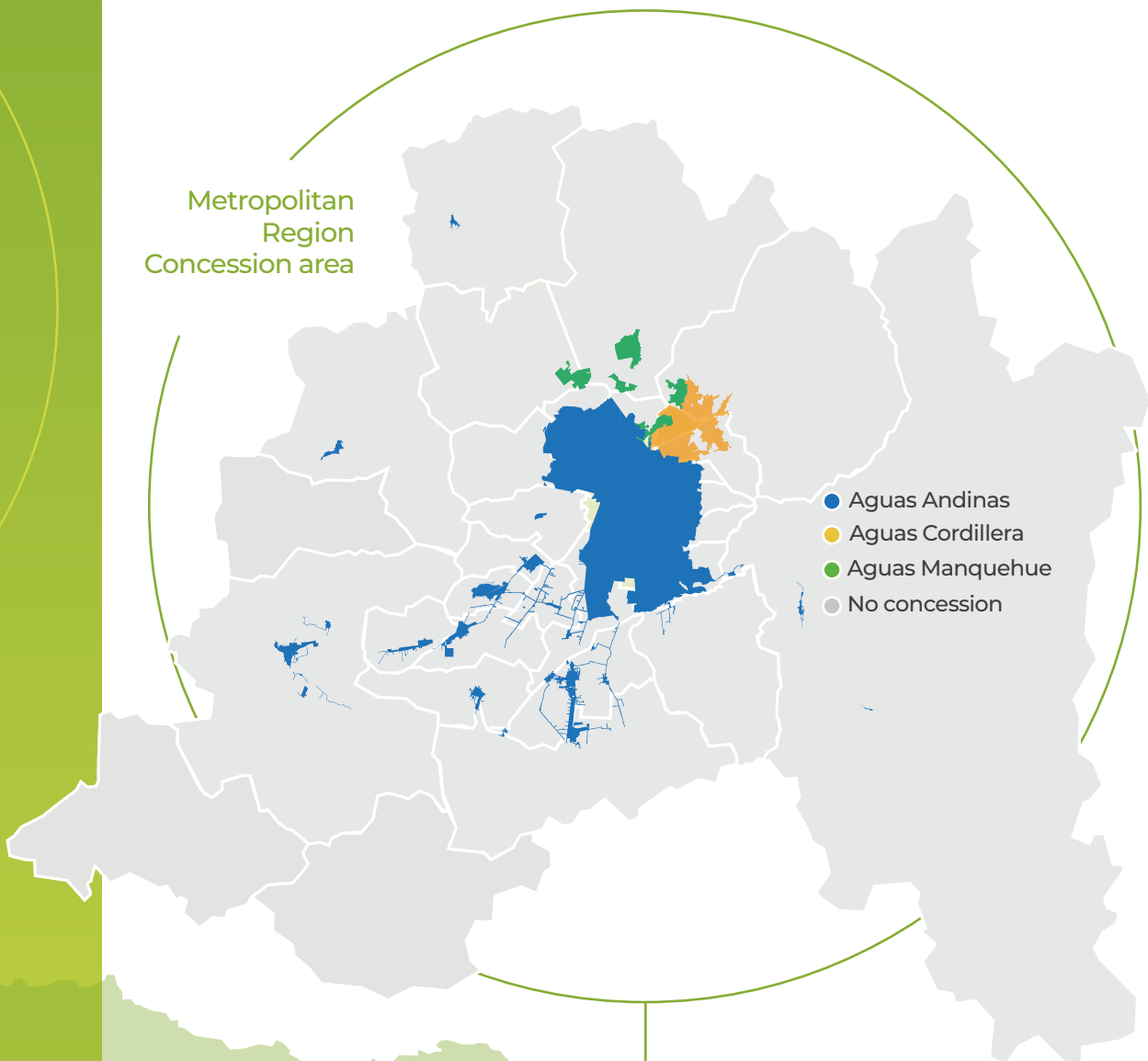


71

THOUSAND HECTARES

IS THE AREA SUPPLIED  
IN THE METROPOLITAN  
REGION.

Metropolitan  
Region  
Concession area



CHILE

## Operations

● GRI 3-3, 303-1

### Coverage and operational territory

The concession areas of Aguas Andinas, Aguas Cordillera and Aguas Manquehue **cover 49 municipalities in the Metropolitan Region**, one of the sixteen regions into which Chile is divided. The capital of the region and of the country as a whole is Santiago.

**The services provided by the Aguas Group provide 100% of potable water supply, 98.8% of sewerage and 100% of wastewater treatment.**

Outside its concession areas, and from a transfer point, the company also provides collection services to the sanitation companies Smapa, in Maipú; Sembcorp Aguas Santiago, in Lo Barnechea, and Santa Rosa del Peral, in the El Peral sector of the La Florida district; in addition to the sewage collection and treatment service for the Cossbo sanitary company, in the district of Santiago.

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# Aguas Andinas and its companies

● GRI 2-2, 2-6  
● ODS 6



**Aguas Andinas is a group of companies that provides comprehensive environmental and sanitation services. Each of its subsidiaries covers a field of action that allows it to respond adequately to a climate context that has become challenging for the management of water resources.**

## Sanitation subsidiaries

The objective of these Group companies is to produce and distribute potable water to the population living in the concessioned areas, completing the service cycle with the collection, treatment and final disposal of wastewater, and subsequently, through the generation of by-products from the treatment process.



## Environmental services subsidiaries

These companies are oriented to support the main management of the Aguas Group, through complementary services of the sanitation business: treatment of liquid industrial waste (riles), logistics operation and sale of materials, development and implementation of services with a technological and innovation component, laboratory analysis and development of energy projects related to sanitation companies, among others.



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## Assets ● GRI 303-4

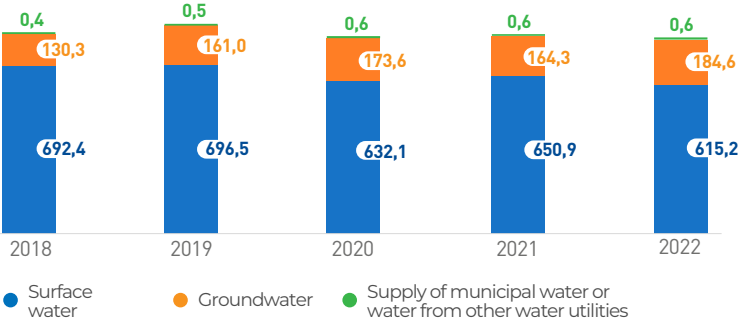
The regulated companies of the Aguas Group comprehensively manage the complete water cycle, which includes the collection of raw water; the production, transportation and distribution of potable water; and the collection of wastewater and its sanitation. To this end, it has a robust infrastructure that ensures the transportation and distribution of potable water; and the collection of wastewater a continuity and efficiency of these services, minimizing the impact on water reserves.

### Assets for the production of potable water

#### Catchment

Most of the water consumed by the inhabitants of Santiago comes from the Maipo and Mapocho rivers, important water sources in the Metropolitan Region, which originate in the Andes Mountains and have high purity levels. In view of the decrease in these flows in recent years, raw water is also increasingly being extracted from underground aquifers

#### Water catchment



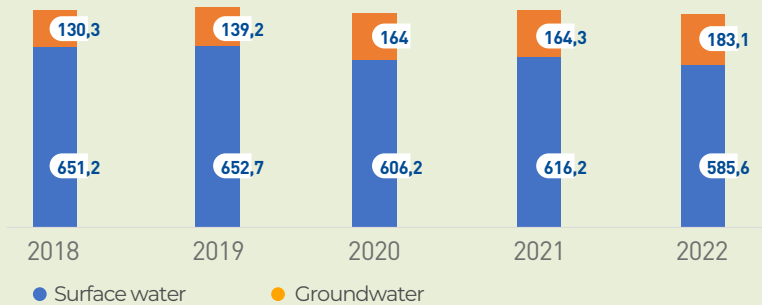
Raw water storage capacity			
Embalse El Yeso	Laguna Negra	Laguna Lo Encañado	Estanques de Pirque
220 million m <sup>3</sup>	600 million m <sup>3</sup>	7 million m <sup>3</sup>	1.5 million m <sup>3</sup>

#### Production

Water purification is carried out in several plants with state-of-the-art technology and processes focused on hydraulic efficiency:

- Las Vizcachas Complex (3 plants: Vizcachas, Vizcachitas y Antonio Tagle)
  - PLa Florida Plant
  - Chamisero Plant
  - Padre Hurtado Plant
  - A further 16 smaller facilities, including those belonging to Aguas Cordillera and Aguas Manquehue
- 27,7 m<sup>3</sup>/s is the total water treatment capacity.

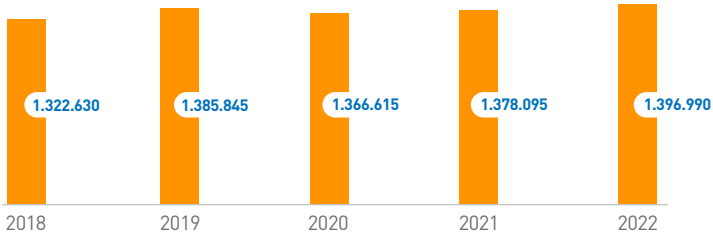
#### Potable water production by type of source (million of m<sup>3</sup>)



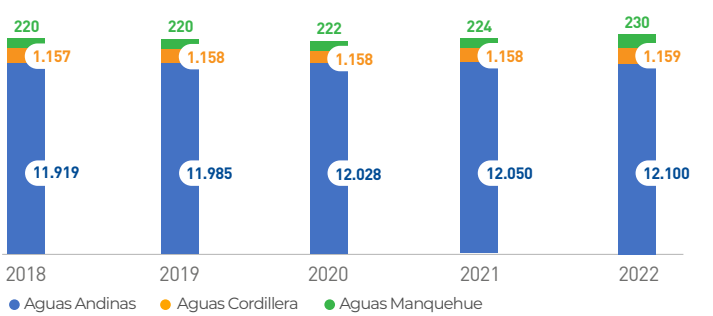
### Transportation and distribution of potable water

The company has regulation tanks and an extensive underground network to carry potable water to its customers, ensuring adequate pressure and continuous supply. In Santiago, it has more than 300 tanks, with a capacity of more than 1.3 million m<sup>3</sup>, which gives the system a high degree of autonomy. Meanwhile, the distribution network reaches a length that triples the length of Chile.

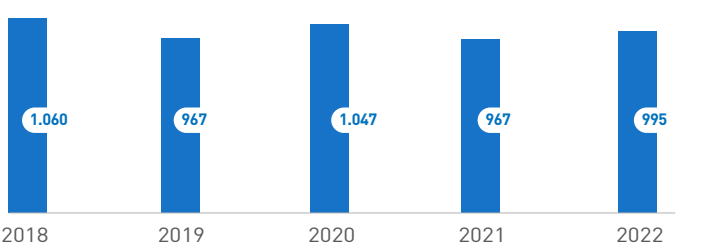
#### Pond volumes m<sup>3</sup>



#### Length of the potable water distribution network (km)



#### Number of unprovoked breakages with supply cut-off for the customer



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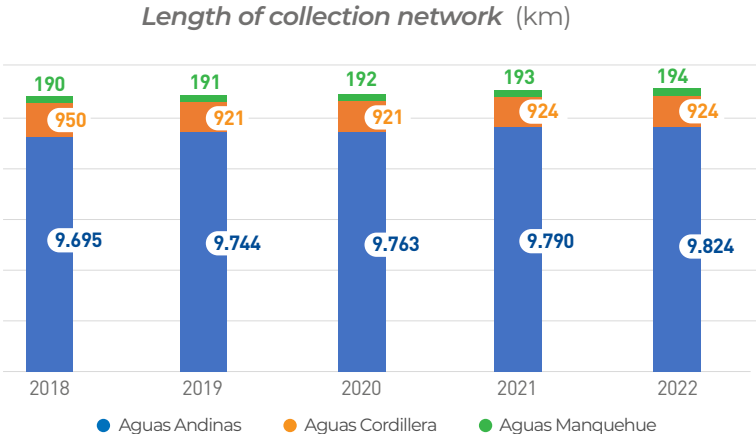




### Assets for wastewater treatment

#### • Sewage collection

This process covers from the evacuation of sewage through the sewage system to its arrival at the sewage treatment plants. For this purpose, there is an efficient collection network designed to operate by gravity flow, with a length exceeding 10,000 kilometers.



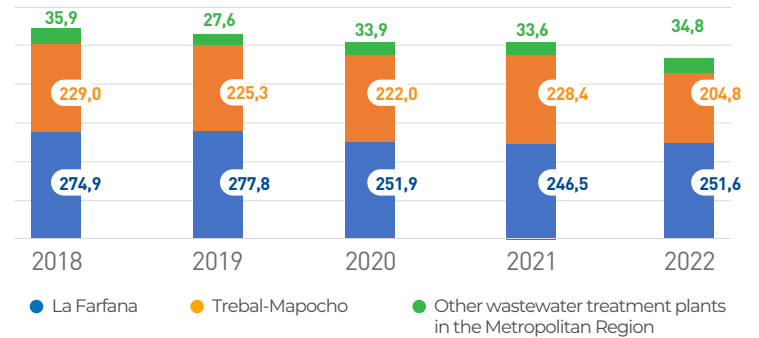
#### Other assets

The company has additional assets to develop its daily procedures, such as buildings, offices and other work centers, together with monitoring, control and decision-making systems that allow centralizing control and automating the water treatment and sanitation processes. These mechanisms are updated every year to address new operational needs and dimensions, helping to adequately deal with contingencies. Likewise, the application of predictive models reduces failures and emergencies, with the consequent improvements in customer service.

#### • Wastewater treatment

This process allows the decontamination of wastewater so that it can be returned to natural watercourses or used for irrigation, in compliance with the standards required by law. It is carried out in two biofactories, the Trebal-Mapocho complex and the La Farfana plant, and in twelve plants located in different localities.

#### Volume of treated water (million m<sup>3</sup>)



In total, about 500 million m<sup>3</sup> of wastewater is treated annually.

*The application of a model based on the circular economy makes it possible to value the sanitary care waste resulting from the process of purification carried out in the biofactories.*

*Aguas Andinas' Operational Control Center (OCC) operates 24 hours a day, every day. It manages more than 80,000 variables through more than 700 remote telecontrol stations and 900 dataloggers distributed in Santiago.*

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## Environmental services subsidiaries

*The operation of these companies allows the Aguas Group to support its core business by providing complementary services and, additionally, to venture into other business niches.*



### Anam

Leading company in the field of physical, chemical and microbiological analysis of water resources, solid waste, hazardous waste, sludge and soil at national level. It also has an air quality area that monitors and analyzes odors and odorous gases. It has a high participation in the national potable water market, in addition to providing services to the main industries of riles and wastewater in the country, including Aguas Andinas.

Therefore, in 2021 it inaugurated Anam Sur, a laboratory located in Puerto Montt to provide services mainly to the salmon and food industry and which, in the year reported, incorporated an automated system for measuring oils and fats. The subsidiary is also starting to operate in the north of the country, focusing on large-scale mining.

**Location: Av. Américo Vespucio 451, Santiago de Chile**  
<https://www.anam.cl/home>



### Ecoriles

A subsidiary created in 2000 to provide management services and integrated management of the water cycle, meeting the growing demand for treatment of industrial liquid waste (riles) nationwide. With more than 270 clients, it is currently the main operator of this business in Chile. At the Group level, it plays a strategic role, because it prevents industries from discharging elements not allowed by the regulations into the sewage system, with the risk of causing problems in the treatment plants. Its contributions to the dairy, food, fishing and paper industries also stand out.

Among the milestones for 2022 are the efforts in the technical diagnosis made to carry out improvements in the tailings plants in order to comply with regulations at all events in industrial customers.

**Location: Walter Lihn 1868, Santiago de Chile**  
<https://www.ecoriles.cl/inicio>



### Hidrogística

With more than two decades of experience, Hidrogística is an integral and specialized supplier of materials for potable water and sewage networks, currently acting as the main logistics operator of the Aguas Group.

The company complements its business model with the provision of specialized services for the water market, where it seeks to play an innovative role by incorporating new technologies useful to the Aguas Group. In a first stage, technologies are sought to optimize the management of networks, focusing on solutions to repair leaks in potable water matrices without the need to cut off the supply. On the other hand, Hidrogística provides the service of renovation of collectors through trenchless technologies for their rehabilitation without generating road impact, in short times and at a lower cost compared to the traditional methodology.

During 2022, the company identified the 50 bronze materials with the highest turnover in the Chilean sanitation industry. Based on this information, a highly efficient model was designed to manufacture these materials in China and then commercialize them in the Chilean market at competitive prices. These products obtained the necessary certifications and approvals for their commercialization and will be available in Chile in 2023.

**Location: José Ananías 530, Santiago de Chile**  
<https://www.hidrogistica.cl/>



### Aguas del Maipo

Created in 2011, it develops energy projects derived from the sanitation business. In 2017, it began operating a methanization plant, which transforms the biogas generated at La Farfana into biomethane that is injected into Santiago's natural gas networks. This initiative has been highlighted for its contribution to sustainability, as it significantly reduces CO2 emissions in the Metropolitan Region.

**Location: Av. Presidente Balmaceda 1398, Santiago de Chile**



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## **Sustainable and resilient business model**

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# Sustainable and resilient business model

## Business context

Aguas Andinas operates in a highly challenging water resource. context. On the one hand, it has to deal with an increasingly scarce water resource. The company must also satisfy customers and communities that are increasingly demanding and less tolerant of non-compliance in the provision of services, even if they are not the company's responsibility.

### Aguas Andinas' response to a challenging environment

Context	Challenges	How to approach
<ul style="list-style-type: none"><li>• Drought of more than 13 years.</li><li>• Regulatory risks.</li><li>• Complex economic scenario.</li><li>• Demographic expansion: more than 8 million inhabitants.</li><li>• Social changes</li></ul>	<ul style="list-style-type: none"><li>• Adapting to the climate crisis and its effects on service: water availability and turbidity.</li><li>• Disseminate to the community the activities of Aguas Andinas and its socio- environmental contributions</li></ul>	<ul style="list-style-type: none"><li>• Investments in infrastructure.</li><li>• Studies on the climate crisis.</li><li>• New ways of working.</li><li>• Communication plan.</li><li>• Risk management and transformation plan.</li></ul>

## Regulatory framework

The company operates in strict compliance with the legislation and regulations in force in Chile. The Superintendencia de Servicios Sanitarios (Superintendency of Health Services) (SISS) 1 is responsible for overseeing the level of service provided and acts as a counterpart in the tariff regulation process.

The main legal bodies that govern the operation of the sector and the sanitation companies are as follows:

- General Law of Health Services (DFL MOP 382 of 1988) and its regulation (DS MOP 1199/2004): Contains the main provisions that regulate the concession regime and the activity of sanitation service providers.
- Sanitation Services Tariff Law (DFL MOP 70 of 1988) and its regulation (DS MINECON 453 of 1989): Establishes the provisions governing the setting of potable water and sewerage rates and reimbursable financing contributions.



- Law creating the Superintendency of Sanitation Services (Law 18,902 of 1990): Establishes the functions of the SISS.
- Law 18,778 of 1989 (Law 18,778 of 1989) and its regulations (DS HACIENDA 195 of 1998): Establishes a subsidy for the payment of potable water and sewerage consumption for low-income customers.

### Tariff process

Tariffs are set every five years through a process involving the company and the regulator. This process is carried out objectively according to a technical model that considers the determination of the total long-term cost of a model company. The procedure also contemplates updates linked to variations of polynomials composed of the CPI, IPBI and IPPIM indexes.

In the reported period, the cost of services paid by customers was governed according to the provisions of the Seventh Tariff Process 2020-2025, concluded on November 14, 2019, and which determined a reduction of 3% to the tariffs of Aguas Andinas and 1.5% to those of Aguas Cordillera and Aguas Manquehue. Additionally, for Aguas Andinas and Aguas Cordillera additional values were established for future works, which are applied when these enter into operation.



*The current tariff in Santiago is one of the lowest of all the country's regional capitals, according to SISS data. This is achieved without the help of state subsidies.*

Additional tariffs			
	Work	Increase	Application
Aguas Andinas	Achieve autonomy of 34 hours in extreme turbidity events.	1,7%	April 2020
	Reach an autonomy of 37 hours	0,6%	November 2022
	Achieve 48-hour autonomy	0,8%	(*)
	Nitrate removal in La Farfana plant	0,5%	April 2021
	Nitrate removal at Trebal plant	0,8%	April 2022
	Drying encapsulation term at El Rutal	0,3%	(*)
Aguas Cordillera	12 hours of autonomy	3,2%	September 2021
	Electrical backup of wells and plants	0,8%	(*)
	Instalación de medidores	0,2%	(*)

<sup>1</sup> The SISS is a functionally decentralized agency, with legal personality and its own assets, which operates under the supervision of the President of the Republic, through the Ministry of Public Works.

(\*) Application of the tariff will be made when the works start operating.

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**Santiago's  
potable water  
is one of the  
cheapest in the  
world**

At the beginning of 2021, the technology company Holidu, dedicated to the vacation rental industry, analyzed the differences in prices and quality of potable water in 120 cities around the world, most of them in developed countries. According to this study, Santiago is in the 15% of cities with the lowest cost of piped potable water and, if the price-quality ratio is evaluated, the Chilean capital is in eighth place in a list headed by Oslo, Tel Aviv, New York, Stockholm and Helsinki.

This ratifies SISS data, according to which current tariffs in Santiago are lower than those applied in almost all of Chile's regional capitals and those observed in most countries, despite including 100% of the treatment service. In addition, the water bill represents 1.4% of the average family income of the city's inhabitants, well below the maximum of 3% suggested by the United Nations Development Program (UNDP). These levels are obtained without state subsidies.

The current tariff in Santiago de Chile is one of the cheapest of all the country's regional capitals, according to data published by the SISS. This is achieved without the help of state subsidies, which leverages its efficiency and competitiveness.

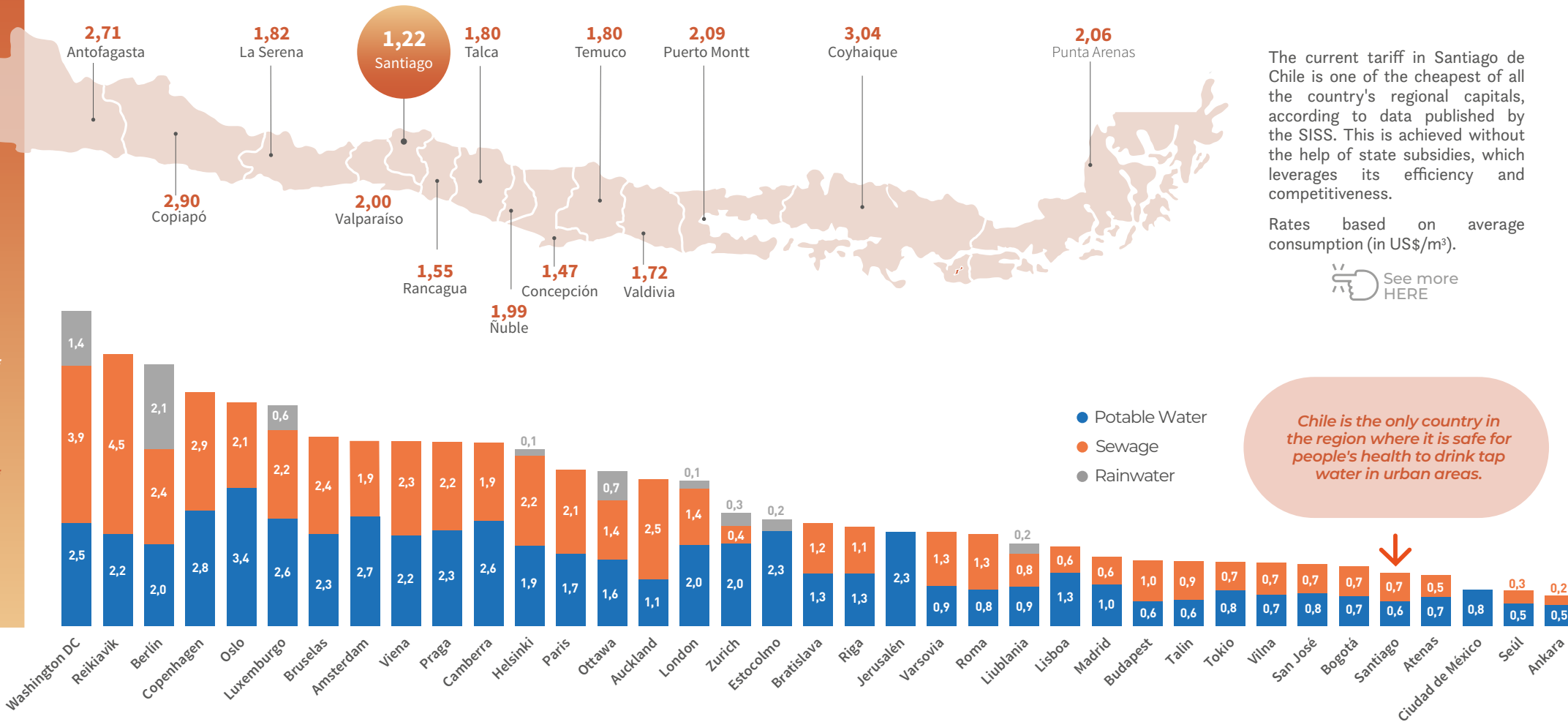
Rates based on average consumption (in US\$/m<sup>3</sup>).

 See more  
HERE

**Graph with tariffs of  
capitals or main cities  
of OECD countries\*.**

*Rate based on a  
consumption of  
15m<sup>3</sup>/month (in US\$/ m<sup>3</sup>)*

Source:  
Water Tariff Survey, 2021  
edition conducted by GWI.



*Chile is the only country in  
the region where it is safe for  
people's health to drink tap  
water in urban areas.*

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### Legal and regulatory changes

In April 2022, the reform of the Water Code came into force, which established access to potable water and sanitation as an essential and inalienable right that must be guaranteed by the State, as well as the prevalence of water for these uses, both in the granting and in the limitation on the exercise of rights of use, especially in areas with declared water scarcity.

In June 2022, the Framework Law on Climate Change came into force, which establishes a legal framework to address the challenges posed by climate change, with the aim of achieving and maintaining greenhouse gas emissions neutrality by 2050.

- In March 2022, Law 21,423, on Subsidies for Basic Services, came into force, which grants tax assistance to those who have debts for consumption made between March 18, 2020 and December 31, 2021.

- The National Congress continued the discussion of the bill that "Modifies the legislation applicable to public sanitation services in matters of non-regulated services, tariff setting and compliance with development plans by providers". Its objective is to improve the sanitation legislation in aspects such as: the determination of tariffs, the regulation of services that are not currently regulated for tariff calculation purposes, citizen participation, the incentive to comply with development plans and the modernization of the supervisory and sanctioning power of the SISS, among others. At the closing of this report, the project was in its second constitutional procedure in the Senate Public Works Committee, which had no movement during the year 2022.

Other relevant bills for the sector that are being processed in the National Congress are the following: bill that establishes norms for water efficiency and adaptation to climate change; the bill that modifies the Labor Code in order to reduce the working week to 40 hours; the bill that aims to require Environmental Qualification Resolution for projects evaluated or approved prior to the creation of the current Environmental Institutionality; the bill that promotes the use of gray water and treated sewage in urban public spaces; the bill that modifies various legal bodies to extend the criminal liability of legal entities and regulate the exercise of criminal action with respect to the crimes against the socioeconomic order that it indicates, which includes environmental crimes, and the bill that prevents and punishes the use of wastewater in urban public spaces; the bill that modifies various legal bodies to extend the criminal liability of legal entities and regulate the exercise of criminal action with respect to the crimes against the socioeconomic order that it indicates, which includes environmental crimes, and the bill that prevents and punishes the use of wastewater in urban public spaces, which includes environmental

crimes, eco-laundersing or greenwashing, which is of concern because of its impact on freedom of expression.

- On the administrative side, the SISS raised from 95% to 99% the safety level with which the infrastructure that the model company used as a reference for setting Aguas Andinas' tariffs must have is projected, in recognition of the critical water situation in the Metropolitan Region. The Ministry of the Environment continued with the review of DS 90, which establishes the emission standard for the regulation of pollutants associated with the discharge of liquid waste into marine and continental surface waters. The same Ministry admitted for processing and declared as urban wetlands some sources from which water is extracted for purification and supply to the population, which could interfere with the operation of Aguas Andinas and its obligation to ensure the continuity and quality of the sanitation service.

### Contribution to public debate ● GRI 3-3

Aguas Andinas seeks to contribute proactively to the regulatory debate, particularly with respect to bills and regulatory changes that may impact the sanitation sector. To this end, the Legal, Regulatory and Corporate Governance Department monitors the progress of each legal initiative, based on publicly available information. The company also actively participates in the different committees of the National Association of Sanitation Companies (ANDESS) that deal with these matters.

During the year reported, this work paid special attention to the drafting of a new Political Constitution. In meetings held with members of the Constitutional Convention, always in accordance with the provisions of the Lobby Law (20,730), the company presented its views on the regulatory framework required by the sanitation industry in Chile to operate properly and continue to make a relevant contribution to society. The final proposal for the Magna Carta included essential principles that the company promotes, such as the human right to water, the preferential use of this resource for the population's consumption and sanitation, and the need for integrated and sustainable management of river basins. At the same time, more extreme proposals, such as the nationalization of sanitation companies, were discarded from the constitutional proposal. Although the text proposed by the Convention was rejected in the exit plebiscite of September 4, 2022, Aguas Andinas will continue to contribute its views on these matters during any new constitutional process that may be opened in the future.



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# Strategy and commitments

● GRI 2-24 ● ODS 16

*Aguas Andinas has evolved towards a value creation model that prioritizes sustainability and the well-being of people and their environment, minimizing the negative impacts of its operation. On this basis, the company addresses the present and future challenges of the business by promoting a long-term strategy focused on the sustainable development of the city and its inhabitants, and on caring for the natural environment, becoming an organization that provides environmental services in a comprehensive manner. At the same time, it is aligned with the criteria of the circular economy and the 17 Sustainable Development Goals (SDGs) defined by the UN for the year 2030. To materialize this plan, a Roadmap reflecting ESG best practices was drawn up in 2017. In its latest update (carried out in 2021), specific goals were incorporated to 2024 as a horizon, addressing new issues related to Chile's social problems and deeper actions against climate change, among other matters.*



## Resilience

### Challenge:

To guarantee the supply for the urban water cycle, with special emphasis on current and future conditions of water scarcity and extreme events associated with climate change, through the development of projects that, with a medium and long term view, contemplate water efficiency, promote alternative water sources, protect ecosystem services, advance naturebased solutions, and drive efficient consumer demand for water.

### Goals:

- Implement a strategy to adapt to climate change by strengthening operational resilience.
- Protect and restore ecosystem biodiversity as a measure to adapt to climate change.
- Promote water reuse.
- Generate alliances to raise awareness about the responsible use of water.



## Sustainable Investments

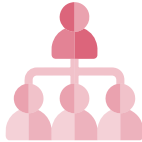
### Challenge:

Ensure efficient and optimized investment management efficient and optimized investment management delivery of a service of excellence through an through a responsible investment plan

Aimed at climate change, adaptation to climate change and that promotes green and social financing positively impacting all of the company's stakeholders, promoting the development of SMEs, disseminating social, environmental and corporate governance.

### Goals:

- To be a sustainable company.
- To establish an investment strategy with a social and environmental impact.
- Procurement management with ESG criteria.
- Green and social financing and investment optimization for the company's growth and operational resilience.



## New forms of leadership and work

### Challenge:

Promote a culture of leadership and new ways of working, providing opportunities for new profiles, promoting Smart Working, equal opportunities and guaranteeing the health and safety of internal and external workers, ensuring their job satisfaction.

### Goals:

- Attract and retain talent for the current and future needs of the organization.
- Promote new ways of working.
- Implement equal opportunities by creating inclusive and diverse environments that promote the well-being of workers.
- Strengthen a new style of leadership that is transformational, change-driven, collaborative, challenging and inclusive.
- Promote well-being and ensure occupational health and safety.



## Circular Economy

### Challenge:

Be leaders in climate action, contributing to the global goal of limiting global warming to 1.5°C with the implementation of the 2030 decarbonization plan, energy efficiency projects, a waste management plan and developing a carbon neutrality strategy.

### Goals:

- Reducing and offsetting greenhouse gas emissions to limit temperature increase at 1.5°C.
- To achieve energy sustainability by optimizing process consumption and increasing the use of renewable energy.
- To achieve the goal of zero waste, promoting the reuse and valuation of waste.



## Digitalization and innovation

### Challenge:

Redesigning processes with the goal of increasing efficiency and digital transformation of the company, promoting R&D&I projects, active management and digital connection of the operation, improving customer experience and the availability and transparency of information.

### Goals:

- To promote R&D and innovation and to be a benchmark in the water and environment sector.
- To be a leading company in a context of Industry 4.0.
- To lead the digital connection with customers and improve user experience.
- Evolve in data management.



## Positive social value

### Challenge:

Strengthen relationships of trust with communities and collaborate to achieve universal access to potable water, promoting community dialogue, dissemination of climate action and water care, as well as supporting collaborative social investment initiatives.

### Goals:

- Strengthen relationships of trust with different stakeholders based on transparency, dialogue and collaboration.
- Lead and disseminate the environmental commitment of Aguas Andinas and its active work to address global warming.
- Collaborate in access to potable water and sanitation in both urban and rural areas, proposing innovative and sustainable solutions.
- Contribute to shared value and community benefit projects.

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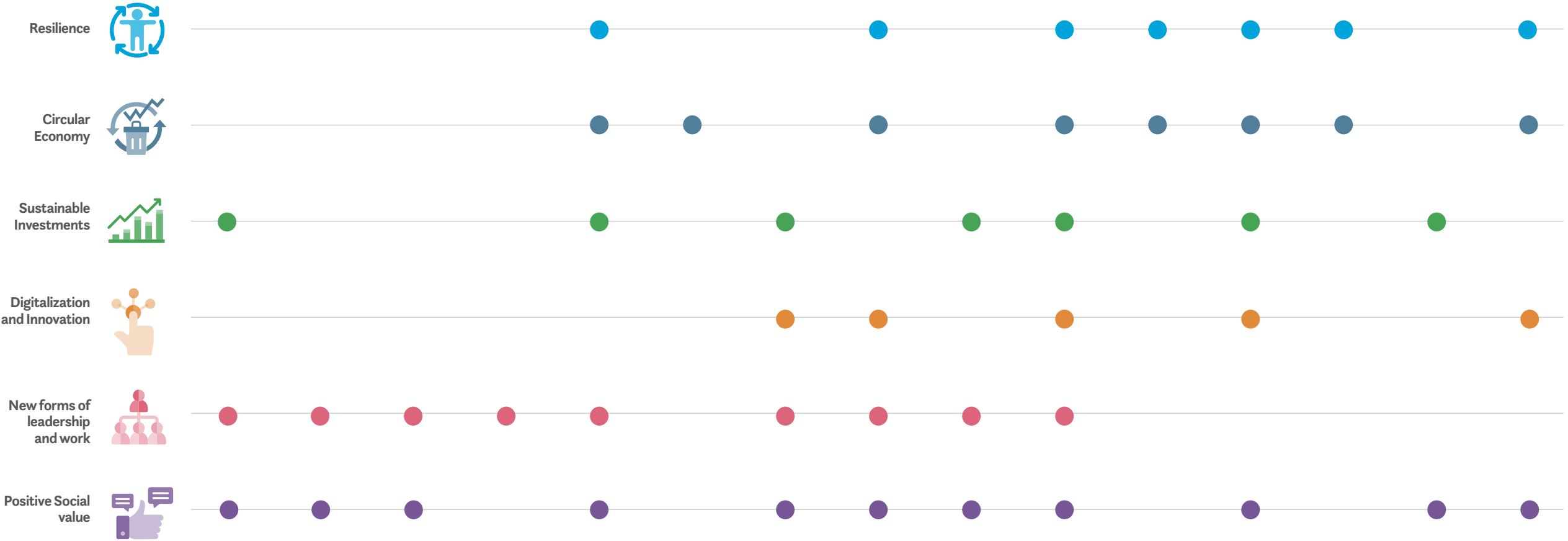
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Our commitment to the SDGs

Aguas Andinas signed the United Nations Global Compact in 2006. Since then, it has aligned its operations and strategies with the ten universal principles on human rights, labor relations, environment and anti-corruption encouraged by this agreement and thus meet the 17 Sustainable Development Goals (SDGs) defined for 2030. The corporate strategy and roadmap have also incorporated these goals, particularly 15 SDGs linked more directly to its operations.



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## Stakeholders



One of the ultimate objectives of Aguas Andinas' strategy is to continue generating value for all its stakeholders. The company has identified eleven of them, whose needs and concerns are monitored periodically to manage them in a timely manner:

- Clients.
- Suppliers and contractors.
- Workers of the Aguas Group.
- Authorities.

- Capital providers.
- Communities.
- Water user associations.
- Media.

- Civil society associations.
- Opinion leaders.
- Specialized entities.

We are committed to increasing their satisfaction with the company by strengthening dialogue, generating shared value and maintaining a proactive, constant and regulated relationship



## Partnerships for sustainability

The signing of partnerships is a central element in Aguas Andinas' sustainability strategy. Through them, it operates in conjunction with other relevant actors in the private and public sector, locally and internationally, for the materialization of actions that generate concrete benefits among people and the environment.

• In 2022, the company continued to lead the table of Leading Companies for SDG 6 on Water and Sanitation of Global Compact Chile.

• At the 22nd Acción Empresas Sustainable Development Meeting, held on October 4, 2022, the general manager of Aguas Andinas signed a commitment to accelerate the company's actions regarding the five key sustainability criteria aligned with the provisions of the World Business Council for Sustainable Development (WBCSD): carbon neutrality, human rights and due diligence, inclusion and diversity, biodiversity, and transparency and reportability. Given that this voluntary process seeks that private companies go beyond declarations and regulations, the company, after cross-checking its strategy with these five criteria (verifying a high degree of alignment), formed work teams in charge of implementing the different corporate initiatives planned in each area.

• In 2022, the corporate strategy was fully integrated into the principles of the Task Force on Climate-related Financial Disclosure (TCFD), a working group whose mission is to encourage companies to inform their investors of the risks related to climate change and how they are managed.

• The company participates in the Race to Zero and Race to Resilience initiatives, global campaigns, backed by the UN, that bring together the support of companies, cities, regions and investors to achieve carbon neutrality by 2050 and consolidate an adaptation model in response to the effects produced by the sustained rise in global temperatures.

The Company has developed a mechanism to facilitate the analysis, understanding and evaluation of the sufficiency, timeliness and relevance of information that the Company discloses to the market, so that the Board of Directors may eventually determine the need to increase the quality of such information or apply improvements in the process of analysis and evaluation of information to be delivered in the future.

This procedure considers the review by the Board of Directors, on an annual basis, of all disclosures of information to the market made by the Company, in order to analyze possible improvements that could be made in the process of sending information from the company to the general public, both related to their ease of understanding, as well as that such communications are provided to the market in a timely manner. Since 2019, the Company has hired a third party expert for the detection and implementation of possible improvements in the processes of preparation and dissemination of the disclosures made to the market.

Information available in the Corporate Governance Compendium, (xv) Analysis of the information that society reveals to the market.

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**Avanza** a high level of commitment

From 2021 to date, Aguas Andinas has driven its strategy through the Avanza transformation program, the new Aguas Andinas channel, which has contributed to accelerating the pace of transformation and making viable all ideas and projects that add value in line with the objectives sought.

At the heart of avanza is generating a more robust, sustainable and customer-focused organization by working on 3 pillars: organization and culture, risks and sustainability, all leveraged on digitalization and innovation.

In this sense, the company has already been deployed for two years with more than 200 initiatives, creating spaces to share and discuss ideas, review progress and analyze and promote the achievement of results.

**Major Milestones that show the progress of the program, and inspire to continue designing the company of the future**

- **Improved and greater participation in basin governance** Improved the company's governance in relation to the water sources it manages. The creation of a Head of Water Resources and the renewal of representatives in the governing bodies of water rights in the Santiago basin, made possible an agreement with canal operators, which increased water reserves in the El Yeso reservoir by 56.6 Hm3. In terms of efficiency, more than 42 Hm3 of water (5.4% of demand) has been recovered.
- **Change of meters.** The number of meters changed tripled with respect to the previous year, reducing unregistered water by 2.2 hm3. This progress was achieved through the collaborative work between the Purchasing Management and the Customer Experience Management. In this context, digitalization is an important lever to optimize meter replacement plans and measure results.
- **Asset Families.** Comprehensive management policies were developed for 36 asset families, and a new management team was created with an exclusive focus on the management of these assets, as well as coordination with all relevant stakeholders that impact the value of these assets throughout their life cycle.
- **Methodology for the identification and evaluation of risks in critical infrastructure.** Once the new method was created, it was applied to the 36 families of assets mentioned above.

*Two new work fronts were added during 2022:*

**Strategy and Governance Subsidiaries**  
*New business strategies, as well as a new governance and integration model between Aguas Andinas and its subsidiaries.*

**Synergy Biofactories**  
*Opportunities underlying the internalization were identified, and we are looking to continue to deepening the circular economy model*

As a result, a mitigation plan of more than 172 prioritized initiatives was proposed.

- **Digitalization and improvement of the PMO process.** It allowed incorporating risk through an integration at process and platform level, improving the prioritization methodology and boosting the allocation of budget to the previously mentioned mitigation plans.
- **SmartWorking and new ways of working.** In order to promote the cultural change implied by the hybrid work model, 489 people from the Corporate Building were trained on SmartWorking and new trends. In addition, in order to monitor and improve the model, surveys and workshops have been conducted to analyze and evaluate the evolution of the model. In this line, the remodeling of the floors was started in order to provide spaces that help some teams to develop collaboration and relationship methodologies.
- **Chatbot, Information and News Center.** With the aim of improving the attention to workers, Avanza this year began the creation of a chatbot within a new portal to guide and answer frequently asked questions associated with all services and benefits provided to workers.

Avanza involves a significant and constant effort over time, and without the people who work every day motivated and inspired to generate a change in our society, this would be impossible. The work teams in total are made up of more than 90 people from all areas of Aguas Andinas.



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**Pillars of value creation**

*Following the guidelines of the International Integrated Reporting Council (IIRC), throughout this report we identify the following value creation initiatives driven by the company in the following seven categories of capital, each with their corresponding icons*



**Financial capital**

Economic resources available to the company to create and provide services.



**Natural capital**

Natural resources used or affected by the organization's operations.



**Human capital**

Competencies, capabilities, experiences and motivation to innovate with contributions from people working in the company.



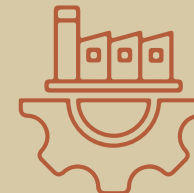
**Intellectual capital**

Intangible assets based on knowledge, including organizational capital and intellectual property.



**Social and relational capital**

Networks, links between and within stakeholders, and the ability to share knowledge to improve individual and collective wellbeing.



**Industrial capital**

Tangible assets used by the organization to provide its services, including buildings, equipment and infrastructure.

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## Coping with drought and adapting to climate change

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# Roadmap: resilience pillar



**Commitment:** Ensure the supply of potable water, through risk management and initiatives to adapt to the effects of the climate crisis.

Challenge	Objetives	2024 goals	advance 2022	Observations	Status
Guarantee the supply for the urban water cycle, with special emphasis on current and future conditions of water scarcity and extreme events associated with the climate crisis, through the development of projects that, with a medium and long-term view, contemplate water efficiency, promote alternative water sources, protect ecosystem services, advance in nature-based solutions and promote efficient water demand by consumers.	Implement a strategy to adapt to the climate crisis, strengthening operational resilience.	1.- Limit unaccounted-for water to 29% through the water efficiency plan.	30,79%	Water recovered from leak repairs in one year increased from 209 l/s to 673 l/s.	✓
		2.- Increase the autonomy capacity to 37 hours in case of extreme turbidity events.	37 h	The start-up of the Cerro Negro-Lo Mena wells is scheduled for 2022.	✓
		3.- To increase the security of supply in the face of water scarcity.	99%	The new Cerro Negro wells and the modernization of the Padre Hurtado plant provided an additional 2,500 l/s of water. It is planned to recover up to 5 hm3 of unaccounted-for water by 2024.	✓
		4.- To achieve over 92% efficiency in the drinking water production plants.	94,98%	The Punta de Aguila plant was fully automated.	✓
	Protect and restore the biodiversity of the ecosystems as a measure to adapt to the the climate crisis.	1.- To advance in solutions based on nature.	3	3 projects in progress: an infiltration project began in Quebrada de Ramón. In addition, studies were contracted to define alternatives in several of the company's sites.	✓
		2.- Generate ecosystem monitoring in priority sites defined by the company.	5	Biofactoría La Farfana, Laguna Melipilla, El Canelo, El Rutal and Quebrada de Ramón.	✓
		3.- Strengthen public-private partnerships that promote biodiversity conservation.	3	With Corfo, Cordillera Park and the Water Fund Santiago-Maipo	✓
	Generate alliances to raise awareness about the responsible use of water.	1.- Promote initiatives for efficient irrigation of municipal green areas.	1 APL	A Clean Production Agreement (APL) focused on water efficiency was signed with the Municipality of Lo Barnechea.	✓
	Promote water reuse.	1.- To obtain environmental approval for a reclamation project.	30	The return project for agricultural irrigation in the first section of the Maipo River has advanced in its basic engineering and in the preparation of its environmental impact study.	✓
		2.- To implement a project for the infiltration of aquifers.	60%	The project design was finalized and authorization was obtained from the municipality of Lo Barnechea. the municipality of Lo Barnechea. The next step is to submit the project to the DGA.	✓

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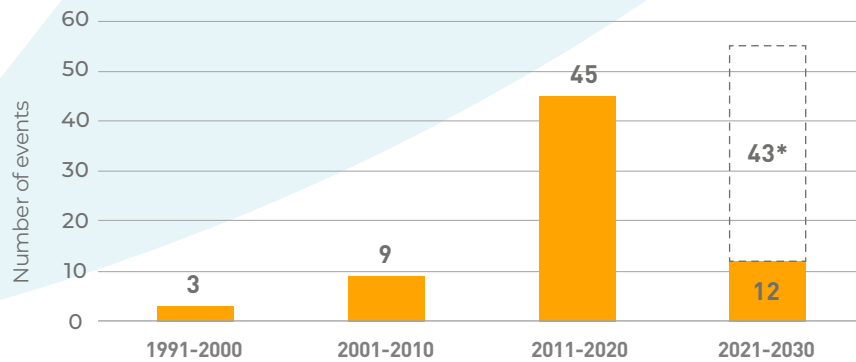
## Santiago in crisis

At the UN Conference on Climate Change - COP27, held in November 2022 in Egypt, Chile presented its first Adaptation Communication, a document that identifies the country's threats, vulnerabilities and risks in the face of the climate crisis, and among which the decrease in precipitation stands out, whose deficit has reached an average of 23% at national level, exceeding by 2% the period between 2010 and 2019. In addition to the impact on water availability, the text warns that the quality of the resource will be affected.

In the Metropolitan Region, the most evident effects of the crisis are associated with a drought that has lasted for more than a decade and the increase in heavy summer rains in the area. drought that has lasted for more than a decade and the increase in heavy summer rains in the mountainous zone, which, by dragging area, which, due to the dragging of materials, cause high turbidity events in the Maipo and Mapocho rivers, affecting Maipo and Mapocho rivers, affecting the production of drinking water.

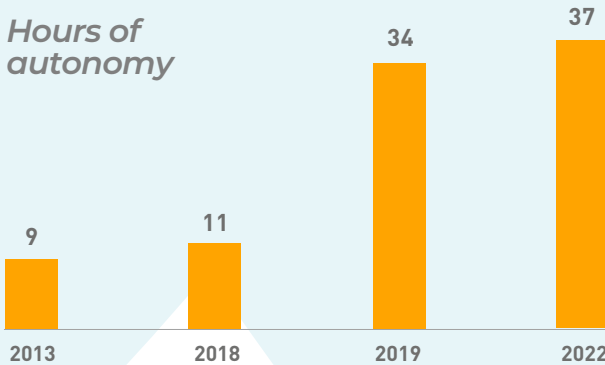
In 2022, there were no power outages due to extreme turbidity events, but the drought had very serious consequences during the summer. According to the Chilean Meteorological Directorate, 2021 was the fourth driest year since records have been kept in the country, and although precipitation in Santiago was 10% higher than in 2020, it fell late, preventing the accumulation of sufficient snow in the mountain range. As a result, in February 2022 the flow of the Maipo River averaged 47 cubic meters per second (m3/s), being the historical average for that month 141 m3/s. Meanwhile, the flow of the Mapocho was only 1.2 m3/s, compared to a historical average of 4.6 m3/s. Both rivers supply 80% of the Metropolitan Region.

### Turbidity events



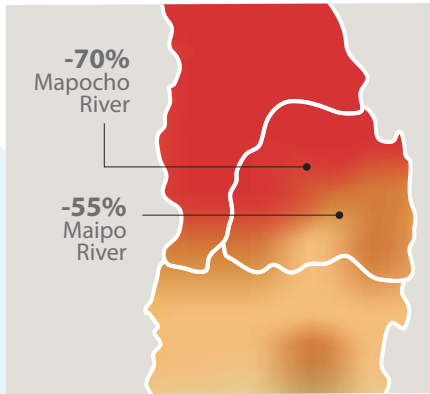
\*Estimate for the next decade based on behavior observed in 2021 and 2022.

### Hours of autonomy

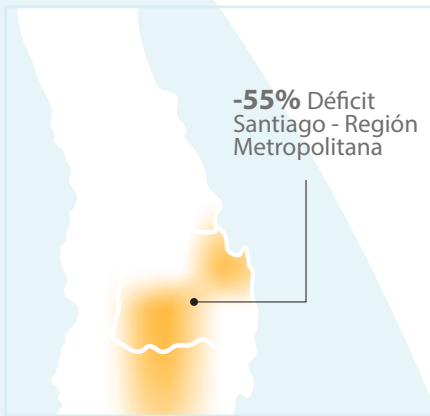


The situation reached a critical level in March, the month of greatest water demand, especially in the districts that draw their water from the Mapocho River: Las Condes, Lo Barnechea and Vitacura. It was even necessary to design a rationing plan, which in the end did not have to be activated thanks to a series of actions carried out by Aguas Andinas, including close coordination with mayors and media campaigns to reduce potable water consumption. These emergency actions, together with the adaptation and mitigation works that the company has carried out in the last region, managed to successfully overcome one of the most difficult seasons that the capital has experienced in terms of water availability.

In the following months, rainfall in Santiago increased, accumulating 160.9 mm in 2022, compared to 113.2 mm in 2021. However, they are still below those of a normal year (286.3 mm), so the crisis continues and it is already possible to speak of a structural water deficit.



Cumulative precipitation as of December 2022, compared to the historical average for the same month between the years 1991- 2020



Flow variation map for the month of December 2022 with respect to the historical average for the same month in the period 1991- 2020.

### Drinking water restriction protocol for Santiago

Given the negative water scenario, it is necessary to prepare for a future in which water availability will not be sufficient to meet the population's demand in the most critical periods. For this reason, in April 2022 Aguas Andinas and the governor of the Metropolitan Region, Claudio Orrego, presented a protocol of potable water restrictions for Santiago.

The document considers four alert states linked to the levels of the flows of the Maipo and Mapocho rivers, each with measures to be applied sequentially and progressively, starting with communication campaigns, to programmed rotating interruptions and the preparation of emergency resources, in the case of activation of the red alert, the most critical.

The idea is to prevent the entire region from running out of potable water at the same time by restricting the supply by sectors, whose inhabitants will be notified in advance.

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**Leak detection and repair rate increased by 150% from 2021 to 2022**

# Adaptation strategy: strengthening resilience

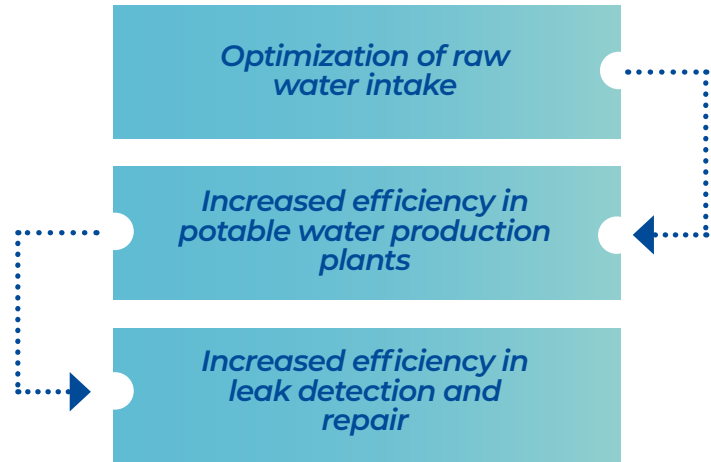
One of Aguas Andinas' main objectives is to make Santiago a more resilient city in the face of the climate crisis. In 2021 it began to implement its Drought and Operational Resilience Plan, a commitment with the authority that includes water efficiency measures to ensure the best use of raw water resources and the development of various infrastructure works aimed at strengthening the supply of potable water and increasing autonomy in the event of extreme turbidity events.

So far, the measures have made it possible to overcome the difficulties and maintain continuity of service at all times, but the context calls for a redoubling of adaptation efforts, especially since the impact of the crisis has been greater and more accelerated than expected.

## Water efficiency



Thanks to its practice of measuring water use throughout the value chain, the company has been able to outline concrete actions to increase the efficiency of its water management, which reduces the volume of raw water required to meet the same demand. These actions have focused on three areas:



### Optimization of raw water intake

The actions taken by the company to optimize surface water catchment have allowed this activity to be close to its maximum level of efficiency. This is the direct result of the strengthening of collaborative relations with the Maipo canal operators in portage control tasks, enhancing the verification of critical measurements in raw water catchments and the reduction of losses through inspections in the different canals and estuaries that make up the Mapocho River basin. On the other hand, as part of the Avanza program, measures are also being applied to implement state-of-the-art management of the company's 250 extraction wells.

After a successful pilot plan in 2020 and the corresponding bidding process in 2021, a four-year project was launched in January of the year under report, with the goal of digitizing the wells, together with a more efficient management methodology that allows for more water, less energy consumption and better control of the asset and its associated risks. In its first year, the project achieved the expected results.

### Increased efficiency in potable water production plants

The progress in operational management achieved in 2021 enabled the company to continue advancing in its water efficiency strategy during the following year, achieving further reductions in the levels of losses at the potable water production plants. The statistics for the year attest to this progress. In 2022, 200 l/s of raw water were recovered, reaching a loss margin of 4.8%, 0.9% lower than in the previous period, thanks in part to the modernization of the filter washing systems at the Vizcachas Complex.

### Increased efficiency in leak detection and repair

Around 30.79% of the potable water produced by the company ends up as unaccounted for or unbilled water, a concept that includes legitimate social uses, water extraction for fire control, breaks in the network, undercounting in meters, network flushing, fraud and irregular opening of taps. To deal with these situations, the company acts on three fronts:

#### • Water Efficiency Plan:

A set of initiatives that seek to accelerate leak detection and repair, tasks that require enormous efforts given the extension of more than 13,000 kilometers of underground network that feeds homes in the capital. In 2021 it was concluded that, annually, the company managed to detect and repair a similar number of

leaks to those produced by the natural deterioration of the network. In order to break this balance, a project was launched in 2022 to triple detection and repair capacity through new technologies and methods. Within 12 months of its implementation, the water recovered - from leaks found and repaired - grew from 209 to 673 liters per second in one calendar year.

#### • Distribution Macroinfrastructure Operational Control:

Significant investments have been made in flow measurement systems, inspection of macroinfrastructure with technology (submersible robot for aqueducts in operation), implementation of control models for volumes produced and demand projections to avoid losses due to overflows or leaks in potable water storage tanks and in the large aqueducts that cross the city.

#### • Replacement of meters:

In 2022, progress was made in optimizing the use of water resources in a context of deficit, with special emphasis on reducing the levels of unaccounted-for water, i.e., water that is lost after potable water treatment due to theft, evaporation, faulty metering, poor data collection and leakage. The following measures were taken to combat this problem:

- In order to improve the efficiency of the meter fleet, efforts were redoubled to renew volumetric meters, with the goal of replacing more than 400,000 units in three years. In 2022, the first year of the project, 98,871 of them were renewed, almost twice the average annual replacement tariff of the previous five-year period (45,000).
- A BI (Business Intelligence) model was created to improve meter management, a strategy that includes a consumption analysis bot that minimizes the possibility of errors.
- The inspection tariff was increased to detect and deter fraud.

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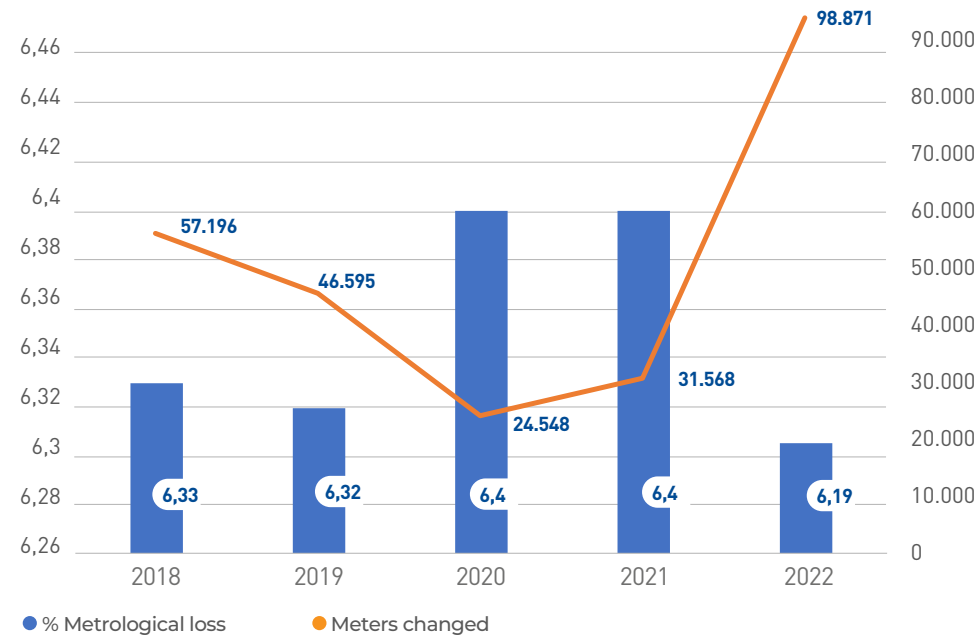
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### Undercounting losses vs. meter changes

Right hand scale, meter replacement. Left hand scale, undercount losses.



## Strengthening of infrastructure

Aguas Andinas manages a portfolio of investments for more than USD 300 million, which are in the process of execution stage. Its destination are large infrastructure projects that increase the resilience and water security of Santiago. Two emblematic works were completed in 2022.

### Cerro Negro-Lo Mena wells

In August, in the presence of the President of the Republic, Gabriel Boric, the new wells for the production of potable water in Cerro Negro-Lo Mena, in the district of San Bernardo, were inaugurated. Completed in a record time of 18 months, the works consist of 14 wells 300 meters deep, a 20,000 m<sup>3</sup> tank and a lifting plant. This USD 33 million investment will provide an extra flow of 1,500 liters per second to supply more than 400,000 inhabitants of the southern zone of Santiago (Puente Alto, La Pintana, El Bosque and San Bernardo), and increase from 34 to 37 hours of potable water production autonomy in the event of extreme turbidity in the Maipo River. The wells operate remotely and automatically to guarantee a safer service.

### Expansion and modernization of Padre Hurtado plant

The Padre Hurtado plant is one of the most important producers of potable water in the city, which, due to its location and connection to transport systems, can provide service to one million residents of Ñuñoa, Providencia, La Reina, Las Condes, Lo Barnechea and Vitacura. To increase their efficiency levels, processes were automated with centralized management, significant changes were made to its original design, and state-of-the-art technology was incorporated, including a new treatment line with pre-decanters, mechanical flocculators, filter banks with automated air and water backwashing, a desander and in-situ chlorine production from salt.. All these actions increased production capacity by another 1,000 liters per second, which ensures supply during peak demand periods. This is an investment of approximately USD 20 million, which came into operation during the second half of 2022.

**1,500 l/s and 3 additional hours of autonomy are provided by the new wells.**

**100% supplied by renewable energy.**

**An additional 1,000 l/s is provided by modernization of the plant, which increased its production capacity from 1,300 to 1,000 tons per year. 2,300 l/s.**

### Project under study: El Manzano Conduction-Independent Intake

This USD 60 million investment will increase Santiago's autonomy in cases of extreme turbidity to 48 hours, completing the company's Drought and Resilience Plan.

The project consists of a new water intake from the Maipo River, connected downstream from the discharge of the Las Lajas hydroelectric power plant, some 5.7 kilometers

from the existing Independent Intake. From there, the water will be piped directly to the Las Vizcachas production plant. By avoiding the passage through the riverbed, it will arrive clean, without the sediments that it carries in times of convective rains and floods.

During 2022, the project advanced in the development of its engineering, field work and activities prior to the presentation of the corresponding environmental impact study. The Environmental Impact Study is expected to be submitted during 2023.



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# Other investment Works



## Starting Lo Pinto 6

The purpose of this project was to increase the productive capacity of underground water in the Chamisero Chicureo sector, in the municipality of Colina. For this purpose, a borehole with an exploitation flow of 65 l/s was installed, which will increase the resilience of the system to high turbidity events in the Batuco Canal.

The project entailed an investment of more than **\$1,000 million**, considering a drive that exceeds 2,000 meters in length.



## Replacement of section II of the Sewage pipeline of the El Trebal Sewage water treatment plant.

In February 2022, the replacement of 90 meters of 2,000 mm diameter pipe of the outfall at the entrance to the El Trebal sewage treatment plant, in the aerial sector that crosses the bridge over the Mapocho River, located in the district of Padre Hurtado, was completed.

This project seeks to strengthen our critical infrastructure, renewing facilities whose age could **pose a risk to the company's operational continuity**.

The works involved an investment of more than **\$350 million**.



## Bicentennial Pond, PEAP and AVO drilling drive

This project consisted of the installation of more than 2,000 m of steel pipes, which form the impulsions and interconnections necessary for the operation of this infrastructure. A 4,500 m3 tank regulates the flow of the AVO wells, which with 400 l/s of production allow supplying 3 sectors: Aromo Bajo, Aromo Alto and Lo Recabarren. This, thanks to two potable water lifting plants of 340 l/s and 280 l/s respectively.

The pond and the lifting plants are located within the Bicentennial Park, which belongs to the Vitacura district, harmonizing their construction so as not to impact the normal operation of the park and the use of the city by its inhabitants.

This initiative involved an investment of more than **\$ 8 billion**.

## Santa Olga Tank Area

In August 2022, the new regulating reservoir for the Santa Olga site in the Lo Espejo district, which seeks to strengthen the supply, came into operation. To this end, it uses exclusively groundwater, in sectors that until then also used surface production water. With an investment of over \$2,000 million, the project included the construction of a reinforced concrete tank with a storage capacity of **4,000 m³** and a potable water lifting plant capable of pumping **400 l/s of water**.



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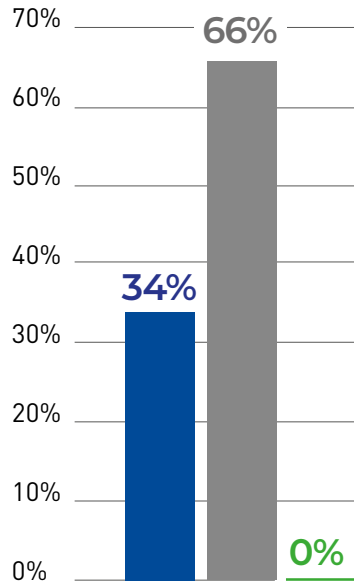




Aware of the large water deficit in the region, the company measures and records every drop used in its processes, which makes it possible to increase efficiency levels and security in the supply of potable water and wastewater treatment.

To this end, it applies the Water Footprint Network (WFN) methodology, or Water Footprint, throughout its value chain. In 2022, the exercise yielded a total water footprint of

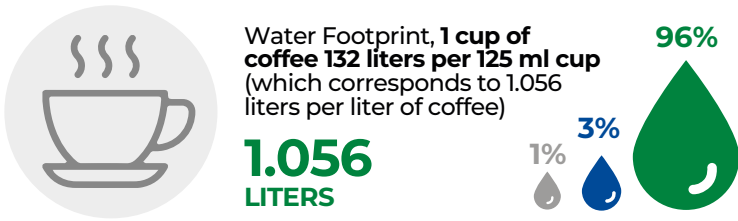
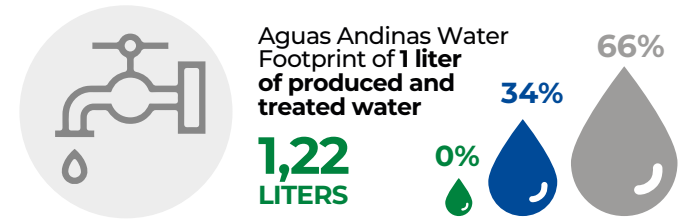
**1,22**  
liters per liter of  
produced and  
treated water.



Composition of Aguas Andinas' water footprint



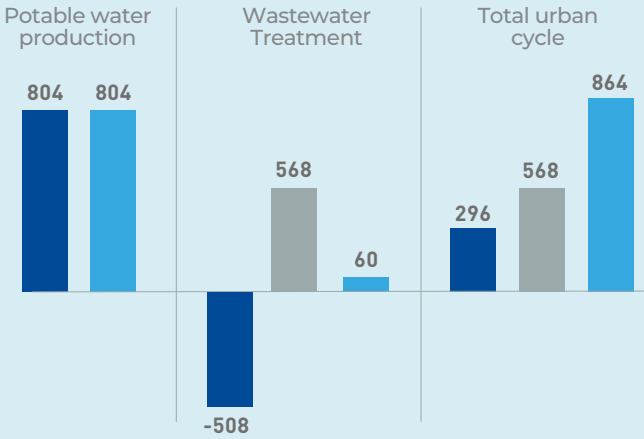
34% Blue	66% Grey	0% Green
<b>Related to the use of fresh water.</b> In the company, direct and indirect consumption is measured. <ul style="list-style-type: none"><li>• <b>Direct:</b> water abstracted from rivers and aquifers for to produce potable water. It is reduced by the return of treated wastewater.</li><li>• <b>Indirect:</b> consumption of reagents, energy, wastes and others.</li></ul>	<b>Related to quality.</b> Water necessary for the flows returned to the watercourses to have the same original catchment quality. By regulation, treated wastewater must achieve a quality that is compatible with its subsequent use and the environmental quality of the rivers.	<b>Related to the use of rainwater.</b>



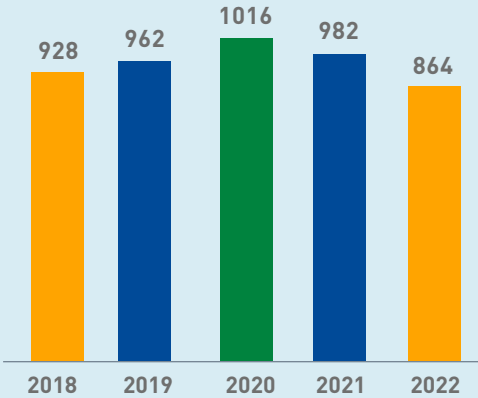
● GRI 303-5 ● ODS 6, 12

Water Footprint 2022 (Hm<sup>3</sup>)

● Blue Footprint ● Gray Footprint ● Total



Evolution of the Water Footprint (Hm<sup>3</sup>)



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● GRI 3-3

## Biodiversity protection and restoration as an adaptation measure to the climate crisis

Nature-based solutions - conservation, restoration or ecosystem management actions to protect, manage and restore natural processes that address urgent societal challenges, such as the threat to water availability - could contribute up to 30% of the climate mitigation and adaptation needed by 2050.

The search for this type of solution is one of the nine measures identified as urgent in the Adaptation Communication presented by Chile at COP27 and which Aguas Andinas has included in its resilience strategy, establishing public-private alliances to implement initiatives for the protection and conservation of ecosystems, as a way of directly contributing to the protection of water resources and climate regulation.

### Commitments of the Aguas Andinas Biodiversity Policy

- 1 - Promote the protection of biodiversity, establishing a culture of recognition and care.
- 2 - Lead biodiversity studies, describe the functioning of ecosystems and develop management plans aimed at their protection.
- 3 - Promote and manage watershed protection programs.
- 4 - Implement an organizational culture in which the evaluation of impacts on biodiversity associated with the operation of Aguas Andinas begins at the design stage of its projects.



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**ACTIONS**

- Biodiversity monitoring



**ACTIONS**

- Water quality monitoring
- Biodiversity monitoring
- Biodiversity strategy and action plan
- Distribution of biosolids to farmers



**ACTIONS**

- Biodiversity monitoring



**Santiago-Maipo Water Fund Agreement**  
Development of water resource conservation projects

Advancing nature-based solutions at priority site



**ACTIONS**

- Infiltration ditches
- Forest improvement
- Education for watershed conservation



**Cordillera Park Agreement**

**ACTIONS**

- Watershed reforestation
- Water quality monitoring
- Biodiversity monitoring
- Restricted access area



**Corfo Agreement**

**Social Challenges**



**Adaptation and Mitigation of Climate Change**



**Disaster Risk Management**



**Human Health**



**Water Security**



**Environmental Degradation and Biodiversity Loss**



**Economic and Social Development**



**Food Security**

In priority sites, Aguas Andinas develops a strategy based on the identification of ecosystem services, the development of management plans and the deployment of watershed conservation and restoration measures.

1	Aguas de Ramón Natural Park	2	La Farfana Environmental Lake	3	El Canelo	4	Melipilla Environmental Lake	5	El Rutal Biosolids Integral Management Center
3.600 hectáreas		15h.(7 hectares of water and 8 hectares of forest)		2.000 hectáreas		4,3 3 hectares of water body		80 operating hectares	
Not officially protected area of great biodiversity value, where the San Ramón estuary is located.		Artificial tank that hosts several species of birds, located on the grounds of the La Farfana plant.		Sub-basin of the Maipo River, rich in endemic and native species, some of them in conservation category. It is home to the El Canelo estuary.		Corresponds to two former treatment ponds that became habitat for wild birds		It is located 59 km north of Santiago, in an area of 1,886 hectares.	

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## Generation of alliances

● GRI 3-3, 303-1, ODS 6, 12

**56,6 hm<sup>3</sup>,**  
*equivalent to 7.2% of  
the demand or 26 days  
of supply, has added  
the dispatching desk  
to to date through the  
capture of agricultural  
surpluses, thanks to better  
coordination at the level of  
the of the basin.*



## Integrated watershed management

The Maipo-Mapocho watershed not only provides water for human consumption, but also for agriculture, industry and power generation. The sustainability of this vital resource, especially in the current drought conditions, requires an integrated management of the basin through the coordination of the various public and private actors that make use of these waters. In this sense, Aguas Andinas is part of several collaborative instances, where it shares its experience and works to prioritize a constant and safe supply of potable water for the population of Santiago.

### Agreement with the irrigators of the first section of the Maipo river

The agreement, signed in August 2021 between the company and the seven irrigation associations of the first section of the Maipo, had a very positive balance in its first year of implementation.

- One of its points establishes the priority of human consumption of water over other uses, so that, if the city's supply requires it, irrigators must make water contributions at a fair price, according to the rules set by the agreement. These transfers supplied a quarter of the population's needs between September 2021 and March 2022, the season of highest consumption, helping to avoid rationing in the worst year, historically speaking, in terms of imbalance between supply and demand of the resource.

- The agreement also obliges the parties to make the necessary water transfers to maintain the safety levels of the El Yeso reservoir, which safeguards Santiago's supply, establishing that Aguas Andinas will make the decisions associated with supply and discharge exclusively, always with the criterion of ensuring the production of potable water for the city. This has made it possible to increase its volume, which even reached 154 hm<sup>3</sup> in March, the month of highest consumption.

- Likewise, the signatories undertook to carry out a diagnosis of the management of the first section of the river, in order to reach the maximum level of efficiency. In this regard, in the course of 2022, the operation of the water dispatch table, a crucial piece in the coordination efforts among the river's extractors, was consolidated.

Aiming at the medium and long term, the agreement contemplates a series of projects for sustainable management of the basin, including investments by Aguas Andinas. The most important, with an investment of around US\$ 160 million, consists of giving irrigators between 15% and 20% of the wastewater treated in the Mapocho-Trebal biofactory so that, in exchange, they cede an equivalent part of their rights to the river's flow, which will be used to supply potable water to the city. This measure involves building a 35 km pipeline that will carry a flow of 3 m<sup>3</sup>/s of treated water from the facilities located in the district of Padre Hurtado to the first section of the Maipo. In this way, it is estimated that between 60 and 90 hm<sup>3</sup> of treated water could be reused annually for irrigation, leaving the same volume of water available in the river for potable water treatment. This exchange would be concentrated in summer, when the flow decreases to a third of its historical average. The project advanced in 2022 in the development of its basic engineering and environmental impact study, and is expected to start operations in 2026.

Another project committed to by the company is the drilling of emergency wells in the irrigators' canal strips, also to contribute to irrigation in exchange for raw water.

### Agreements with non-consumptive users

Under the same principle of not affecting the city's potable water supply, during 2022 the agreements on watershed management that the company had previously signed with non-consumptive users of the Maipo River -those who return water to the river after using it-, especially hydroelectric generation companies, were renewed to adapt them to the existing extreme drought conditions.

On the other hand, the Alto Maipo hydroelectric plant began operating in 2022. The agreement signed with it in 2011 and the 2020 addendum prioritizes human consumption, giving Aguas Andinas the power to decide when to release water. This agreement guarantees that the operation of the Alto Maipo project will not affect the operation of Aguas Andinas.

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## Responsible consumption campaigns

Understanding that a comprehensive solution to water scarcity also requires the involvement of end consumers, Aguas Andinas has deployed actions to promote the responsible use of water in the community.

### Working with municipalities

The company collaborates with the municipalities in the concession area to reduce water consumption, especially for irrigation of parks and squares, by providing each mayor with an annual detailed report on the water used for these purposes. With the implementation of this initiative, the upward trend in the use of water for the maintenance of green areas was reversed. Several municipalities, such as Providencia, have adopted actions such as replacing the grass in squares with low water consumption species, achieving water savings of 10% in four years.

Initiatives such as this one gave way in 2022 to a comprehensive plan to replace the ornamental grasses -The new plants, which cover areas where visitors cannot perch, will be replaced by low water consumption varieties in parks in 16 municipalities in the region, totaling 31 hectares of green areas. In addition, surface irrigation systems will be replaced by localized drip systems. In total, 300 thousand liters per day are expected to be saved.

*The equivalent of **16.530.000** liters of water a day, or five full Olympic-size swimming pools, is required daily by the 183.67 hectares of lawns in the capital's network of 19 urban parks, according to estimates by the Santiago Metropolitan Park.*

### Every drop counts

Over the years, the company has alerted residential consumers about the consequences of the drought, promoting information campaigns through its digital networks and traditional media. The most recent one was launched in the fourth quarter of 2021 with the slogan "Every drop counts," an invitation for everyone to join in caring for water. Thanks to lower residential demand, during 2022 consumption registered a 2.8% decrease compared to the same period of the previous year. Due to its positive impact, the campaign continued to be developed throughout the year.

### Ongoing Water

Together with Kyklos, a company specializing in environmental education, in mid-2022 the company launched the Agua en Curso educational program, which reached 122 schools and 57,000 students in vulnerable communities in the Metropolitan Region. The initiative involves visits to schools where recreational-pedagogical activities tailored to each level and talks for teachers, all aimed at raising awareness of the challenges posed by the climate crisis.

### New APL with Lo Barnechea

*In April 2022, Aguas Andinas and the municipality of Lo Barnechea signed a clean production agreement focused on water efficiency. The initiative also involves Corfo's Sustainability and Climate Change Agency, the Ministry of the Environment, the Superintendency of Sanitation Services, the SEDUC School Network and Fundación Chile, and includes four goals and 14 actions aimed at reducing the consumption of different entities in the district, such as commerce, schools, neighborhood councils, among other organizations. Among other results, it is expected to prepare a catalog of water solutions applicable to the district -with costs, technical specifications, suppliers and sources of financing- and a guide for measuring the school water footprint.*



**17,45 m<sup>3</sup>**  
*is the monthly consumption of potable water per customer in the country, according to the SISS's Sanitation Sector Management Report 2021.*

## Regulatory proposals

In addition to investments and greater coordination among users of the region's water resources, adaptation to the climate crisis requires regulatory changes. For this reason, the company has engaged in a dialogue with the SISS on the most important issues, both individually and through ANDESS.

### Infrastructure tariff financing

The infrastructure works necessary for the continuous supply of potable water in the region require large investments that must be authorized and recognized from the tariff point of view, so that they can be financed with the tariffs that Aguas Andinas charges for its services. This requires the regulator to recognize the urgency of carrying out these works.

In September 2022, at the company's request, the authority took a step in this direction by raising to 99% the level of security assigned to the infrastructure that the model company must have, which serves as a reference for tariff setting (a level that had already been raised from 90% to 95% in previous processes). By requiring a more robust infrastructure, the cost of future works can be absorbed through tariffs.

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Water infrastructure planning with criteria adjusted to the drought context

Currently, projections of the works required to sustain future water demand use models based on the average yield of rivers and aquifers over the last 50 years, data that are not consistent with the growing decrease in annual rainfall, making it necessary to plan water infrastructure with criteria that consider a deficit context.

Study Update of the estimation of the impact of climate change on the Maipo and Mapocho river basins.

A study conducted by the company during the year updated projections of surface water availability for the next four decades in the Metropolitan Region. According to its conclusions, by the year 2060 the flows of the rivers that supply the city will decrease considerably in the projected period, especially in summer, reaching 60% of their present value.

At the same time, it is estimated that in the same period the population of Santiago will increase by 30%, which will translate into a 20% higher consumption of potable water than at present. This growing imbalance between demand and available resources constantly challenges the company to define new lines of work and seek new sources of water to ensure future supply.

Medium- and long-term solutions: reuse of treated water

Within Aguas Andinas' circular economy model, the reuse of wastewater treated by the biofactories offers a great opportunity to increase the water resilience levels of the country's most populated city. In the medium and long term, it will be an option for agricultural irrigation and industrial uses, as well as for irrigating green areas, supplying sports centers, or cleaning streets or other large areas, replacing potable or raw water. A complementary alternative is the recharge of aquifers with the water treated in the biofactories, to reincorporate it into the water cycle of the basin.

Both solutions are intended to resolve certain regulatory complexities and, above all, to achieve greater coordination and collaboration between the different stakeholders in the basin.

**+400 million**  
cubic meters of water are treated by the biofactories every year, which is equivalent to 2 times the reservoir El Yeso at maximum capacity, a resource that is currently returned to natural watercourses.



Participation of Aguas Andinas in COP27 in Chile

The company participated in the COP 27 Global Impact meeting in Chile, where the main conclusions of COP27 and their implications for the country were shared. The meeting was held on December 2, 2022 at the IF Events Center, with the presence of the Minister of the Environment, Maisa Rojas, and the Minister of Energy, Diego Pardow. In a panel that addressed initiatives of different companies to align themselves with the climate agenda, the general manager of Aguas Andinas, Marta Colet, highlighted the opportunity that the country has to lead adaptation strategies worldwide.

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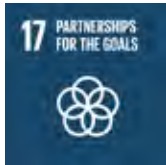
## Operating with circularity and moving towards decarbonization

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# Roadmap: pillar of circular economy



**Commitment:** Reduce emissions through decarbonization and the transformation of waste into value-added products

Challenge	Objectives	Goals to 2024	Advance 2022	Observations	Status
To be leaders in climate action, contributing to the global goal of limiting global warming to 1.5°C with the implementation of the 2030 decarbonization plan, energy efficiency projects, a waste management plan and the development of a carbon neutrality strategy.	Reduce and offset greenhouse gas (GHG) emissions to limit the temperature increase to 1.5°C.	1.- Reduce GHG emissions by 27% for Scopes 1 and 2 with respect to the 2017-2018 average. Maintain or improve the reduction of Scope 3 emissions with respect to 2020.	207.882 tCO2e	Scope 1 and 2 emissions were reduced by 20%. Additionally, Scope 3 was reduced by 33%. Given the above, the company's overall emissions were reduced by 26%.	✓
		2.- Develop a strategy to move towards carbon neutrality.	0%	The work has focused on the purchase of renewable energies in those areas with high consumption.	—
	Achieve energy sustainability by optimizing process consumption and increasing renewable energy consumption.	1.- Achieve that 80% of the energy consumed is of renewable origin.	70%	For the entry into operation of new projects, the purchase of renewable energy has been considered, which has had an impact on the increase of the indicator.	✓
		2.- To achieve that 80% of the electricity consumption is carried out under energy performance monitoring and improvement schemes.	50%	In 2022, a total of 63 wells out of the 100 wells planned for intervention by 2024 were intervened.	✓
		3.- To increase the use of biogas for energy generation.	47.031.993 kWh/year	Although biogas for cogeneration decreased by close to 10%, the total use of biogas as energy increased by 12% due to an increase of more than 100% in shipments of biofarming biogas in shipments from Farfana Biofactoría Farfana to Metrogas.	✓
	Achieve zero waste for disposal through reuse and waste recovery.	1.- To maintain the transfer of biosolids to sanitary landfills at 0%.	0%	The 2022 target was maintained	✓
		2.- Increase the use of biosolids in agricultural landfills.	218.613 tons	The use of biosolids on agricultural land increased by 8% compared to 2021.	✓
		3.- To transform more than 15 ktpa of biosolids into fertilizers.	> 10.000 tons	In 2022 the SAG granted the category of fertilizer to Aguas Andinas biosolids.	✓
		4.- Valorize more than 35 ktpa of waste from other industries in biofactories	33.547 tons	During 2022, waste from other industries was valorized.	✓

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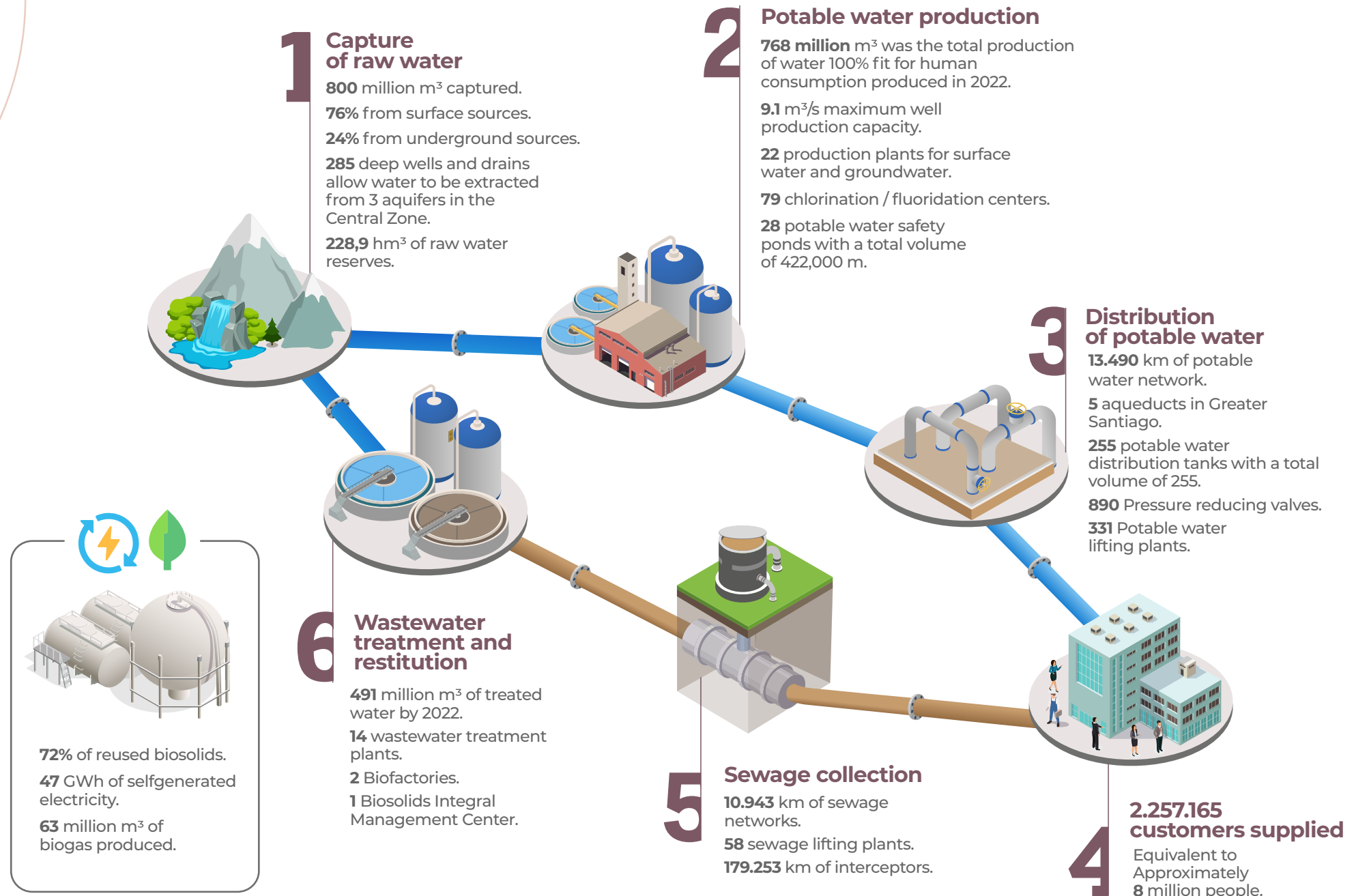
# Circular economy model

● GRI 3-3



See more  
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The application of the circular economy model is one of the main levers used by the company to collaborate with the mitigation and adaptation of the climate crisis, because it allows maximizing water efficiency and also giving a use to the by-products of the processes. water purification and sanitation. It also promotes partnerships and collaborative work with other stakeholders involved in water management in the concession area.



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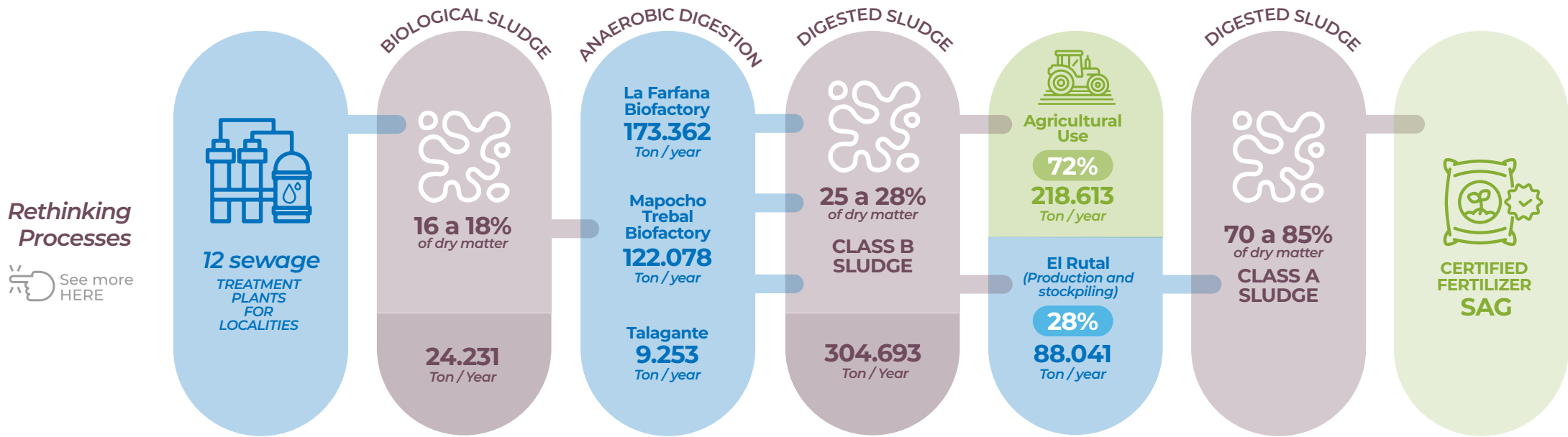
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## Biofactories: the heart of circularity

In alliance with the State, Aguas Andinas managed to treat 100% of Santiago's wastewater in just 12 years, an environmental milestone that other countries have taken several decades to reach and which placed Chile in a leading position globally in sanitation. In fact, there are still 3.6 billion people in the world without access to safely managed sanitation and only 28% of Latin American and Caribbean countries have sewage treatment, according to IDB figures.

481,2 million m<sup>3</sup> of treated water was returned to the rivers by Aguas Andinas' biofactories in 2022

It is not only in water purification that the country leads the way. Over time, the old treatment plants have been transformed into biofactories, factories that produce nature-based products using highly efficient biological processes.

### Putting water back into its cycle

Currently, the Mapocho-Trebal and La Farfana biofactories, together with 12 other smaller plants, treat around 1,300 million liters of wastewater per day, which reaches these facilities directly through the sewage system, without passing through the Mapocho River or other waterways. Once treated and cleaned, it is returned to natural watercourses, ready to be used for agricultural irrigation and industrial activities.

### Valuation of biosolids

The organic waste separated from the water during the purification process is used in agriculture and the regeneration of degraded soils, either directly as biosolids or after processing at the El Rutal plant, where it is transformed into a dry fertilizer. Some 30,000 hectares benefit from these biofertilizers, an area that is likely to multiply in the coming years.

300 thousand tons of biosolids are being revalued as dry fertilizer at El Rutal to be used as fertilizer to agriculture.

Until December 2021, El Rutal's biosolids were still considered waste and, although they could be used for agricultural purposes, they had to comply with the protocols of the National Waste Declaration System. This will no longer be necessary: in January 2022, the Agriculture and Livestock Service (SAG) authorized their use as fertilizers, which will accelerate their commercialization. During the year, the first sales of the product were made in this quality. It is a product with a high nitrogen, potassium and phosphorus content, in addition to a high organic level, high stability and very good granulometry, which makes it easier for plants to absorb the nutrients.

### Drying process

At El Rutal, the biosolids are subjected to solar drying processes, depending on the time of year, and biosolids are mixed with a structuring agent. The final product has better agronomic properties than wet biosolids due to a higher availability of nutrients due to the mineralization generated by the biological process of biosolids drying.



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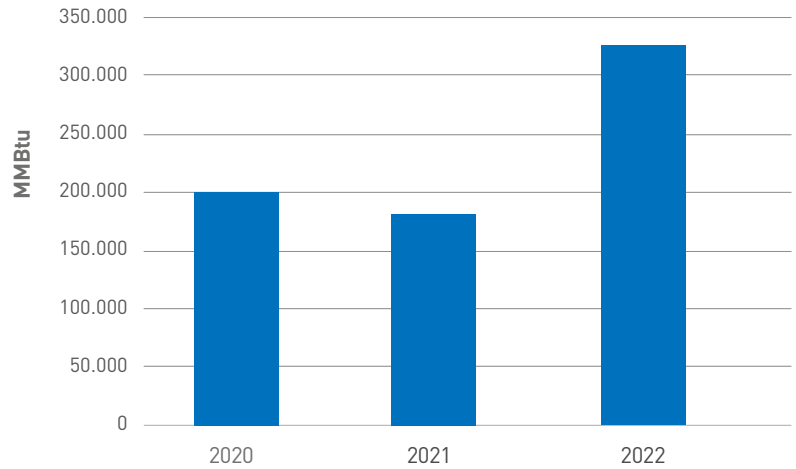


### Biogas utilization

Another by-product of wastewater treatment is biogas, a fuel composed of methane and carbon dioxide generated by the biodegradation reactions of organic matter. It is currently used to heat boilers at the plants and produce energy for self-supply, accounting for 63% of the total electricity consumed by the Mapocho-Trebal biofactory. In addition, a sufficient volume is injected into the Metrogas network to supply nearly 40,000 homes in Santiago.

As of July 2022, Aguas Andinas internalized the operation of the La Farfana methanization plant, where methane is separated from carbon dioxide, which until then was operated by Metrogas. After implementing a series of operational improvements, production of pure biomethane doubled during the third quarter of the year.

Biomethane Production



47<sup>GWh</sup>

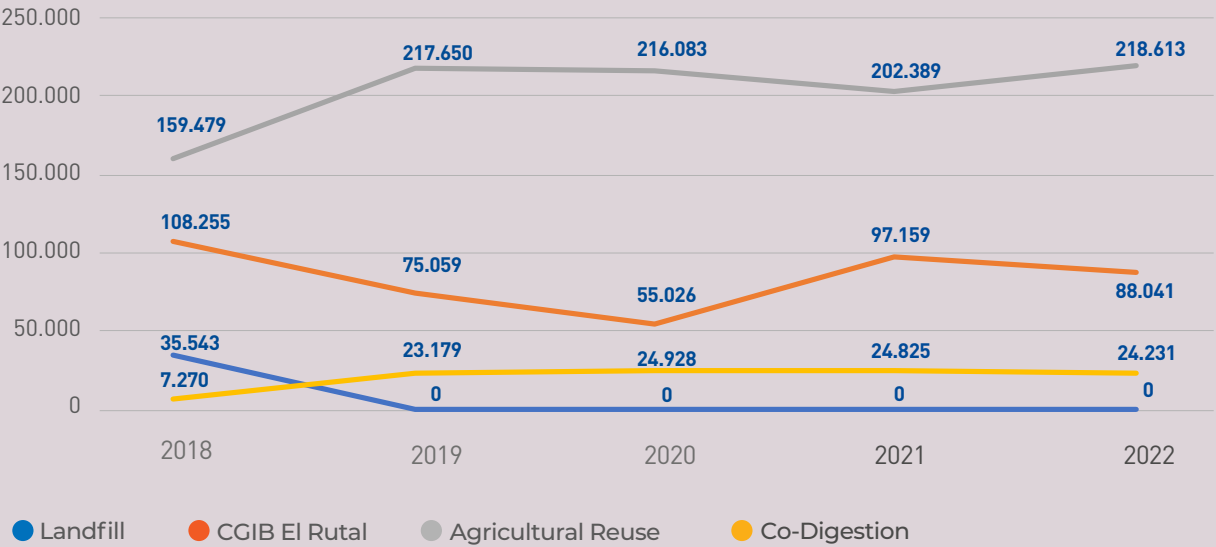
of electricity generated by the biofactories in Santiago in 2022, equivalent to the consumption of a city of 100,000 inhabitants

### Internalization of biofactories

On April 1, 2022, Aguas Andinas also completed the internalization of its two biofactories, whose management was previously outsourced, a change that was due to the evolutionary process of the company, which had already reached a sufficient degree of maturity to take on this challenge on its own.

In addition, the aim is to incorporate all the knowledge in asset management and energy management accumulated over the years in both infrastructures, to promote reuse projects and to have the entire water cycle under the same control and extend the circular economy model to the group's other facilities.

Valuation of biosolids



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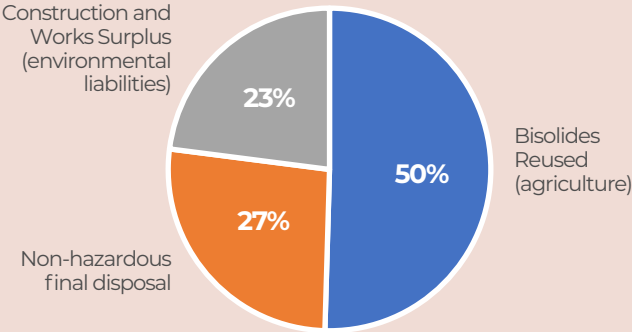
# Waste management

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5, 306-6

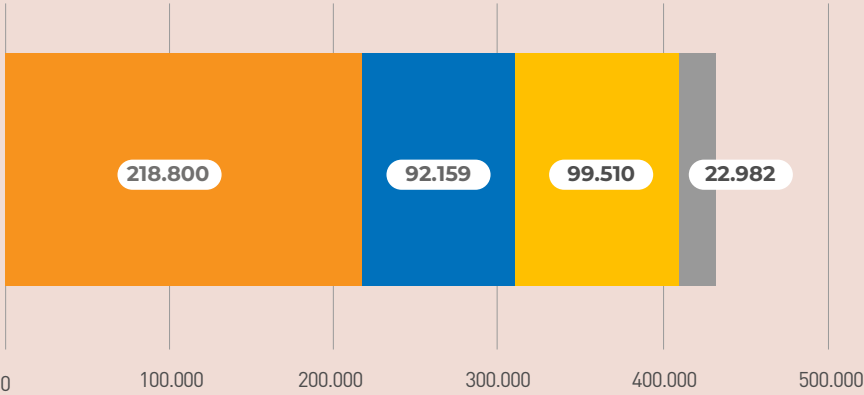
In line with its circular economy model, Aguas Andinas seeks to reduce, reuse and revalue waste in all its processes. The commercialization of biosolids is one of the main steps in that direction, but not the only one. In 2022, progress was also made in the recovery of metals contained in materials that used to be considered waste, such as chlorine cylinders and disused pipes.



Composition of waste generated  
(Tons)

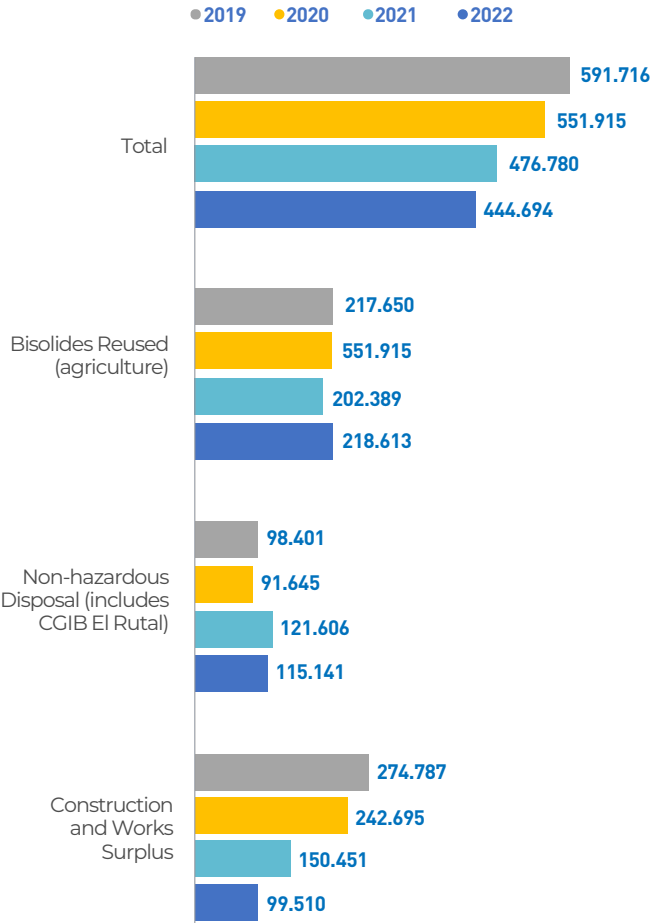


Destination of waste  
(Tons)



- Recovered waste (recycling + biosolids in agriculture)
- Waste disposed of at CGIB EI Rutal
- Construction surplus
- Landfill

Non-hazardous waste  
(Tons)



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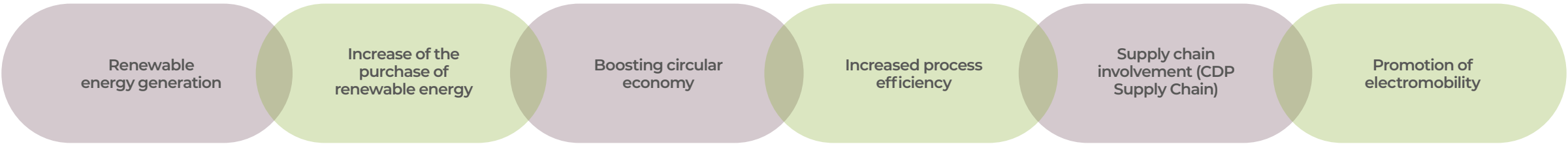


# Decarbonization and energy sustainability plan

GRI 3-3

In 2019 Aguas Andinas became the first company in the sanitation sector worldwide to establish emission reduction targets approved by The Science Based Targets Initiative (SBTi), which, with 2030 as a horizon, are aligned with the UN goal of limiting the increase in the global average temperature to 1.5°C. To achieve them, a plan has been drawn up with six types of measures:

See more  
HERE



## Carbon footprint measurement

The company quantifies its greenhouse gas (GHG) emissions for the stages of production, transportation and distribution of potable water, collection and treatment of sewage and in non-productive buildings, a calculation that is verified by a third party in accordance with the guidelines of the GHG Protocol standard and the ISAE 3410 standard, Assurance Engagements on Greenhouse Gas Statements.

Total tCO<sub>2</sub>e emissions



207.882



33%

Direct emissions  
(Scope 1)



24%

Indirect emissions  
related to electricity  
consumption

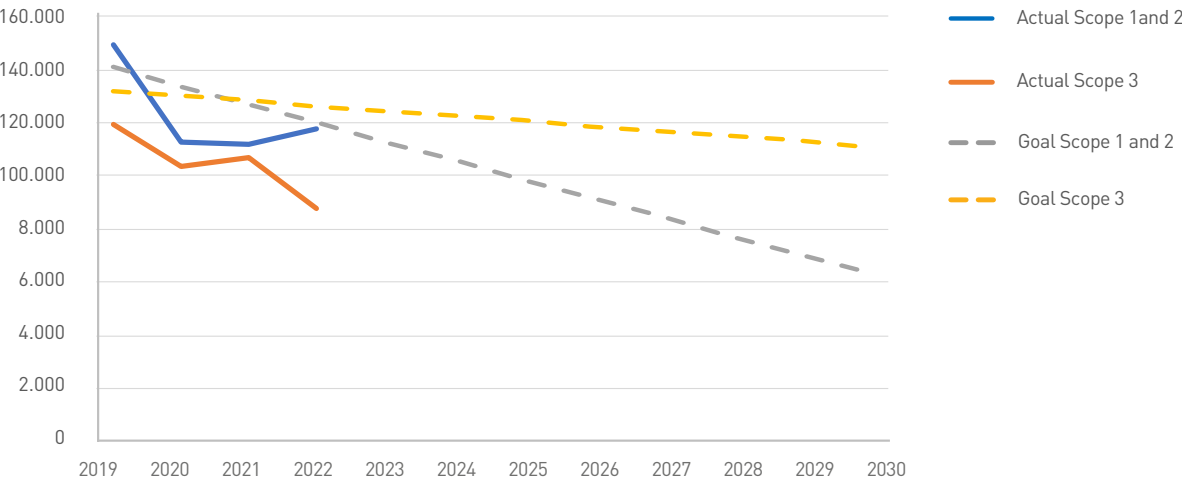


43%

Other  
indirect emissions

<sup>2</sup> The SBTi is the result of a collaboration between the United Nations Global Compact (UNGC), the World Resources Institute (WRI), WWF (World Wide Fund for Nature), CDP (Carbon Disclosure Project) and the We Mean Business Coalition.

## GHG Emissions Trajectory



## Footprint report

During COP27, SCX Bolsa de Clima de Santiago and Deloitte launched the report "Radiografía 2022: vulnerabilidad corporativa al cambio climático de las 100 empresas de mayor tamaño en Chile" (Radiography 2022: corporate vulnerability to climate change of the 100 largest companies in Chile). The report considered the emissions of these companies in scopes 1, 2 and 3, as well as their performance in four dimensions: comprehensive measurement and verification, ambitious mitigation commitment, effective emissions reduction and acceleration via neutralization. Based on these parameters, six performance levels were established.

Aguas Andinas was placed in the second best level along with seven other companies, which means that it complies with verified carbon footprint standards in all scopes and is compatible with Race to Zero.

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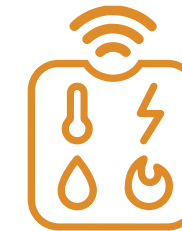
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## Energy consumption and Generation

The company has an Energy Management system through which it identified those facilities that, due to their high demand for electricity, can assume the status of free customers and directly negotiate the purchase price of the electricity they consume. Thanks to this initiative, these facilities were able to bid for a 100% green energy package.

In addition, the company is working to increase its self-sufficiency, mainly with green energy.

**17%**

The purchase of renewable energy, was increased, going from 174 GWh in 2021 to 203 GWh in 2022.

**47 GWh**

of consumption in 2022 corresponded to renewable energy selfgeneration.

**70%**

of the energy consumed in 2022 came from renewable sources, 2 percentage points more than in 2021.

**100%**

of the energy that supplies the biofactories in Santiago is renewable.

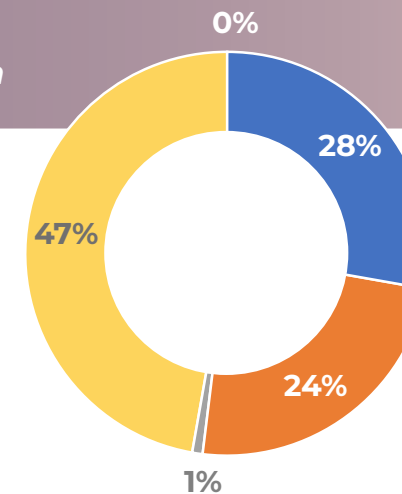
## Energy efficiency

Along with increasing the generation and purchase of renewable energy, Aguas Andinas has proposed to reduce the kilowatts consumed in all its processes, although emphasizing those with higher consumption. This is especially important considering that the decrease in surface water sources forces an increase in the extraction of groundwater, a more energy demanding action.

In 2022, advanced well management was extended to 63 of the total number of units owned by the company, noting a significant increase in energy efficiency. This was made possible by the implementation of sensors that measure a series of operational parameters, which feed a software capable of calculating optimal levels and detecting deviations, and thus making an active management. Energy optimizations have also been carried out in some wells, such as changing pumps and cleaning of screens

### Energy Consumption

- Production of potable water
- Transportation and distribution
- Collection
- Wastewater treatment
- Buildings



Bifactories are certified under the ISO 50001 Energy Management System standard, with a focus on continuing to meet the standards committed to in the area of energy efficiency.

In the pumping systems, the preliminary phases of an advanced management project are being developed, which entails calculating the current energy efficiency level and the maximum to which it is possible to aspire with the existing technology, in order to close the gaps. So far, the data collected indicate that the current levels are close to optimal, and initiatives are being considered to ensure that the processes maintain this operating standard on an ongoing basis.

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● GRI 416-1 ● ODS 6

# Environmental management system

Aguas Andinas' Integrated Management Policy includes among its priorities protecting the environment and biodiversity, as well as reducing the impact of its activities. To this end, it incorporates the concept of circular economy and the responsible use of natural resources in all its processes.

The company has a policy of assessing environmental risks early in the development of its projects, including those related to biodiversity and ecosystems.

In addition, in order to prevent polluting events or other negative environmental impacts, all facilities apply a matrix prepared according to the internal procedure for the Identification and Evaluation of Environmental Aspects. For each process, all the elements that interact with the environment are determined and evaluated, specifying the respective controls.

It also has an Emergency Management Plan, with rapid action guides that define guidelines for action in case of emergencies. These actions are tested annually with drills that allow proactive evaluation of their compliance in the event of a crisis.



## *Padre Hurtado, the first Aguas Andinas plant to produce sodium hypochlorite on site.*

*The Padre Hurtado plant modernization project included the installation of the first on-site sodium hypochlorite production equipment.*

*The unit, which operates on an automated basis, replaced the chlorine gas tanks used in potable water and wastewater treatment plants. With this breakthrough, the production of chlorine for potable water now requires only electricity, water and natural salt, reducing the danger to the environment and people.*

The company has a system called Transversal Regulatory Management, which has the collaboration of an external consultant. This includes the identification of legal and administrative regulations, including those of an environmental nature, for subsequent compliance. For Environmental Qualification Resolutions (RCA), Aguas Andinas' Environment area uses its own system for identification of these qualifications, implementation and compliance.

In 2022, the company did not record any sanctions from the Superintendency of the Environment (SMA), nor processes that have involved the presentation of compliance programs or environmental damage remediation plans.



*Aguas Andinas has an environmental management system certified under the international ISO 14001 standard, which helps manage and identify environmental risks associated with company activities.*

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# Sustainable financial management

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# Roadmap: sustainable investment pillar



**Commitment:** Implement a sustainable investment and financing strategy that generates positive social and environmental value.

Challenge	Objectives	Goals to 2024	Advance 2022	Observations	Status
Ensure efficient management of investments to provide excellent service through a responsible investment plan aimed at adapting to the climate crisis, promoting green and social financing, having a positive impact on all the company's stakeholders, promoting the development of SMEs and disseminating environmental, social and corporate governance sustainability practices.	To be a sustainable Company	1- Increase disclosure and transparency in ESG matters	80	During 2022 there was a change in the standard, with no limit on disclosure.	✓
		2- Maintain debt ratios in line with the company's standards (DFN/Ebitda ratio < 4x).	3,83	It remains in the range of recent periods.	—
	Establish an investment strategy with a positive social and environmental impact.	1- Allocate a minimum of 85% of investments to climate change adaptation projects, with social and environmental impact 85% Investment is maintained around the target percentage.	85%	Investment is maintained at around the target percentage	—
	Manage procurement with ESG criteria.	1- Incorporate ESG criteria in the supplier selection process.	0	No new ESG criteria were incorporated into the contract process.	✓
		2- Reach 60% of suppliers that are SMEs	59,03%	In the period increased from 57.86% in 2021 to 59.03% in 2022.	✓
	Achieve green and social financing for the company's growth.	1- Ensure an optimal financial structure for the company, promoting green and social financing.	100%	During 2022, all financing was green. A local bank financing was carried out as well as an international private bond issue.	✓

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# Financial results

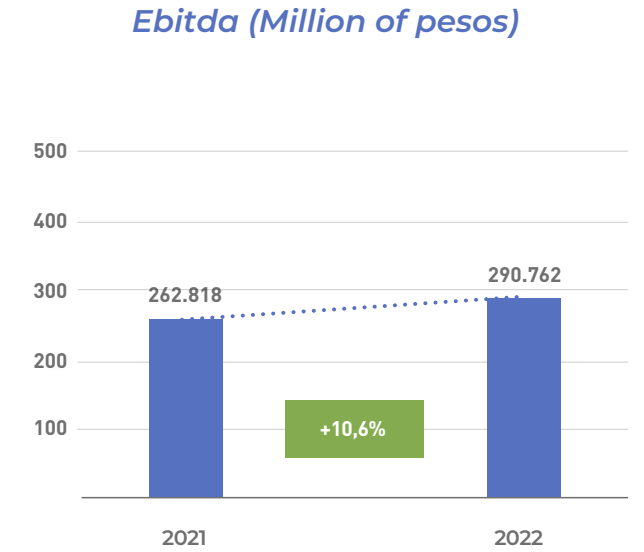
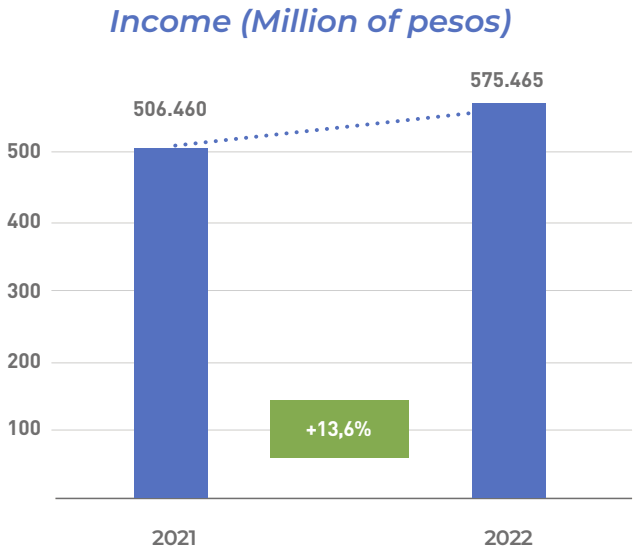
2022 was a complex year for several reasons. Water scarcity prompted the company to deploy awareness campaigns on responsible water use. As a result, water consumption fell by - 2.8% compared to the previous year, which had an impact on revenue.

In addition, the company's costs increased by 16.9% compared to 2021, due to inflationary pressure, which translates into higher labor costs, construction materials, service contracts in UF and salary adjustments. As of December 2022, the index accumulates an increase of 12.8%. Additionally, operating costs for the start-up of new facilities and assets are considered, as well as the cost of sales associated with the growth of non-health care revenue.

However, revenue and Ebitda grew 13.6% and 10.6% year-on-year, respectively. This is explained by the fact that inflation also translated into tariff increases, in accordance with the indexation polynomial established by law. Solid cash generation allowed us to keep indebtedness in line with our objectives.

In addition, to mitigate high costs, the company accelerated efficiency plans under the Avanza program. The process improvement and digital transformation initiatives will result in efficiencies of \$5,572 million by year-end 2022.

The company's net income decreased by 15.3% compared to the previous year, mainly due to the revaluation of the company's UF-denominated debt, associated with the evolution of inflation (13.3% in 2022 versus 6.6% in 2021).



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GRI 3-3

# Sustainable financial opportunities

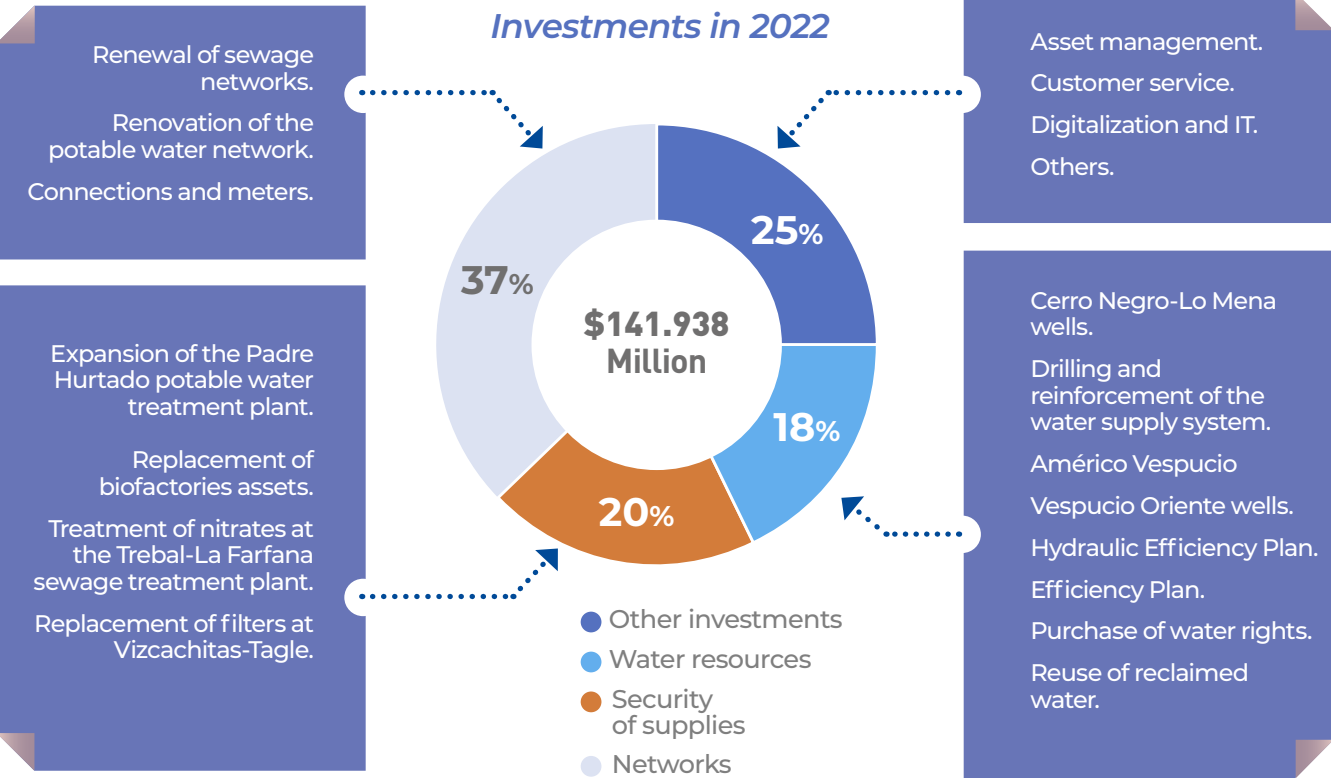
The Aguas Group is promoting an ambitious investment plan that encompasses a series of initiatives and projects, which in several cases are associated with the Development Plan drawn up in accordance with the guidelines established by the SISS to respond to the projected five-year growth in demand.

These lines of work predict that investment levels will remain high over the coming years, which makes it necessary to seek new lines of financing, while maintaining sustainable rates of indebtedness.

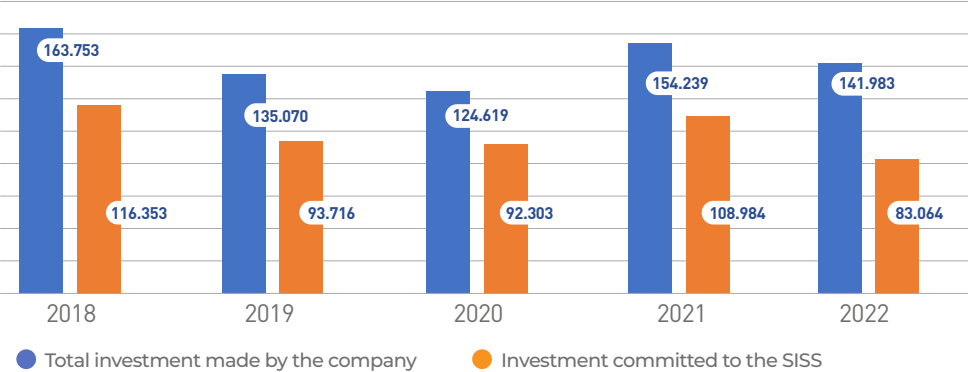
The most significant item in the plan is the renovation of networks, particularly sewerage. In this regard; the company went from rehabilitating five kilometers a year in 2020 to thirty kilometers in 2022. It also contemplates works to strengthen security of

supply, including the wells that have already been completed in Cerro Negro-Lo Mena, which increased the supply autonomy in the event of extreme turbidity events in the Maipo River.

At the same time, the company is developing its own Strategic Plan, based on modeling of the network's growth, with a strategic rather than regulatory approach. In addition, the company is executing a portfolio of projects to address the drought, with works that add new water resources. In this context, during 2022 the investments made by the company maintained a significant pace, similar to that of the previous year, concentrating on projects linked to efficiency and operational continuity and on increasing the availability of water resources.



Investments committed by the SISS vs. investments made (million of pesos)



## Investment optimization

The Avanza program includes a work axis aimed at optimizing the resources allocated to investments in new projects, following three main guidelines:

- Improve the preparation of designs, seeking more economical solutions that respond more efficiently to needs. It is also expected to take advantage of new technological opportunities to reduce costs in infrastructure renovation, with more competitive contracting processes that aim at the optimal value of the investment.
- Seek greater flexibility in the realization of investments committed to the SISS, postponing certain less urgent works, without failing to comply with the required level of service.
- Establish new governance to manage investments, prioritizing them from the point of view of resource efficiency and risk management.

Main achievements		
<b>Rehabilitation of sewage collectors</b>  975 million saved by better pricing on pipe stretch rehabilitation.  85% increase in renewed kilometers per beam by 2024.  In 2023, cracking technology will be developed, which will allow the renewal of 1,000 m/year.	<b>Replacement of investment platform with new software</b>  Software was implemented to provide a single, updated repository for all projects.  It also enables the traceability of changes in budgets and deadlines generated during the course of the works.	<b>Prioritization of investments</b>  We took steps to make compliance with the Development Plan more flexible.  A single methodological standard was established for all projects.  Risk was incorporated as a variable homologous to economic impact.

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### Search for new sources of financing

Securing the necessary resources to continue developing the investment plan is a priority for the company. This constant challenge was faced in 2022 with a significant drop in liquidity in the local capital market, which prompted the company to seek sources of financing abroad.

### Green bond issuing in the Asian market

In December 2022, Aguas Andinas became the second Chilean company, after Codelco, to tap the Asian private issuance market for debt financing. The company issued two bonds in yen and Australian dollars, with a 15-year term, equivalent to USD 50 million in total. The buyer is a multinational insurance company with large operations in Asia, which in addition to having a preference for the environmental services industry, valued the stability and certainty of the public-private model under which Chile's healthcare sector operates. Among other factors, investors valued the company's commitment to ESG criteria.

In this sense, the issue was made under the "green" modality, applicable to the financing of projects that make a contribution to the environment, an area in which Aguas Andinas has been a pioneer, with local bonds already issued under this modality, an increasingly relevant aspect for international investors and banks.

### Aguas Andinas obtains international A rating

In the context of seeking new financing opportunities abroad, Aguas Andinas carried out an international rating process with Standard & Poor's, which ended with the assignment of an A- risk rating, the highest category granted to a Chilean company in the private sector (only two other companies in the country have been awarded this grade: Codelco and Metro, both state-owned). It also became the first company in the utilities industry to obtain this rating at the regional level.

The rating agency's report highlighted the operating efficiencies carried out to mitigate inflationary impacts on costs, a growing Ebitda and a net debt to Ebitda ratio of 3.8 times. This rating is in addition to the local rating from the agencies Fitch and ICR, which once again granted the company an AA+ rating.

Extra-financial ratings						
N°	Sorter	2018	2019	2020	2021	2022
1	DJSI (S&P)	65	71	70	70	77
2	Vigeo Eiris	53	58	57	56	57
3	ISS-oekom	N/A	B-	B-	B	B
4	CDP (Climate Change)	C	A-	A-	A-	A-
5	CDP (Water Security)	N/A	B	B	B	A-



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● GRI 3-3, 2-6, 414-1, 414-2, 308-1, 308-2 ● ODS 1, 5, 7, 8, 10

# Supply chain management

The supplier companies perform several strategic functions for the operation of Aguas Andinas, including the maintenance of networks and civil works, the supply of network products and chemical supplies, the operation of the Contact Center, various support tasks and customer service through meter reading, and the distribution of bills. Given this nature, the company seeks maximum efficiency in the management of the aforementioned functions, and at the same time, strives to commit the entire supply chain to sustainable development.

This entails promoting fair and responsible relationships with suppliers, based on compliance with corporate management standards and all timely payment regulations, together with promoting fair competition in the bidding process.

On the other hand, the company urges them to adhere to its business vision and comply with its performance protocols. These principles are set out in the following documents:

**Supplier policy:** Specifies the company's commitments in relation to its suppliers

**Procurement policy:** Provides the guidelines for the procurement of goods and services

**Suppliers' Decalogue:** Establishes the expected behavior of all suppliers of goods and services of the group



## Climate change performance disclosure program

For the fourth consecutive year, in 2022 Aguas Andinas will participate in the CDP Supply Chain program (Carbon Disclosure Project).

This initiative seeks to contribute to the sustainable development of the supply chain by means of a survey that addresses issues related to global warming.



## Supplier qualification

Annually, Aguas Andinas applies an internal quality survey to the services provided by its main suppliers, with an evaluation scale from 1 to 7. Those with insufficient grades must submit improvement action plans, whose effectiveness is evaluated by the contract manager in charge of the service.

During 2022, 92% of the 39 critical suppliers were evaluated in the following management areas:

- Quality, Compliance, Environmental, Energy, Occupational health and safety, Business continuity, Labor Inclusion, gender equality, human rights, reconciliation of work, family and personal life. Year 2022 included two management areas to be monitored, Sustainability and Information Security.
- The results were satisfactory, since 39% of the suppliers evaluated had a high degree of compliance (greater than or equal to 70%), another 50% had a medium degree of compliance (between 40% and 69%) and only 8% had a low degree of compliance (between 11% and 39%), and 3% had no compliance at all.
- The result of this monitoring was an average achievement tariff of 62%. With these processes, the company aims to ensure a supply chain aligned with its sustainable business management principles.

## Contract monitoring

For better control, each supplier must regularly update, on a digital platform, critical information about its services, including environmental and safety indicators. From 2022, keeping this data up to date is a requirement for payment release.

In addition, audits and on-site supervision of the works are carried out periodically, especially in the works that present greater risks, with a focus on occupational safety standards. If an employee of Aguas Andinas identifies non-compliance with any of these standards, he/she has the obligation and authority to stop them.

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## Transforming purchasing Management

Efficient purchasing management has a positive impact on annual net profits, especially in the case of amounts of a magnitude such as the more than \$ 220,000 million managed annually by the company's Purchasing Management. This variable was incorporated into the Avanza program with an optimization plan that aims to: Increase competition in bidding processes with the entry of new suppliers, especially SMEs.

Transform the Purchasing Management into a strategic partner of the business that adds value and efficiency to the processes.

Implement initiatives to change specification and demand control, with a review of the scope and models of contracting and purchasing, to increase efficiency.

*The company began to gradually introduce ESG criteria in bidding documents and supplier contracts, The company seeks to cover 100% of these processes in the medium term.*

Main achievements		
<b>New vehicle policy</b>  A more sustainable policy was implemented for the allocation and use of the operating fleet.  <b>12%</b> decrease in the award cost.  <b>95</b> million in annual savings due to fleet reduction and optimization of lead times.	<b>Supply of meters</b>  Technical specifications and performance reviews were carried out with Dictuc specialists.  Distributors were eliminated and direct participation of manufacturers was achieved.  <b>17%</b> savings in the purchase of water meters, equivalent to <b>\$ 811.4</b> million.	<b>Purchase packaging</b>  Volume purchases of spare parts for equipment (pumps, valves) were generated.  Spot purchasing was eliminated and demand from different areas was concentrated to obtain better prices.  <b>70 million</b> of accumulated savings
<b>AutoCAD Licenses</b>  The use of these licenses was optimized.  <b>74%</b> cost reduction.  <b>75.8</b> million in accumulated savings.	<b>Links and telecommunications</b>  We consolidated the trunking, fixed telephony, Wi-Fi and mobile telephony services, obtaining more robust and resilient services.  <b>15%</b> decrease in costs (84% in fixed telephony).  <b>UF 5,208</b> per year in savings.	<b>Increased competition in engineering tenders</b>  Significant efficiencies were achieved, with bidding processes and contracts 100% online.



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The background image shows a control room or office environment. In the foreground, a person is seated at a desk with multiple computer monitors, talking on a mobile phone. The desk also has a keyboard and a multi-line office phone. In the background, another person is visible at a similar workstation. A large wall display shows various data visualizations, including a line graph and a map. The entire image is overlaid with a semi-transparent red filter and a large white circular graphic on the left side.

## Innovating to optimize water resources and provide a better service

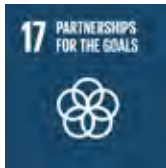
**58** Roadmap: Digitalization and Innovation Pillar.

**59** Innovation management.

**61** Digital transformation.



# Roadmap: digitalization and innovation pillar



**Commitment:** Advance digital transformation and process security, improving customer and community experience.

Challenge	Objetives	2024 goals	2022 Advance	Observations	State
<p>COMMITMENT Advance digital transformation and process security, improving customer and community experience.</p> <p>CHALLENGE Redesign processes with the aim of increasing efficiency and digital transformation of the company, promoting R&amp;D&amp;I projects, active management and digital connection of the operation, improving customer experience and the availability and transparency of information.</p>	Promote R&D&I and be a reference in innovation in the water and environment sector.	1.- To achieve during the period the recognition of the company's innovation initiatives.	2	In 2022, the company received awards in innovation from PWC and the Chilean-British Chamber of Commerce.	✓
		2.- To develop three R&D&I initiatives.	10	The following are highlighted: diagnostics of dirt in collectors with acoustic technology, inspection of aqueducts with submersible robots and unblocking of collectors with a rotating rod system.	✓
	To be a leading company in an industry context	1.- To achieve 99.9% availability of telecontrolled infrastructure.	99,7%	During 2022, improvements were made to the Operational Contingency Control Center to improve the availability and resilience of the infrastructure from 3.5 hours to 2 hours.	✓
		2.- Implement telemetry in 100% of the wells.	29,8%	As of December 2022, Telemetry has been implemented in 69 wells.	✓
		3.-.Achieve digital communication for 100% of the installations with telecontrol.	63%	As of December 2022, 285 installations have been migrated to TETRA digital communication.	✓
	Leading the digital connection with customers and improving the user experience.	1.- Improve customer experience on digital platforms.	50%	A video-attention system was implemented and all self-service totems were renewed.	✓
		2.- Facilitate stakeholder access to information.	62%	Launch of the Company's new APP; Incorporation of improvements and greater coverage in Celeste; Incorporation of the commercial service process, for some types of field work and the ability to track the cell phone by the client (Uberization); among others.	✓
	Evolving data management	1.- Automate 100% of the priority data	76%	The following projects are advanced: Implementation of the Regulatory Accounting System (tariff studies); successful completion of the Automation of the Commercial Cycle; implementation of Data Governance at the Punta de Águila treatment plant; among other relevant milestones	✓

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GRI 3-3

# Innovation management

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A much more restrictive scenario in water resources and an increasingly demanding society in terms of quality and continuity of service demand innovative solutions. To this end, the company applies an innovation management system focused on water resources, climate change, resilience, sustainable development, social legitimacy and the quality of life of the inhabitants of Santiago, which is reflected in a series of ongoing initiatives that incorporate new technologies to improve or enhance these areas.

Open innovation		Internal Developments	Cetaqua, Water Technology Center
Technological Exploration	Development		
After reaching a clear understanding of the problem that needs to be solved, a global search for high-level technological solutions is deployed together with expert developers to evaluate and adapt them to the company's context.	Once the need for a new solution has been identified, potential partners are sought with whom to initiate a new partnership. The company's methodologies are then used as the basis for a process of innovation.	Based on their experience, the professionals in the different operational areas of the company The company's management creates technological solutions to address the practical problems they face, or to make certain processes more efficient.	A non-profit entity created by Aguas Andinas, the Universidad Tecnica Federico Santa Maria and the Spanish Higher Council for Scientific Research (CSIC), with the purpose of generating research projects that lead to technological solutions to advance towards integrated water and environmental management.

790 million pesos was Aguas Andinas' total investment in R&D&I during 2022, equivalent to 0.14% of sales.



## Innovating in asset management

The unavailability of infrastructure is a priority focus of Aguas Andinas, which is why it seeks to maintain its assets in good condition, ensuring that their levels of reliability and useful life remain within appropriate standards and in accordance with regulations. This task demands great efforts, both in human and financial resources.



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# New technologies for asset management

Aguas Andinas has a portfolio of 12 initiatives with varying degrees of progress involving the incorporation of new technologies. In 2022, three passed from the validation stage to scaling, i.e., they were approved for widespread use in the company's asset management.



## Dirt diagnosis using acoustic technology in collectors

The maintenance of the sewerage network poses great challenges both because of its extension - some 600 km are cleaned every year - and because of the difficulty of detecting the sections that need to be intervened. In order to optimize this process, the Avanza program set out to double the number of kilometers of sewer cleaning and, among other actions, searched the market for a more efficient and precise inspection technology that would make it possible to determine with certainty which sections should be cleaned. This led to the selection of an acoustic obstruction detection system, a technology that was first validated with a pilot project covering 30 km of pipes in all the company's operating centers, and then, in 2022, a bidding process was launched for its massive incorporation into the network.

This advance, unprecedented in Chile, measures the dissipation of sound energy inside the pipelines and interprets the signals transmitted by the equipment, determining by GPS the existence of obstructions and their location, discarding the sections that do not require intervention. Applicable to networks with diameters less than 450 mm (91% of the Aguas Andinas network), this innovation allows directing resources already available to areas actually

in trouble, obtaining a diagnosis in less than three minutes and enabling faster inspections.

*45% of the cleaning is avoided thanks to the technology of acoustic transmission. 21% net savings per kilometer managed*

## Unblocking of collector sewers with aSystem of rotary rods

The company set itself the goal of increasing the maximum capacity for unblocking work (some 23,000 blockages are detected each year in the sewer network, which require specialized equipment and, sometimes, renovation work on the section), using the equipment already available. To this end, an Avanza group concluded that the rotavator system is the most suitable technology for solving the various types of blockages and different terrain conditions in the network.

**In the first nine months after its incorporation (2021-2022), the rotavator system has already generated significant savings and improved quality of service:**

<b>58%</b> of the debottle-necking Work previously performed by contractors could be absorbed internally.	<b>10,730</b> obstructions were evaluated. <b>5,898</b> were resolved internally.	Monthly collector unblocking efficiency increased from <b>21%</b> to <b>51%</b>	<b>2.036</b> solid blocks were removed, avoiding \$5.46 billion in construction work.
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## Advanced diagnostics on large sewer mains without service interruption

Aguas Andinas was awarded the program "Crea y Valida - I+D+I Colaborativo - Reactivate", from CORFO, to develop the project 21CVC2-183561 Structural Inspection and Diagnosis System for Large Pipelines.

The company obtained financing of \$115.5 million, corresponding to 76% of the total investment cost. This project will be executed jointly with Maquintel and will allow the continuation of the innovation portfolio that aims to evaluate the condition of large flowing pipelines, minimizing the impact of these tasks on the operation and continuity of service.

In the Crea stage, the project focused on addressing two major technological challenges.

The first was the development of an ROV (Remote Operate Vehicle) That was able to inspect large sewer mains under actual operating Conditions without affecting the continuity of the sewer service we deliver to customers.

The second challenge was to implement the hardware and software to the ROV in order to generate advanced diagnostics in this type of pipelines. The advanced and/or structural diagnosis of the network allows to identify damages or defects that are not evident with the current technologies of television inspection and thus to be able to act preventively before any undesired event occurs. This diagnosis considers 3 components: CCTV (Closed Circuit Television), SONAR and Laser Profilometer. By combining these 3 components, it is possible to know the complete state of the pipeline.

The development of the ROV with all the necessary hardware and software to generate structural diagnostics of large sewer pipes without service interruption was validated on 2 km of network.

The next stage, Validation, aims to package this technological development in 15 km of network in order to implement this service within the company as part of the preventive maintenance of the very complex access conduction infrastructure.

**100%**  
of the aqueduct network will be inspected with submersible remotely operated vehicles over three years (20 km per year); that is, between 2021 and 2023



## Trenchless network renovation

*Just as in 2021 part of the New Providencia Feeder was built without trenches or earthworks, during the year reported, this method continued to be favored in other types of works, such as the rehabilitation of sewage networks, through a contract that will run from 2022 to 2025.*

*The absence of trenches simplifies and reduces the cost of the work, as well as reducing the impact on the environment.*

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# Digital transformation

One of the pillars of the Avanza program is the digital transformation of the company's operations at all levels, seeking efficiency gains and a greater proximity to customers.



## Digitization of asset management



To increase productivity, the company has driven process optimization and data centralization through a series of projects.

### Single data catalog

In 2022, the first stage in the construction of a single repository of highstandard data for the entire company was completed, which each authorized worker will be able to access directly when needed, instead of requesting it from third parties. This phase covered the regulatory information included in the regulatory reports that are periodically sent to the SISS (which are also being automated), having created a computer program to manage them and begun to define a data governance system. At the same time, various databases of specific assets were integrated and progress is being made on the linear ones.

### Increased productivity with ClickSoftware

The number and variety of works carried out each year pose an enormous logistical challenge for the company, as does the need for specialized tools. By way of reference, in 2021, more than 160 thousand tasks were carried out in the distribution and collection networks, for which 64 of its own mobile teams were used, in addition to the work carried out through contractors. Faced with this

27% has increased the productivity of network teams with ClickSoftware, making it possible to cover more of the global demand with in-house teams.

reality, one of the Avanza projects focused on finding and enabling a logistics management platform for field work that integrates the company's own units and those of contractors, and also generates indicators for continuous improvement, including execution time. The platform chosen was ClickSoftware, which provides real-time information on the field teams, allowing them to assign work more efficiently and optimize routes. It also integrates with SAP, SIEBEL, ArcGIS and SITEC systems, and includes an app for home services that offers the possibility of exchanging messages with clients, who can monitor the location of the cell phone that will provide the service.

## Telecontrol

By December 2022, 93% of the company's facilities would be remotely controlled from remote monitoring centers, a practice that enables centralized management and process automation of the water treatment and sanitation network. This is 1 percentage point more than in 2021.

For the flow of data between the facilities and the monitoring centers, the company has an independent telecommunications network, with sufficient backup to continue operating even after major events, such as earthquakes. This network is undergoing a digitalization process aimed at optimizing its availability, coverage and resilience.

During the fourth quarter of 2022, the full automation of the Punta de Águila potable water treatment plant, which is mainly supplied by the La Dehesa canal, was completed. It is the first surface wáter plant in the company to achieve this standard, allowing for a more adaptable operation to the challenges of the climate crisis thanks to a more robust and flexible infrastructure.

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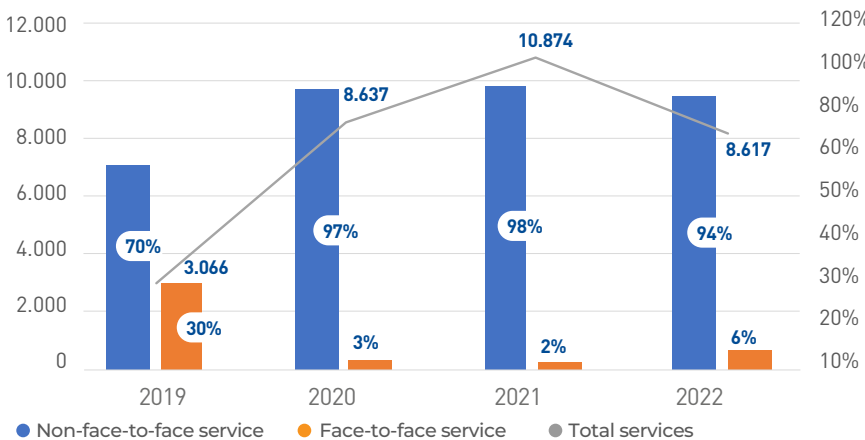


GRI 3-3

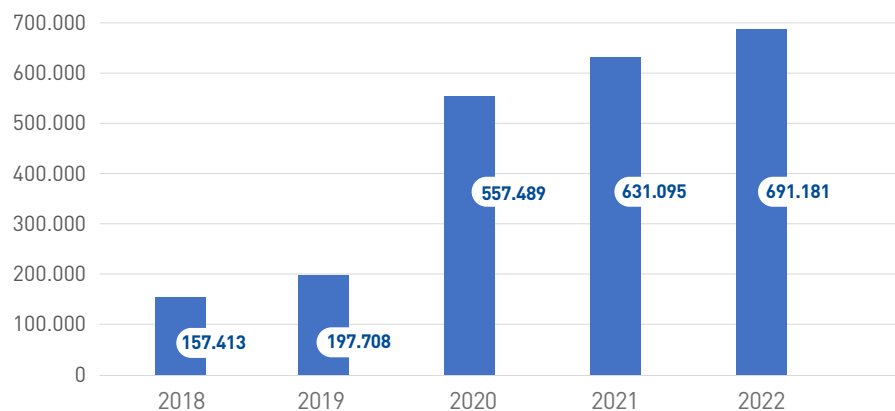
# Digitization of customer experience and new channels

The pandemic accelerated the digitization of the company's means of contact with customers to a point of no return. For example, from representing less than 51% of the total, in that period digital payments soared to 76%, a percentage that has been maintained after the cessation of the restrictions caused by the healthcare crisis. Aguas Andinas promotes this change, as it aligns with prevailing social trends, helps improve the user experience and offers opportunities to reduce delinquency levels.

Customer contacts (in thousands)



e-mail bills



GRI 3-3

## Data privacy and cybersecurity

To safeguard customer information, the company applies a series of protocols, which are summarized as follows:

- A Comprehensive Security Policy.
- Monitoring systems for all channels providing data.
- A team of specialists and business continuity plans that are activated in the event of situations that put information privacy at risk.

These measures have been reinforced in response to the growth of digital channels. In addition, in 2022, we worked with the Compliance area to comply with the new Computer Crimes Law (21.459), implementing all the controls required by the regulation.

Aguas Andinas is ISO 27001 certified for information security.

## Improved customer experience

Aguas Andinas seeks to materialize with a series of digitalization initiatives that will translate into more self-service alternatives, less trips to the agencies and the delivery of clearer and more accessible information to customers. In 2022, significant progress was made in this regard, with the following main achievements standing out:

- The final implementation of the video-ballet, sent by e-mail, which explains each account item in a personalized way, improving customer service and reducing calls to the Contact Center.
- The successful completion of the implementation of a video customer service system that has obtained high satisfaction rates among customers who prefer face-to-face service. With this mechanism it is possible to schedule a video-call interview with the executive of an agency to resolve concerns or problems, who even can share the screen of the company's commercial system to explain more clearly the solution options to the customer's request.
- Aiming at omnichannel, work continued so that the Celeste bot, available on the website, from 2023 will also be able to interact with customers via WhatsApp.



During the reporting period, there were no incidents or complaints of privacy violations or loss of customer data, nor were there any information leaks.

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A full-page background image of a worker in a white hard hat and safety gear, working on industrial equipment. The image is dark and has a semi-transparent white geometric overlay on the left side. The worker is wearing a white hard hat with a headlamp, a patterned bandana, and a respirator mask. They are holding a tool and working on a piece of machinery. The background shows industrial structures and pipes.

## Empowering our employees

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# Roadmap: Pillar of new forms of leadership and work



**Commitment:** Promote an organizational culture of collaboration, based on leadership and autonomous and diverse teams.

Challenge	Objectives	Goals to 2024	Advance 2022	Observations	Status
Promote a culture of leadership and new ways of working through the incorporation of new profiles, the promotion of Smart Work and equal opportunities, guaranteeing the occupational health and safety of internal and external workers, and always ensuring their job satisfaction.	Attract and retain talent for the current and future needs of the organization.	1.- Encourage the incorporation of STEM profiles.	67%	In the 2022 period we have increased by (61% as of 2021 vs. 67%) 6% of STEM STEM incorporations, this will consider the increase of these positions due to the internalization of the Biofactory.	✓
		2.- To annually recognize at least 5% of the workers.	100%	During the year 2022, a total of 126 people have been formally recognized and communicated to the rest of the Organization.	✓
	To promote new ways of work.	1.- Establish teleworking for 80% of the workers.	80%	Workers in the corporate building maintain telework, more than 80% of the total number of people in the building.	✓
		2.- To implement new ways of working.	100%	The people in the Corporate Building are implemented in the ways of working typical of the hybrid work model and the use of new spaces such as meeting rooms, collaboration rooms, etc.	✓
	Implementing equal opportunities with inclusive and diverse environments that promote the well-being of workers.	1.- To increase the rate of workers with functional disabilities to 1.5%.	1,6%	The number of people with disabilities increased by 0.2% with respect to the year 2022.	✓
		2.- Increase the foreign worker rate to 6%.	6,4%	0.43% increase compared to the previous year	✓
		3.- Promote that 50% of the new STEM profiles are women.	31%	With respect to the year 2021 in 2022 we have increased by 2% the incorporation of women with STEM careers.	✓
	Strengthen a new style of leadership that is transformational, change-driven, collaborative, challenging and inclusive.	1.- Encourage and promote the development of workers with high potential.	100%	During 2022, we have delivered different tools in training and feedback processes to 100% of high potentials, this involves Water Master, Mentoring, Coaching and Assessment Center.	✓
		2.- Conduct multidirectional executive evaluations.	0%	Top-down evaluations have been carried out on 100% of the Executive team as well as Assessment Centers for some Executives, but multidirectional evaluations are planned for 2023.	✓
	Promoting wellbeing and ensuring occupational health and safety	1.- To decrease the frequency and severity rates of own and subcontracted workers	Own TI: 4,69 TG: 0,07 Subcon. TI: 11,25 TG: 0,08	The Just Culture model was extended to the entire organization. Strengthened OHS management at contractors.	✓

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# Staffing

The Aguas Group's team has shown great dedication and availability in times of crisis, always keeping the customer at the center of its concerns, as required by the provision of essential environmental services.



Grupo Aguas – personnel by gender			
Company	Women	Men	Total
Aguas Andinas	290	1.051	1.341
Aguas Cordillera	13	107	120
Aguas Manquehue	1	13	14
Ecoriles	19	236	255
Hidrogística	15	44	59
ANAM	111	181	292
Aguas del Maipo	0	2	2
Total Grupo	449	1.634	2.083

95% of our personnel have permanent contracts.

100% works full time.

86,56% of the total are unionized.

## Ambassadors Network

In 2022, the group of 60 ambassadors selected and trained the previous year was strengthened with the mission of disseminating and explaining to their peers both the activities of the Avanza program and strategic information of the company, as well as the plans to face the drought and the tariff processes. During the period, this group of workers showed tremendous effort and dedication in this role.



## New modality of work: Smart Working

The company is implementing a series of actions to promote behaviors linked to proactivity, individual proactivity, individual responsibility, empowerment and autonomy among Aguas Andinas team members. Aguas Andinas team members.

## New shared and inspiring leadership

The aforementioned changes must be complemented by a new type of leadership adapted to remote work and that is closer and more apt to manage teams in a more shared manner.

## More digital worker care

In 2022, we completed the renewal of our human resources and payroll management software SAP, adapting it to the Chilean regulatory context. The upgrade substantially improved the system's operability, opening up new possibilities for increasing the involvement of workers in the management of their benefits and compensation.

In this context, the Persons Department created the new My Time in Ola! (Mi Tiempo en Ola!) module, which allows self-management of vacations, leave and attendance, while offering more expeditious access to this information for managers. In addition, Ola! also started to develop a chatbot that will be in charge of answering the most routine and standardized questions asked by workers, in order to provide faster answers and free the area's personnel from this task.

## Implementation of hybrid work

In 2022, the 3 x 2 system continued to be implemented: three days of in person work and two days of teleworking per week. This scheme debuted in 2021, in the context of the COVID-19 pandemic, and involved a process of training in the use of collaborative digital tools a risk assessment of home-based workplaces, and was well appreciated by the staff, especially due to the increased flexibility it offers and savings in time and travel costs.

However, after the end of the healthcare crisis, it became necessary to design a long-term modality, in line with the new post-pandemic scenario, developed during the reported year and should begin operating in 2023.

## Adaptation of spaces

In order to encourage teamwork and cooperation, progress was made in remodeling the spaces in the tower where the head office is located, changes included reducing the number of individual private offices, favoring collaborative areas.

# Cultural transformation

Without an organization capable of adapting to the required changes and motivating the commitment of its members, it would be very difficult to address the country's multiple environmental and socioeconomic challenges. Under this premise, one of the main objectives of the Avanza program is to transform the internal culture and establish a more horizontal and flexible organizational structure, less bureaucratic and compartmentalized, with new forms of leadership that encourage autonomy and proactivity of workers, collaborative work and fluid communication between the different teams.

## Enhancing recognition and communication

Throughout the years, different instances have been created to highlight the deep commitment that the company's employees show every day in their tasks, which are of vital importance for the people of Santiago. There is also a concern to keep the staff always informed about the progress of the corporate strategy. These initiatives are summarized as follows:

- On-site recognition of operating teams by Management and General Management.
- Disseminating Stories of Change to drive cultural transformation.
- Strengthening internal communication through press releases and newsletters.
- Organization of internal events led by employees, with the participation of experts who report on the latest developments in the company on various fronts of action.



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GRI 3-3

# Promoting equal opportunity and workforce engagement

For Aguas Andinas it is essential to maintain a working environment where each person in the organization feels fully integrated and valued according to his or her personal merits, and which also encourages open and fruitful dialogue with the workers' representative bodies.

## Diversity and inclusion

The certainty that diverse work teams are more creative, committed, empathetic and able to meet the multiple needs of customers, drives a corporate effort to integrate people with different outlooks and life experiences. The intention is for the company to be a reflection of an increasingly multicultural society at all levels of its organizational structure.

To this end, Aguas Andinas applies a Diversity and Inclusion Policy with four pillars:

- Gender equity
- Cultural diversity
- Inclusion of people with disabilities
- Sexual diversity



It also operates a Diversity and Equality Committee, responsible for developing these lines of work, which are set out in an annual plan.

### Gender equity

In terms of gender equity, the goal is to close salary gaps, achieve a work-life balance, advance in flexible working hours, and promote female leadership through the mandatory inclusion of women in the selection processes for executive positions.

In addition, the company is adapting its recruitment and selection processes with the 2024 goal of having at least 50% of new hires in STEM (science, technology, engineering and mathematics) profiles filled by women. As of December 2022, this indicator was 67%, 6 percentage points higher than in 2021.

### Expansion of Chilean Standard 3262

Aguas Andinas was a pioneer in the certification of Chilean Standard 3262 on gender equality and reconciliation of work, family and personal life. In January 2022 it was recertified for another three years. In addition, the scope of the standard was extended to the biofactories and all commercial agencies, bringing the organization's coverage to 40%.

The organization applies a blind curriculum system in processes selection process, so that the applicants can be qualified exclusively on the basis of their labor merits.

25% of executive positions was occupied by women in 2022, a percentage that has more than doubled in a decade.



### People with disabilities

With 1.6% in 2022, the company surpassed its 2024 target of 1.5% of its workforce being made up of people with disabilities. This indicator also exceeds the 1% required by Law 21.015 on labor Inclusion. The idea is to continue to increase these numbers in the organization, through initiatives that promote their integration and development.

In addition, in response to Law 21.275 of 2020, which requires companies with more than 100 employees to have a labor inclusion manager, five people from the company were selected to assume this role (who will be certified by Chile Valora), with the responsibility of promoting instances that promote equal opportunities for people with disabilities.

The company also has a strategic alliance with Fundación TACAL, whose collaboration in an internal survey of people with disabilities enables it to facilitate the necessary procedures to qualify for the social benefits to which they are entitled.

### Sexual diversity

The company is committed through its policy, communication and training actions to promote a work environment in which everyone in the organization can freely express who they are, regardless of their sexual orientation or gender identity.

### Cultural diversity

The Diversity Policy promotes ethnic, social and valuebased multiculturalism in the organization, committing it to generate internal instances that lead to the positive sharing of different origins, cultures and belief systems among those who are part of the staff.

134 foreigners work at Aguas Andinas, 6.4% of the total workforce.

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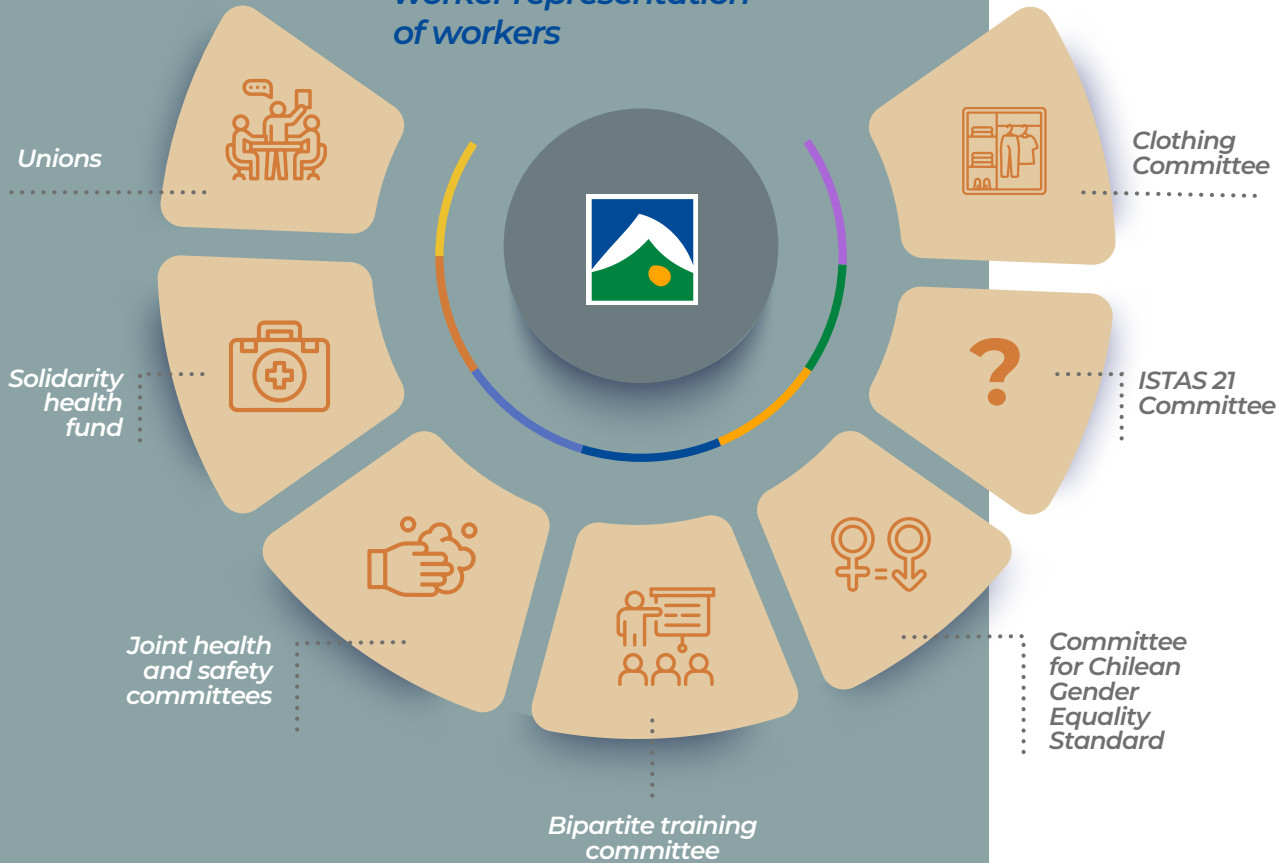
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# Work relations

Aguas Andinas seeks to generate lasting bonds of trust with its staff members, based on respect and mutual growth. To this end, several channels of communication have been opened with their different levels of representation.

## Main instances of worker representation of workers



During 2022, the company was fined 60 UTM for non-compliance with its RIOHS (Case 8507/22/025-1). Regarding labor protection actions, there was one lawsuit directly against Aguas Andinas, which had a final judgment in favor of the company, which became final and enforceable. Case followed before the 2nd JLT, case RIT T-625-2022 Alarcón with Aguas Andinas.

## Integration of the biofactories' personnel

The internalization of the biofactories in the Aguas Group, which occurred in April 2022, meant incorporating about 300 people to the different platforms of the organization, constituting a major challenge for the management of human capital during the year, which involved the integration of systems and a thorough analysis of the benefits and compensation system.

Existing collective benefits in Aguas Andinas were incorporated into the collective contracts of the biofactories, a measure that had the consent of all union organizations.

An extensive induction plan was developed for workers coming from the biofactories.

The Human Resources Department visited the biofactories and held meetings to inform about the company's policies and make all of Aguas Andinas' platforms available to those who joined the Group.

## Collective bargaining ● GRI 2-30

As of 2022, with the integration of three unions from the biofactories, there are 11 organizations representing workers in the Aguas Andinas Group. With all of them, the company promotes instances of dialogue where staff concerns and proposals for joint work are addressed.

In 2022, collective agreements were developed between Aguas Andinas and Biofactoria unions to extend benefits, and negotiations were held with one of the unions, closing before the expiration date.

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# Compensation and benefits

The company's compensation model takes as a reference the market rents for equivalent positions, based on compensation studies for companies with similar characteristics. In addition, principles of competitiveness and internal equity and financial equilibrium are considered. The Compensation Policy defines annual hiring, promotion and evaluation procedures, according to criteria of equity and non-discrimination, applicable to the entire organization, including directors and executives.

## Transversal Regulatory Management

The company has a system called Transversal Regulatory Management with the collaboration of an external consultant. This includes the identification of legal and administrative regulations, including those related to labor law.

The information gathered on the aforementioned issues is brought to the attention of the Human Resources Department for subsequent application.

In addition, each year an evaluation is made in certain areas of the company in order to verify compliance with the standards, after which the gaps detected are followed up, for the subsequent development of action plans.

# Benefits, health and work safety

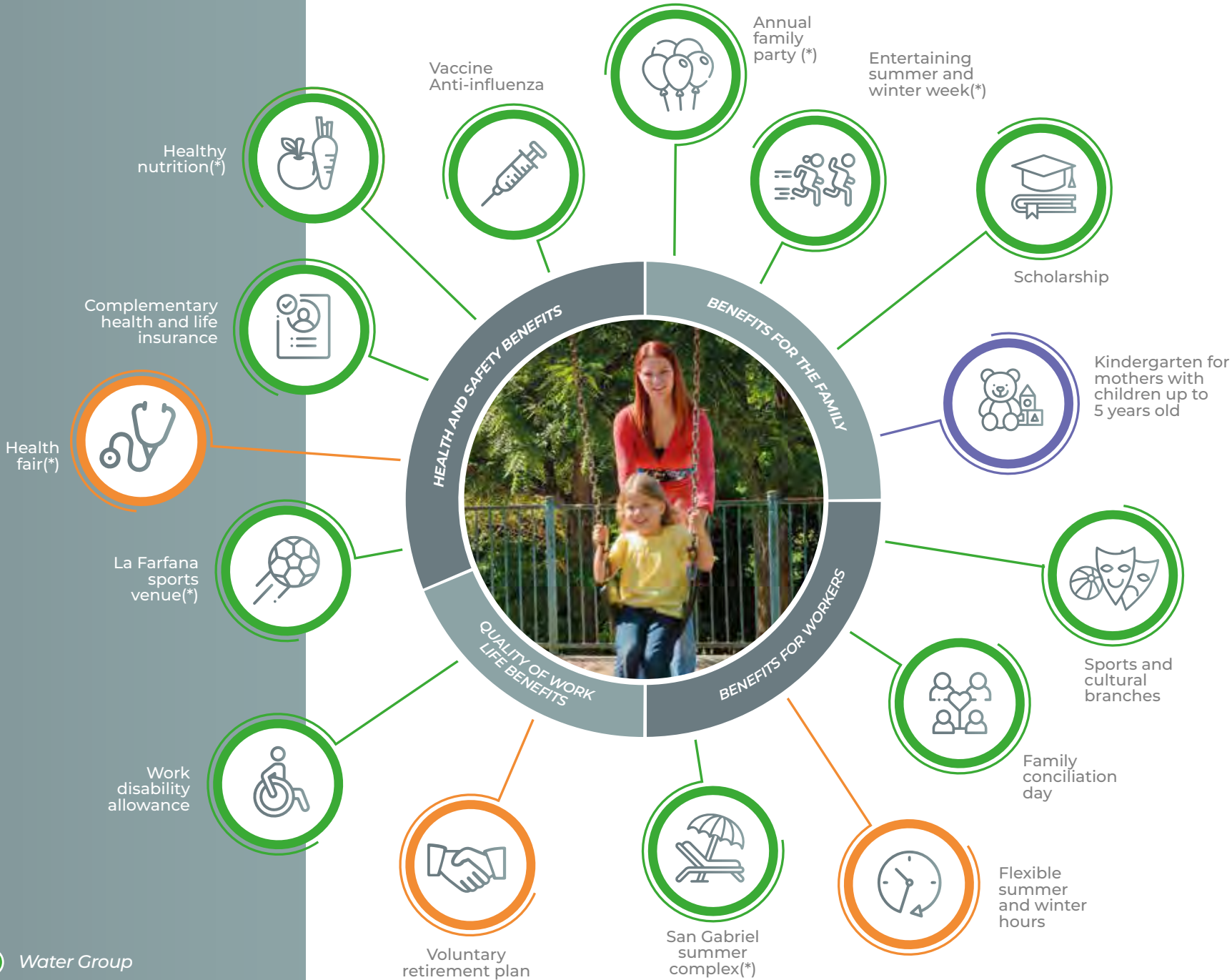
● GRI 401-2, 403-6 ● ODS 3

In addition to the regular salary, Aguas Andinas offers its workers a series of additional benefits to their regular salary, which seek to directly improve the quality of life, health and well-being of them and their families. They have no distinction by type of contract and many have been agreed as part of collective agreements.

● Andean Waters  
ANAM

● Andean Waters  
Cordillera Waters  
Manquehue Waters

● Water Group



(\*) Benefits partially suspended during 2022 due to the effect of COVID-19.

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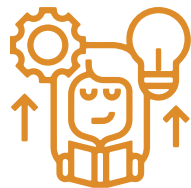
● GRI 3-3, 404-1, 404-2, 404-3

# Talent management

The company has formulated cross-sectional and diverse training and development programs, together with talent maps that favor internal mobility. In this way, tools are provided so that each worker can display all his abilities and talents in the performance of his role within the organization.

## Performance evaluation and development programs

Every year a personnel evaluation process is deployed with objective and effective criteria, designed to determine the career potential of each person, as well as the necessary measures to reinforce aspects that can be improved. This assessment covers four areas:



Eager to learn



Thinking beyond borders



Personal maturity and resilience



Understanding of others



For those professionals with outstanding performance, career plans are defined with different actions aimed at developing their leadership and growth skills.

All workers with high potential are evaluated through the assessment centers system, a method that, through psychometric tests and in-depth interviews, provides feedback to each person and allows them to know their aptitudes before a possible promotion and positions of greater responsibility.

## Training

The company's training program is nourished by the information collected by a unified system for detecting training needs, performance evaluations and specific needs for strengthening skills that have been found in critical areas. They are also designed based on the strategic objectives of the organization.

**100%**  
of the staff  
participated in  
the performance  
evaluation process  
in 2022.

**\$195.681**  
was the average  
investment in training  
per worker in 2022, 31%  
less than in 2021.

**\$453**  
million  
Total investment was  
made in training, 71%  
more than in 2021.

**45,1**  
average hours  
of training each  
person received,  
2.9% less than in  
2021.

**91.480**  
total hours of  
training received by  
the company, 24%  
compared to 2021.

## Water master

In 2022, the fourth version of the water master's degree was launched, with 20 people participating in the company, 45% women and 55% men, all qualified as having high potential and linked to succession plans. This instance is the result of a strategic alliance that Aguas Andinas signed with the Adolfo Ibáñez and Polytechnic University of Catalonia.

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# Occupational health and safety

The concern to continuously improve working conditions leads to the deployment of a comprehensive management system based on the management of industrial, environmental and operational risks, with a network of people in charge of minimizing potential contingencies in their respective business units.

After a successful pilot plan carried out during 2021 in the Operations Department, in 2022 the Fair Culture project was extended to the entire organization, with special focus on the areas that present the most risks: Territorial Management, Engineering and Works. This new occupational health and safety model aims to achieve a better balance between incentives and sanctions, as well as between the orders issued from the headquarters and the initiatives that arise from the bases.

Progress was also made in the analysis of incident records, especially those with high potential, which provide learning that helps improve prevention efforts throughout the organization. In addition, the occupational health and safety management of contractors was reinforced, who are governed by the same standards that Aguas Andinas applies, since the greatest risks are concentrated in these areas. This management includes from specific requirements on the matter in the bidding criteria, to the monitoring of contracts during their execution. As a result, the frequency and severity rates of third-party accidents dropped substantially in the reported year.



See more  
HERE

The occupational health and safety (SSO) programs of Aguas Andinas, Aguas Cordillera, Aguas Manquehue and ANAM have been certified under the ISO 45001 standard, focused on these matters, and which covers 100% of the workers of these companies.

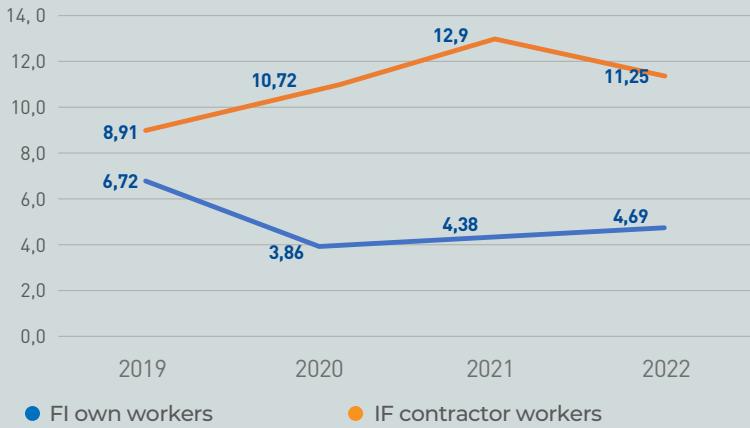
1.535  
trained in occupational health and safety

100%  
of the staff of Aguas Andinas is represented in joint hygiene and safety committees.

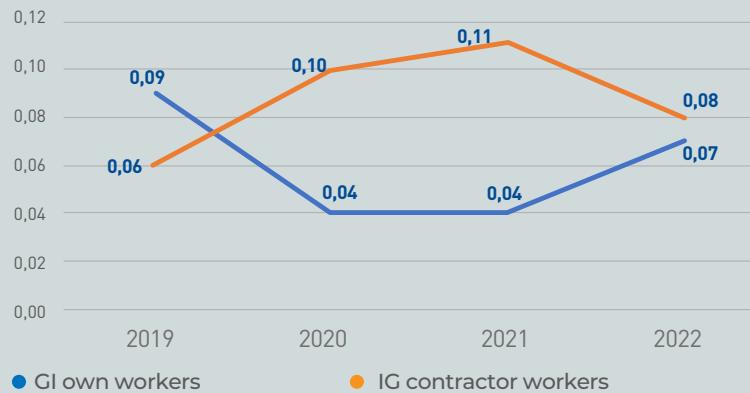
## Main risks

The identification and evaluation of risks makes it possible to define the necessary controls for each activity. In this sense, workers can report dangerous acts and conditions to their joint committees and headquarters, with work in confined spaces being the main risk to which the staff of Aguas Andinas and its subsidiaries are exposed within their dependencies. However, the records show that it is below the maximum established by Supreme Decree 594, on basic health and environmental conditions in the workplace.

On the other hand, around 21% of the accidents that occurred in 2022 occurred outside the Group's facilities, mainly related to public safety issues.



Accident frequency index (IF)  
  
Frequency rate (IF): (No. of accidents ÷ actual HH worked) x 1,000,000



Severity index (IG)  
  
severity index (lost days / actual HH worked) x 1.000

Own workers		
0 fatalities and 3 occupational diseases in 2022. (In the process of appeal in the Superintendency of Social Security)	20 occupational accidents of own workers, 5 more than in 2021	302 days lost due to work accidents, 172 more than in 2021
Contract workers		
0 fatalities and 0 occupational diseases in 2002	93 labor accidents involving contractor workers, 17 fewer than in 2021.	653 days lost due to accidents at work 237 less than in 2021

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A man with glasses and a beard is drinking water from a public fountain. The fountain has a sign that says "AGUAS andinas." and another sign that says "punto de HIDRATACIÓN". The man is wearing a watch on his left wrist. The background is slightly blurred, showing other people and structures.

## Creating shared value and collaborating in access to water

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# Roadmap: Pillar of positive social value



**Commitment:** Generate open and permanent relationships with stakeholders through communication initiatives and active listening, to contribute to the development of communities.

Challenge	Goals	Goals to 2024	Preview 2022	Observations	Status
Strengthen relationships of trust and ensure universal access to drinking water through the promotion of community dialogue instances, the dissemination of climate action and water care, and support for collaborative social investment projects.	Strengthen relationships of trust with the different interest groups on the basis of transparency and collaboration.	1.-Promote instances of dialogue in at least 20 communes of Santiago	100%	The action plan of the Relations Office includes open communication with the 49 mayors of the concession area. In 2022, 70 meetings were held with the councilors and their management teams.	✓
		2.-Promote environmental education in 450 schools in the Metropolitan Region.	100%	During 2022, more than 52,000 schoolchildren from 21 communes participated in the Agua en Curso initiative.	✓
	Lead and disseminate the commitment of Aguas Andinas and its active work to face the climate crisis.	1.-Invest in initiatives that promote the responsible use of water	100%	Talks to municipal teams. Formation of water tables. Citizen water talks in the communes of Recoleta, Til Til. Formation of the Territorial Management Council together with the Sustainability and Climate Change Agency. Projects of the FFCC linked to water (N° and amount).	✓
		2.-Involve the community in the responsible use of water with educational visits to the Aguas Andinas facilities	100%	3,639 boys, girls and young people visited the facilities and learned about the processes at our La Farfana and Mapocho Trebal, and La Florida biofactories.	✓
	Collaborate in access to drinking water in urban and rural sectors, proposing innovative and sustainable solutions.	1.-Allocate an annual fund for sanitation connections in homes of families in vulnerable situations.	100%	During 2022, the Start-up Fund was generated, which benefited 9 cases of families from the 40% most vulnerable in the region with connection projects to Potable Water and Sewerage.	✓
		2.-Support innovative solutions to solve urban and rural drinking water connection problems.	100%	During 2022, the rural services unit began an advisory project for leaders of committees and cooperatives of Rural Sanitation Services. At the end of 2022, the unit advised 15 committees and cooperatives with a reach of over 40,000 people.	✓
	Contribute to projects of shared value and community benefit.	1.-Implement at least one project to open company facilities for the benefit of communities	1 proyecto	In the second half of 2021, a loan agreement was signed with the Villa Estación Neighborhood Council in San José de Maipo, for the development by the residents of a plaza in an area arranged by the company and adjacent to the plant of treatment of San José de Maipo. Along with this, an agreement was signed with the Neighborhood Council of Codigua, Melipilla and Cerro Negro in La Pintana, to generate green area projects for residents of the sector.	✓

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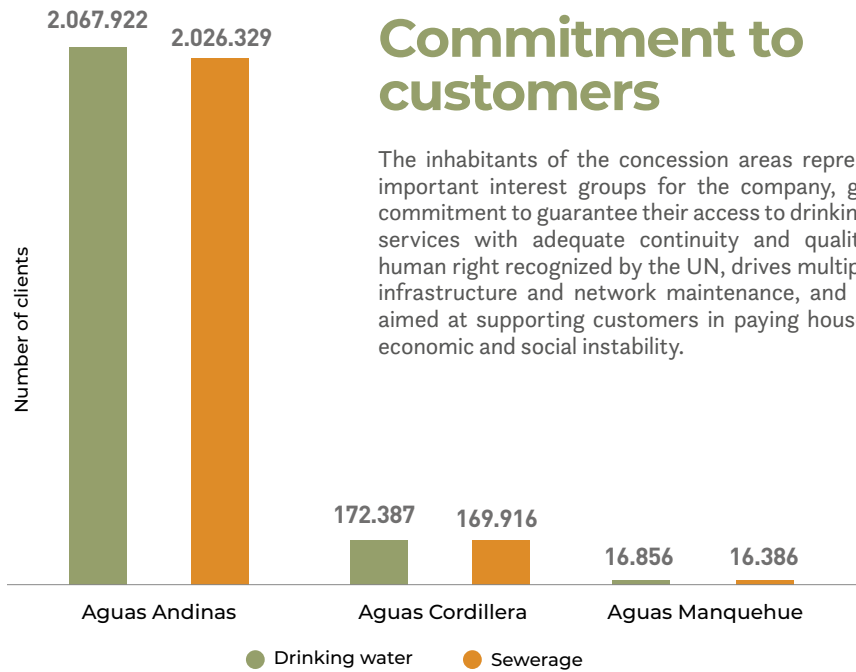
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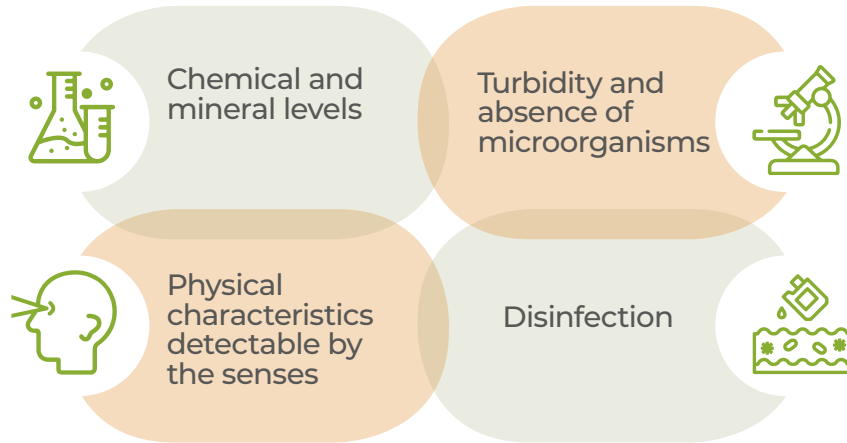


● GRI 33-2

## Water quality

To ensure the quality of the water in its services, there are internal and external laboratories for control where samples from the different stages of the drinking water production process and sewage treatment are analyzed. Through an online computer system called LIMS, the operators enter the data thus obtained so that they can be evaluated centrally.

During the production of drinking water, they are analyzed **43** quality parameters, grouped into:



Level of compliance in drinking water parameters in 2022

**99,95%**  
Andean Waters,  
vs.96.98% in 2021

**98,39%**  
Cordillera Waters,  
vs.96.80% in 2021

**100%**  
Aguas Manquehue,  
vs.100% in 2021

Meanwhile, the monitoring of sewage is carried out in accordance with Supreme Decree 90/2000, of the Superintendency of the Environment, which regulates the discharge of pollutants into the ocean and surface continental water courses by setting maximum permissible limits.

**Non-compliance in the discharges of biofactories and sewage plants of the RM during 2021**

**20**  
vs. 25 in 2021

**15** corresponded to the total nitrogen parameter, **10%** more than in 2021.

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## Customer satisfaction

The levels of demands of Aguas Andinas customers have risen rapidly in recent years, even exceeding the standards set by the regulator. In this context, the company strives to continually adjust its processes to meet the growing expectations of those who are at the center of its management.

### Improving attention

A more timely, decisive and accessible service for clients is the permanent north of the company. To this end, and among other actions, it has made a continuous effort to expand the coverage of procedures that can be carried out through digital channels.

In addition, and given the successful experience gained with the measures adopted to deal with mobility and capacity restrictions during the pandemic, new access facilities that were initially provisional, became permanent as of 2022.

#### • Mobile office

It is an agency with two attention executives mounted on a van, which is installed in different parts of the city following an itinerary that is informed in advance through the municipalities. The objective is that clients with difficulties in going to commercial offices can also carry out their procedures in person.

#### • Care facilitators

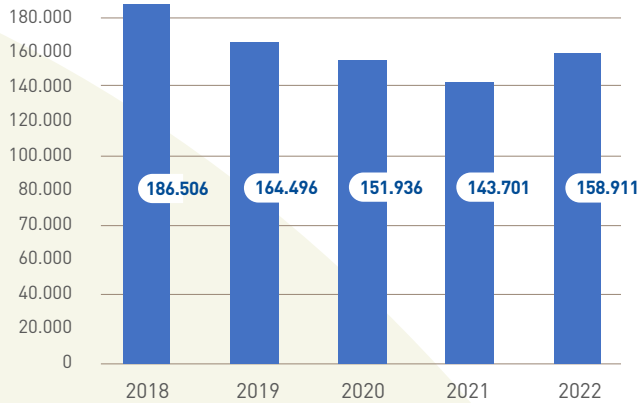
Aguas Andinas has a network of 19 commercial agencies in which now, in addition to the usual service mechanisms, facilitators work to train them in the use of available self-service devices, helping to improve the customer experience.

### Claims management

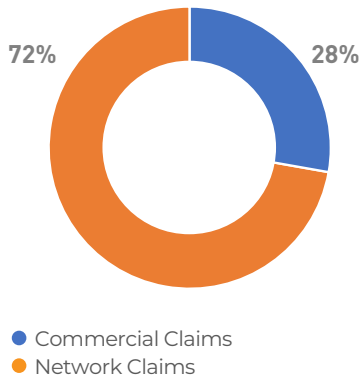
Apart from its physical agencies and the Contact Center, Aguas Andinas makes available to clients a virtual help center where they can express their concerns and file claims for unsatisfactory attention, inappropriate treatment or other reasons.



### Number of claims



### Reasons for complaints



### Scheduled outages

To prevent network renovation or maintenance works from negatively impacting people's quality of life, the company uses an alert system that notifies customers in advance of the start of work that will last more than 30 days and entail periods of time with supply cuts, indicating the type of works, the estimated duration and its benefits for the sector. Thanks to this measure and good coordination with the mayors, in 2022 the inconvenience caused by these situations was well tolerated by the community, which translated into a decrease in complaints. Likewise, in each scheduled outage, the company undertakes not to interfere with critical activities in the affected area, such as the operation of hospitals and the supply of water for Firefighters. For this purpose a previous identification of the sector needs is performed.

#### • Customer Ombudsman

In order to have a body that acts as an impartial mediator when a user disagrees with the solution provided by the company in the face of a claim, or does not obtain a response, Aguas Andinas set up a unit independent of the operational areas that has the power to issue resolutions that are binding on the company and voluntary for customers. It also formulates recommendations for the continuous improvement of the quality of the service and safeguards the objectivity, transparency and confidentiality of the mediation processes.

**430**  
resolutions in  
2022.

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## Satisfaction studies



The company relies on a series of studies to monitor the perception of its clients regarding the quality of its services. Some correspond to internal measurements and others are carried out by State institutions or external private entities. These polls tend to show a critical attitude of the public towards the service concession system in general, and are usually negatively affected when specific climatic events occur that generate stress in the service, such as extreme turbidity events.

### Study of Perception of the Clients of Sanitation Companies of the SISS

	Net satisfaction index	Place in the ranking of healthcare companies (total: 23)	Price-quality satisfaction
Aguas Andinas	25,4%	16	-6,1%
Aguas Manquehue	30,2%	14	9,3%
Aguas Cordillera	59,6%	2	37,5%
Promedio industria	37,6%	-	-

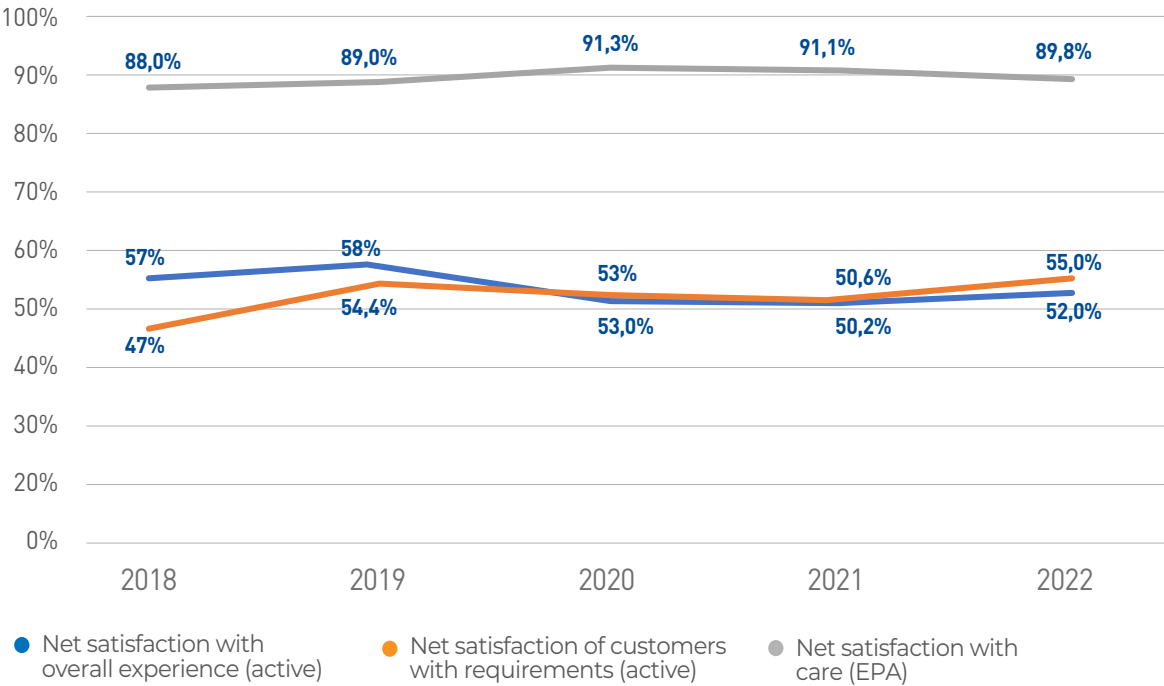
Aguas Andinas fell 6.4 percentage points compared to 2020, but remained within the fluctuation range that it has shown since 2017. The gap between the company's image and the price-quality ratio was somewhat greater than that observed in previous versions, but it is practically at the same level as that exhibited by the industry as a whole. Meanwhile, Aguas Manquehue and Aguas Cordillera have been improving their indicators year after year.

The customer perception study carried out by the SISS is defined as an inspection tool, therefore it considers in the evaluation aspects of current regulations and not necessarily attributes of the service valued by customers.

### National Customer Satisfaction Index (INSC) of ProCalidad

	Net satisfaction 2022	Net satisfaction 2021
Aguas Andinas	49%	44%
Aguas Manquehue	N/A	N/A
Aguas Cordillera	86%	91%

### Internal surveys: Active study of global satisfaction and of clients with requirements / post-service survey (EPA)



Net Promoter Score 2022 (Active)		Customers surveyed			
48% promoters	29% detractors	overall satisfaction		Customer satisfaction with requirements	
		2022	2021	2022	2021
		5.672	5.792	13.405	13.346

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# Social focus

It is essential for the company that drinking water and sanitation services are accessible to all of its customers, regardless of their economic situation. For this reason, before applying power cuts due to delinquency, it offers a series of facilities to regularize overdue debts, in addition to providing guidance in applying for state aid. As of the COVID-19 pandemic, the company has redoubled its efforts so that both its agreements and tax subsidies reach the maximum number of people, along with continuing offering last resort payment alternatives.

35,342 social agreements signed in 2022, 23% less than in 2021 (45,783).

Agreements can be requested at Aguas Andinas agencies, at the Contact Center and on the website [www.aguasandinas.cl](http://www.aguasandinas.cl).

## Client-company agreements

### Aguas Andinas Shakes Your Hand

Program aimed at households that prove a vulnerable socioeconomic condition and have an unpaid balance of \$100,000 or more accumulated over a period of eight months or more. He contemplates paying an initial foot of \$10,000 and, subsequently, 24 monthly installments of \$2,500. At the end of the period, the remaining debt is extinguished.

### Agreement for All

Program designed to suit the client, which allows you to choose how many installments you want to program your payment and how much you will cancel as a foot.



## State subsidies

### Law 21,423 on the Subsidy for Basic Services

It grants a tax subsidy to the beneficiaries of Law 21,249 —which in the midst of the pandemic prevented the cut-off of basic services due to late payment— with debts for consumption made between March 18, 2020 and December 31, 2021. It establishes a maximum application period of 48 months from the month of entry into force of the law (March 2022) and is automatically applied to the bill of those who meet the requirements, which in the case of water is having had an average monthly consumption no more than 15m3 in 2021. Once the 48 installments contemplated by the subsidy are paid, the balance of the debt will be extinguished through agreements entered into by the Ministry of Public Works with the sanitation companies.

### Drinking water subsidy

Benefit provided by the State to low-income families, consisting of 50% of the fixed monthly charge and 50% of the first 15 m3 of monthly consumption. It is applied through the Social Department of the municipalities and the requirement is to have the account up to date or a current payment agreement.

## Social payment agreements: Aguas Andinas gives you a hand

	2018	2019	2020	2021	2022	Variation 2021 vs. 2022
Number of customers with trade discounts	2.337	4.632	3.802	4.452	6.517	46%
Total amount of with trade discounts (million of pesos)	1.174	3.019	2.428	2.443	3.472	42%

## Delinquency management

On the other hand, with the entry into force of Law 21,423, and after two years without being able to do so, in 2022 the basic service companies regained the power to suspend services due to late payments. Despite the high levels of debt accumulated during the pandemic -customers with more than four overdue accounts went from 100,000 to 200,000-, Aguas Andinas decided that it will apply this extreme measure with the utmost prudence, empathizing with a macroeconomic environment that is hitting the finances of many households in the country. In this regard, it has reinforced the dissemination of regularization alternatives and dialogue with delinquent users, which has resulted in the signing of a significant volume of agreements.

Likewise, last resort payment alternatives have continued to be promoted, granting the contractors in charge of cut-offs and replacements the power to offer the customer three options on the ground to pay off their debt: with a debit or credit card using a portable reader; using the platform enabled on the Aguas Andinas website while the agent waits; or within the next 48 hours on the different available channels. This measure has had positive repercussions in the regularization of debts.

The rate of uncollectibles on income had a drop of 3.1% in 2021 to 2.4% in 2022.

Around a 50% of the visits have been resolved without the need to cut the service

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● GRI 3-3 ● ODS 6,11

# Guaranteeing universal access to water

In the Metropolitan Region there are still sectors without sanitation services, often occupied by camps, or areas within the concession areas where houses have been built without formal urbanization. As a consequence, for decades its inhabitants have had to supply themselves with water through cistern trucks, extraction from natural springs or other rudimentary mechanisms.

Although this problem escapes its legal obligations, the company's concern to provide universal access to water and that everyone benefits from a vital basic service, drives the search for solutions for complex historical cases, working together for that purpose with ANDESS, the Government, municipalities and real estate. Following the internal protocols for the technical and economic evaluation of projects, in 2022 the following long-standing cases were addressed:

- San Gabriel, in the San José de Maipo commune, is a small town made up of about 100 homes that until recently did not have a sewage treatment service, because building a 21 km collector was economically unfeasible. However, in response to the request of the community itself and the mayor, Aguas Andinas agreed to operate the San Gabriel Plant, a wastewater treatment plant that was inaugurated in 2022 by the municipality of San José de Maipo.



● GRI 2-25, 2-26, 413-1, 413-2

# Impact on local communities

Aguas Andinas is going through a transition stage in the field of community relations. From a logic of projects focused on the requirements of the environmental qualification resolutions, we move towards a model that facilitates the proactive and transversal construction of permanent relationships with the communities with which it is linked, both through environmental impact studies, as in its daily management throughout the metropolitan basin.

## Guidelines of the new community relations model

- The model seeks to strengthen relationships based on trust and, for this, it is necessary to bring the company's business closer to the community: publicize the production processes that are carried out in the plants, the strategies to face the climate crisis and investment projects, among other topics. Hence, one of its axes is participation in citizen events. An example of this was the participation of Aguas Andinas during November 2022 at the Santiago International Fair (FISA), where it showed how biofactories work and presented its project for the reuse of treated water.
- Advance towards an increasingly precise measurement of the social impact of projects right from their design. With this horizon in mind, in 2022 the new unit began the development of a strategy that it expects to implement in the following year, the scope of which will include not only a reinforced social investment action but an adequate measurement of the impacts on people and the business.
- It also considers carrying out more strategic and transversal projects created jointly with the communities, establishing instances of participation that encourage reflection on community needs. The idea is to bring together various local actors —such as municipalities, neighborhood associations, family health centers or rural drinking water services— to review their needs and then address those that are most closely linked to the Aguas Andinas business and have a greater positive impact on local development.

## Work tables

*The company has established 7 working and dialogue groups with communities, which meet every 3 months. In 2022, they remained active and highly engaged, proof of a strong foundation of trust. The main topics discussed are operational and local development such as competitive funds.*

### Dialogue tables:

- Rungue
- Montenegro
- El Trebal
- Casas Viejas
- Pueblito La Farfana
- Maipú Urbano

- Modify the current programmatic lines, based mainly on competitive funds that are divided into various projects of a diverse nature, establishing a focus focused on actions more directly linked to the heart of Aguas Andinas' business.

- Move towards an increasingly precise measurement of the social impact of projects right from their design. With this horizon in mind, in 2022 the new unit began the development of a strategy that it expects to implement in the following year, the scope of which will include not only a reinforced social investment action but an adequate measurement of the impacts on people and the business.

## Aló Vecino

*The free line Aló Vecino (800 38 03 03), operated by the Contact Center, is the channel that Aguas Andinas has made available to the communities near in Santiago biofactories and the El Rital Biosolids Management Center, to report on their perception of bad odors associated with sewage treatment. After a call, the company determines in the field the intensity, origin and source of the emissions, in order to determine if they are its responsibility or that of third parties, and adopt the pertinent measures.*

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Community Relations Roadmap

To materialize this new look at community relations, in 2022 Aguas Andinas defined, together with the Spanish consultancy Tándem, a five-year roadmap that emphasizes the relationship with those communities that are perceived to be furthest away from the company. The project had representatives from all departments, a dynamic from which ten work programs arose, some of which began to be executed during the reporting year.



Program	Start
1.-Start-up Fund: It arises to respond to critical requests to the company: SISS, Presidency, Municipality, Government, in relation to the needs of drinking water start-ups and household sewage connections.	2022
2.-The future is Feminine: Train and certify women in the Plumbing trade, delivering practical, financial, water ecosystem-themed tools. This in coordination with the municipal branches.	2012
3.-Guided tours: Create awareness of the importance and responsible use of water through visits to the different plants owned by the company.	2006
4.-Water in progress: Sensitize, raise awareness and train girls, boys, adolescents and the educational community of vulnerable communes of the RM on water care and the importance of a new water culture.	2009
5.-Competitive funds: The program aims to achieve sustainable and definitive solutions to priority territories through competitive funds.	2022
6.-Training of Leaders: Train community leaders in leadership issues, in addition to raising awareness through workshops on the responsible use of water, care of the facilities, and improvement of access and water management.	2023
7.-Diagnosis of the Community Relations Plan: Prepare a sustainable community relations plan for the workers of the biofactories with the nearby communities, oriented towards assertive communication and focused on the reality of the territories impacted by the company in order to achieve a social license and operate normally.	2023
8.-Citizen Dialogues: Call on citizens to reflect on the city we want to build and how to make Santiago a sustainable and resilient city in the face of climate change with a focus on drought.	2023
9.-Promotion of entrepreneurship: Strengthen businesses or ventures of neighbors who live near the El Trebal and La Farfana biofactories that can add value to the company with the inclusive business modality, opening new job opportunities and local development.	2023

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## Social investment

Aguas Andinas allocates an annual budget for social investments, which must meet certain pre-established criteria; among them, that the projects are linked to the sphere of activity of the company or with its contribution to the sustainability of the region. In 2022, the main areas to which resources were allocated in this regard were:

### • Programs for surrounding communities

The company carries out annual work plans with the communities neighboring the biofactories and other large operating sites, jointly developing various projects related to access to drinking water, sustainable energy, neighborhood safety, and infrastructure improvement. community. In 2022, rest places stood out.

### • Local development funds

The company annually allocates competitive funds to finance projects promoted by grassroots, non-profit organizations, formally constituted in four communes of the region: Maipú, Pudahuel, Tiltill and Padre Hurtado.

The 2022 contests were characterized by a high presence of projects linked to sustainability -for example, solar lighting and technical irrigation-, despite not being a requirement of the bases.

### • Guides to prepare projects aimed at obtaining regional funds.

Aguas Andinas supports various organizations in the process of preparing projects (that is, designs and plans) that aim to apply for regional government funds for urbanization works.



**73.309** people benefited.

**158** Social Organizations.

**\$913** million, added the social investment of the company in 2022.



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## Leading with integrity

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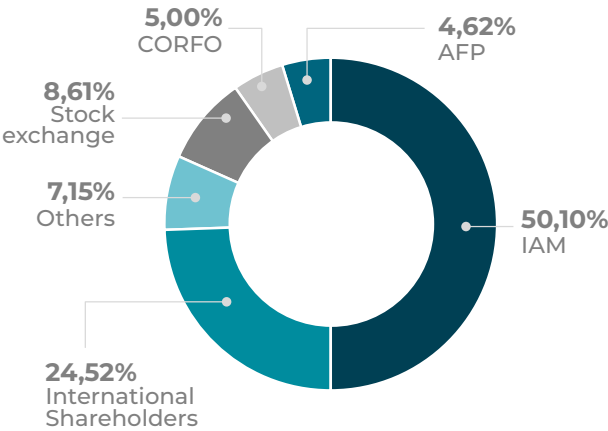
*Aguas Andinas has aligned itself with the OECD corporate governance principles, building a governance that seeks to facilitate the creation of an environment of trust, transparency and responsibility; promote a long-term vision, financial stability and business integrity, and contribute to stronger and more inclusive growth. In this regard, its corporate governance is based on a commitment to ethical behavior in strategy, operations and business culture, understanding that investors and other stakeholders today conceive the environmental, social and governance aspects of companies as an integral part of their long-term performance and sustainability.*

## Company ownership and control

Aguas Andinas is an open stock company, whose direct controller is Inversiones Aguas Metropolitanas SA (IAM) with 50.10% ownership, which in turn is controlled by Veolia Environnement SA (France), through the Chilean companies Veolia Inversiones Aguas del Gran Santiago Ltda. (IAGSA), Veolia Inversiones Andina SA and the entity Agbar SLU, based in Spain.

- With an experience of more than 150 years, Agbar is today one of the largest operators of sanitation services worldwide.
- Founded in France in 1853, Veolia is a world leader in the provision of environmental services, designing and providing innovative solutions to manage water, waste and energy.

Composition of the property



Name or Social reason	RUT	30.01.2022	Series	%
Inversiones Aguas Metropolitanas SA	77.274.820-5	3.065.744.510	A	50,10%
Banco de Chile on behalf of non-resi- dent third parties	97.004.000-5	584.210.396	A	9,55%
CORFO	60.706.000-2	305.948.258	B	5,00%
Banco Santander on behalf of foreign investors	97.036.000-K	287.766.630	A	4,70%
AFP Habitat SA	98.000.100-8	269.958.559	A	4,41%
Banco de Chile on behalf of State Street	97.004.000-5	229.232.957	A	3,75%
Santander Bank Chile	97.036.000-K	151.122.688	A	2,47%
Banchile Stock Brokers SA	96.571.220-8	120.905.940	A	1,98%
Larraín Vial SA Stock Broker	80.537.000-9	92.898.215	A	1,52%
Association of Canalistas Soc. of the Maipo Canal	70.009.410-3	70.426.696	A	1,15%
Banco de Chile on behalf of Citi NA New York Clie.	97.004.000-5	56.668.013	A	0,93%
JP Morgan Securities Inc.	47.009.201-7	4.336.024	A	0,07%
Other series A (1,523 shareholders)		877.771.618	A	14,34%
Other series B (23 shareholders)		1.974.656	B	0,03%
Total		6.118.965.160		100,00%

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● GRI 2-9, 2-10, 2-12, 2-13, 2-14, 2-15, ● ODS 16

# Corporate governance

Composition	Appointment	Responsibilities	Functioning
<p><b>7 regular directors</b></p>	<p>All directors are appointed by the Shareholders' Meeting for a term of three years, after which they are renewed in their entirety, and may be re-elected in consecutive periods.</p>	<ul style="list-style-type: none"><li>• Approve the company's policies, strategies and stakeholder map.</li><li>• Follow up on the established goals and resolve issues related to the company's economic, social and environmental management, considering the inherent risks and essential aspects for stakeholders.</li></ul>	<p><b>Ordinary sessions:</b> They are carried out at least once a month, on dates predetermined by the Board of Directors itself.</p>
<p><b>7 alternate directors</b> They can replace the respective holders permanently in case of vacancy or transitory in case of absence or temporary impediment.</p>	<p>When a mandate must be revoked early for exceptional reasons, the shareholders must elect a new Board of Directors.</p> <p>Being a shareholder of the company does not disqualify you from being part of this body, but it does disqualify you from exercising executive functions.</p>	<ul style="list-style-type: none"><li>• Set an annual agenda that covers all areas and activities of the company, according to criteria established by the Commission for the Financial Market (CMF) and good international practices.</li></ul>	<p><b>Extraordinary sessions:</b> They are held by summons of the president or by indication of one or more directors, prior qualification of the president of the need for the meeting, unless requested by the absolute majority of the directors.</p> <p><b>Quorum to meet in both cases:</b> Absolute majority of members. In 2022, 12 ordinary and 2 extraordinary sessions were held.</p>

**Board Candidate Nomination Policy**

To encourage the diversity of abilities, visions and conditions among the members of the Board of Directors, the company applies a candidate nomination policy.2which considers two major guidelines:

**Suitability**

Appropriate skills and experience.

- Capacities.
- Experience, solidity and leadership in its field of specialty.
- Strategic vision in a context of public and regulated service of the company's business.

**Diversity**

- Presence of women and men.
- Different ages, cultures, nationalities or countries of origin, political thoughts and confessions.
- Diversity and complementarity in studies, whether university or of another nature.
- Different levels of specialization.

## Directory

The highest governing body of Aguas Andinas is its Board of Directors, which complies with the provisions of Law 18,046 on Public Limited Companies.

### Standards of good corporate governance

For proper management of conflicts of interest, the Board of Directors has a code of conduct applicable to all its members, approved in 2013, with specific examples of this type of conflict and mechanisms to resolve them. Likewise, the company has a general regularity policy approved by the Board of Directors and a series of policies and procedures that are part of the Compliance Management System.

In addition, the Board of Directors has approved various policies and agreements aimed at incorporating the criteria of the Financial Market Commission (CMF) into its work, including guidelines for disseminating information on corporate governance practices. In this sense, the highest body developed over the years a tradition of high compliance with the General Regulation (NCG) 385. During the first months of 2022, work in this area focused on adapting its practices to the new NCG 461, which assigns the Board of Directors a relevant role in ESG matters. The resolutions aimed at achieving this objective were reflected in the agreements of the May 2022 session and are included in the Compendium of Policies and Procedures on Corporate Governance.

The Board of Directors has agreed to fix attendance at a minimum of nine Board meetings per year, seven of which must be in person, unless said modality is prevented by circumstances of safety, health or of any other nature. The foregoing is equivalent to 75% of the total number of sessions and is intended to recognize the diversity of experiences and knowledge existing in the body, depending on the complexity of the matters to be dealt with.

98,2%  
was the average board attendance in 2022



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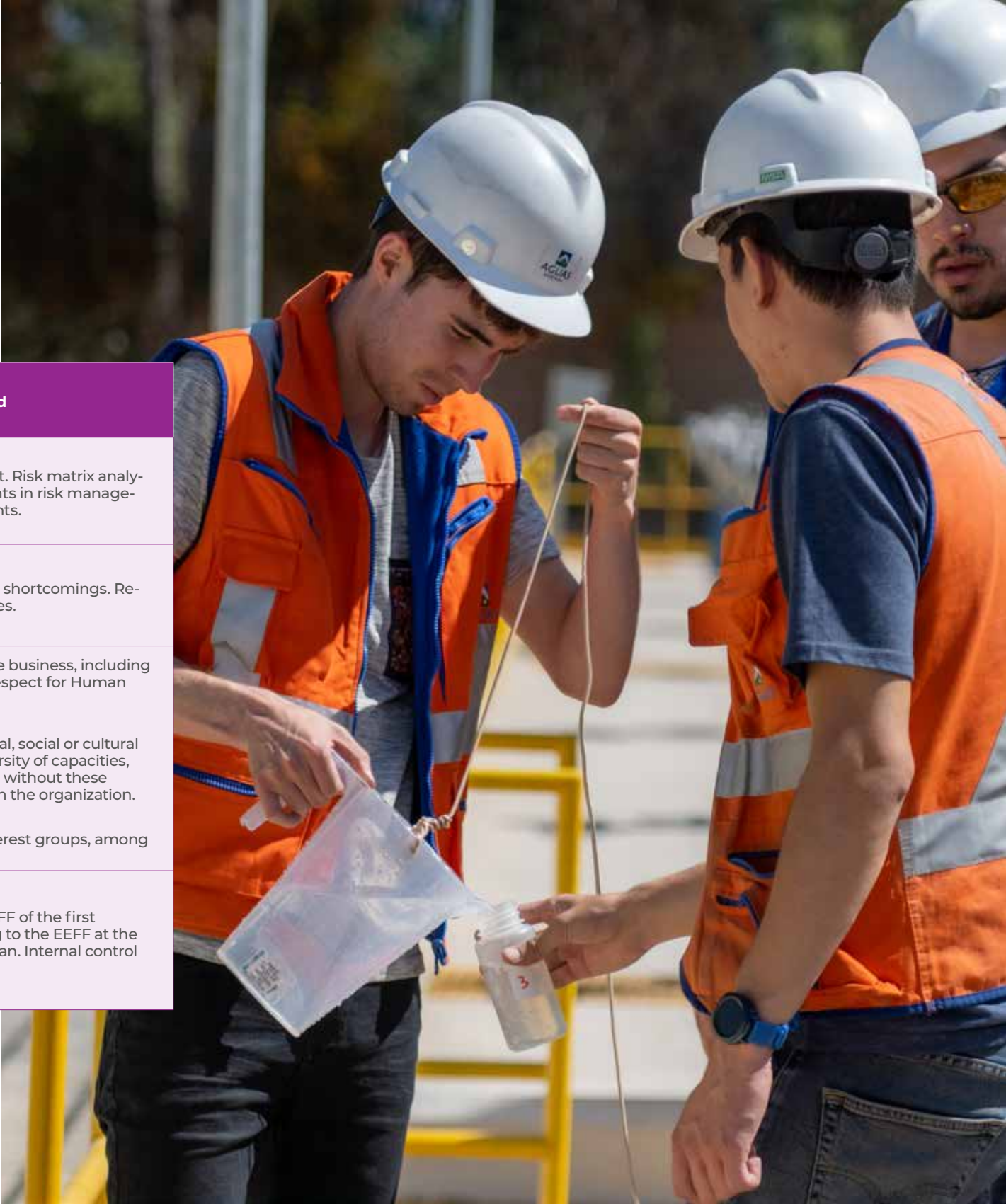
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In line with the reinforcement of the role of the Board of Directors in ESG matters, it was also defined that quarterly sustainability reports that include the main advances and challenges in achieving the goals established in the company's sustainability strategy should be presented directly to it.

Area/ Entity	Periodicity of presentation before the Board of Directors	Main topics covered
Risk management	Quarterly	Adequate operation of risk management. Risk matrix analysis. Recommendations and improvements in risk management. Contingency plans for critical events.
Internal audit	Quarterly	Annual audit plan. Detection of eventual shortcomings. Recommendations to minimize irregularities.
Sustainability	Quarterly	<p>Integrate a sustainability approach in the business, including environmental and social matters and respect for Human Rights in the strategic definitions.</p> <p>Detection and reduction of organizational, social or cultural barriers that could be inhibiting the diversity of capacities, conditions, experiences and visions that, without these barriers, would have occurred naturally in the organization.</p> <p>Addressing the interests of the main interest groups, among other matters.</p>
External company auditing financial statements	Three times a year	Analysis of the report referring to the EEFF of the first semester. Analysis of the report referring to the EEFF at the end of the financial year. Annual audit plan. Internal control letter.



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GRI 2-14

## Acting Board of Directors

The Board of Directors of Aguas Andinas was elected for a full statutory period of three years, at its 19th Extraordinary Shareholders' Meeting, held on September 28, 2022 at the request of the shareholder Inversiones Aguas Metropolitanas SA, which holds more than 10% of the issued shares, with voting rights of the company. This, in response to the change of indirect control of said company and of Aguas Andinas SA, after the public offer for the acquisition of shares launched in France by Veolia Environment SA

## Regular directors



### Felipe Larraín Aspillaga

**President**  
ID number 6.922.002-9  
69 years old

On the Board of Directors since September 2022..

Civil Engineer from the Pontificia Universidad Católica de Chile. He was general manager of Aguas Andinas between 2004 and 2011, and its president from 2011 to 2016. He is also a director of IAM since 2014, president of IAM since 2016, and a member of the boards of the Maipo Canal Society and the Oversight Board of the Maipo River.



### Gustavo Migues

**Director**  
Uruguayan, Id number 27.844.865-7  
55 years

On the Board of Directors since September 2022.

Civil Engineer, Hydraulic and sanitation option, from the Universidad La Republica in Uruguay. Since 1995 he has worked at the Veolia Group, where he has held positions at the Compagnie Générale des Eaux in France, has been regional director in Puerto Rico and has held various positions related to the sanitation services sector in China. He was also country director of Veolia South Korea (2011), director for the Latin American Zone and the countries of Spain and Portugal (2017), and member of the Veolia Management Committee. He currently works as director of the Latin America Delegate Zone.



### Fernando Samaniego Sangroniz

**Director**  
Chilean, Id number 6.374.438-7  
57 years old

On the Board of Directors since August 2013.

Lawyer from the Pontificia Universidad Católica de Chile, with a diploma in Competition Economics, Fundamentals for Lawyers from the Universidad de Los Andes. He is a partner at the Prieto Abogados firm. He has been the general manager of IAM since May 2021 and is a member of the list of arbitrators of the Mediation and Arbitration Center of the Santiago Chamber of Commerce and the National Arbitration Center.



### María Florencia Esquerre Riquelme

**Director**  
Id number 16.239.812-1  
37 years

On the Board of Directors since September 2022.

Lawyer from the Universidad de Concepción, Diploma in Corporate Governance from the Pontificia Universidad Católica de Chile, with a Master's Degree in Business Law from the Adolfo Ibáñez. She has been an M&A and Capital Markets lawyer at Philippi Prietocarrizosa Ferrero DU & Uría and an in-house lawyer at Veolia Chile's Legal Department.



### Giorgianna Cúneo Queirolo

**Director**  
Id number 9.667.948-3  
52 years old

On the Board of Directors since April 2019.

Publicist with a mention in Marketing from the Universidad del Pacífico. She has been manager of Advertising at Banco de Chile, president of the Association of Viticulturists of the Casablanca Valley, director of Tottus Supermarkets and director of IAM. She currently works as executive director of Viña Casas del Bosque, of the Association of Viticulturists of the Casablanca Valley and director of Falabella Retail. She also participates in the Board of Directors of the Liguria Foundation.



### Rodrigo Manubens Moltedo

**Independent director**  
Id number 6.575.050-3  
64 years old

On the Board of Directors since July 2011.

Business Engineer from the Federico Santa María University and the Adolfo Ibáñez University, Master of Science from the London School of Economics and Political Science in the United Kingdom. At present he is director of the Santiago Stock Exchange. He has been Chairman of the Board of Banchile Seguros de Vida and SegChile Seguros Generales, as well as director of Banco de Chile, Orión Seguros Generales and SM Chile.



### Jaime Arellano Quintana

**Director**  
Id number 6.941.061-8  
56 years old

On the Board of Directors since March 2022.

Lawyer from the Pontificia Universidad Católica de Chile, Master in Law (LL.M.) from the Inter-American University of Puerto Rico and Master in Public Administration and Public Policy MPA from the American University. From 2014 to 2021 he was executive director of the Justice Studies Center of the Americas and from 2010 to 2020 he was a senior partner at the law firm Jara & Marín. He served as Prosecutor of CORFO and director of Aguas Andinas from 2006 to 2010. He was Undersecretary of Justice between 2000 and 2006. He has also given courses and talks at various institutions. He is currently a professor of Justice, Technology and Litigation in the international diploma course of the Universidad Alberto Hurtado of Chile and in universities and judicial academies in Argentina.

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Alternate directors



Tomás Uauy Cúneo

Aternate principal  
Id number RUT 17.406.011-8  
32 years old

On the Board of Directors since April 2019.

Commercial Engineer from the Pontifica Universidad Catolica of Chile. Currently, he works as Investment Assistant Manager at Inversiones Liguria. He has been Deputy Manager of Investments at Frontal Trust SA and Corporate Finance Analyst for Banchile | Citi Global Markets.



Víctor Selman Biester

Aternate principal  
Id number 7.983.915-9  
62 years old

On the Board of Directors since March 2022.

Industrial civil engineer from the Universidad de Santiago and MBA from IEDE Spain, with diplomas in Finance, Project Evaluation, Management Control, Strategic Planning, Corporate Governance and Free Competition. Today he is the corporate director of the SEP Business System. Between 2004 and 2009 he was director of Empresas CORFO and between 1997 and 2004, director of Empresas Sanitarias del SEP. He also served as deputy manager of Planning and Management Control at CORFO between 1994 and 1996, and as director of various sanitation companies (ESSBIO SA, ESSEL SA, ESSAL SA, EMSSAT SA, EMSSA SA, Lago Peñuelas SA, Aguas Manquehue SA, Aguas Cordillera SA and Aguas Los Dominicos SA), Colbún SA, Edelayen SA, Geotérmica del Tatío SA, CIMM TyS, Arica Port Company, Chacabuco Port Company and Valparaíso Metro.



Jorge Manent Codina

Aternate principal  
Id Spanish number, DNI PAG723106  
38 years old

On the Board of Directors since April 2019

Graduate in Business Management and Administration and master's degree from ESADE. He has more than 13 years of experience in Corporate Finance. He has spent a large part of his career in the financial area of the Suez Group, his last responsibility being the M&A Department for Spain and Latam. He was also CFO of the Advanced Solutions division. He is currently CFO of Suez Latam.



Gustavo Alcalde Lemarie

Aternate principal  
Id number. 5.894.308-8  
68 years

On the Board of Directors since September 2022.

Business Engineer from the Universidad de Chile. He was general manager of AFP Provida between 1996 and 2006, president of the same AFP between 2006 and 2009, director of Ripley CORP SA between 2011 and 2017, director of INGEVEC SA from 2013 to 2022, president of ESSAL SA from 2019 to 2020 and director of Capital Advisors AGF since 2015. He is also a director of the Las Rosas Foundation since 2010 and president of the Banigualdad Foundation since 2012.



Katia Trusich Ortiz

Aternate director  
Id number 9.858.933-3  
51 years

On the Board of Directors since September 2022.

Lawyer from the Universidad of Chile, with an MBA. She was Undersecretary of Economy and CEO of Sanofi-Genzyme for Chile, Peru and Ecuador between 2007 and 2014. She was director of ESSAL from 2020 to 2021 and member of the CGE Advisory Council between 2017 and 2019. Since 2017 she has been director of Cementos Bío Bío, president of the Chamber of Shopping Centers and counselor of the National Chamber of Commerce. She is also a director of Coopeuch since 2018, director of Guacolda since 2021 and a member of ICARE, the Coopeuch Foundation and the Consumer Council of the National Consumer Service.



Marisol Bravo Leniz

Aternate director  
Id number 6.379.176-8  
62 years old

On the Board of Directors since September 2022.

Commercial Engineer from the Universidad of Chile. She worked for more than 30 years at CCU SA, where she created the Corporate Affairs department. She is the director of AFP Habitat, a member of the FEN Business Advisory Council of the University of Chile and president of the Board of Directors of the CCU Program in Art. She is a Chilean Air Force Reserve Officer. She is currently studying the Senior Management Program (PADE) at the ESE Business School.



Bernardo Simian Soza

Independent Deputy Director  
Id number 12.022.729-7  
48 years old

On the Board of Directors since September 2022.

Lawyer from the Pontificia Universidad Católica de Chile, Master's in Tax Management and Planning from the Adolfo Ibáñez University. He is a member of the Board of Directors of Colmena Golden Cross SA and of the National Arbitration Center. He was an assistant professor of Civil Law at the Catholic Universidad de Chile.

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GRI 2-18

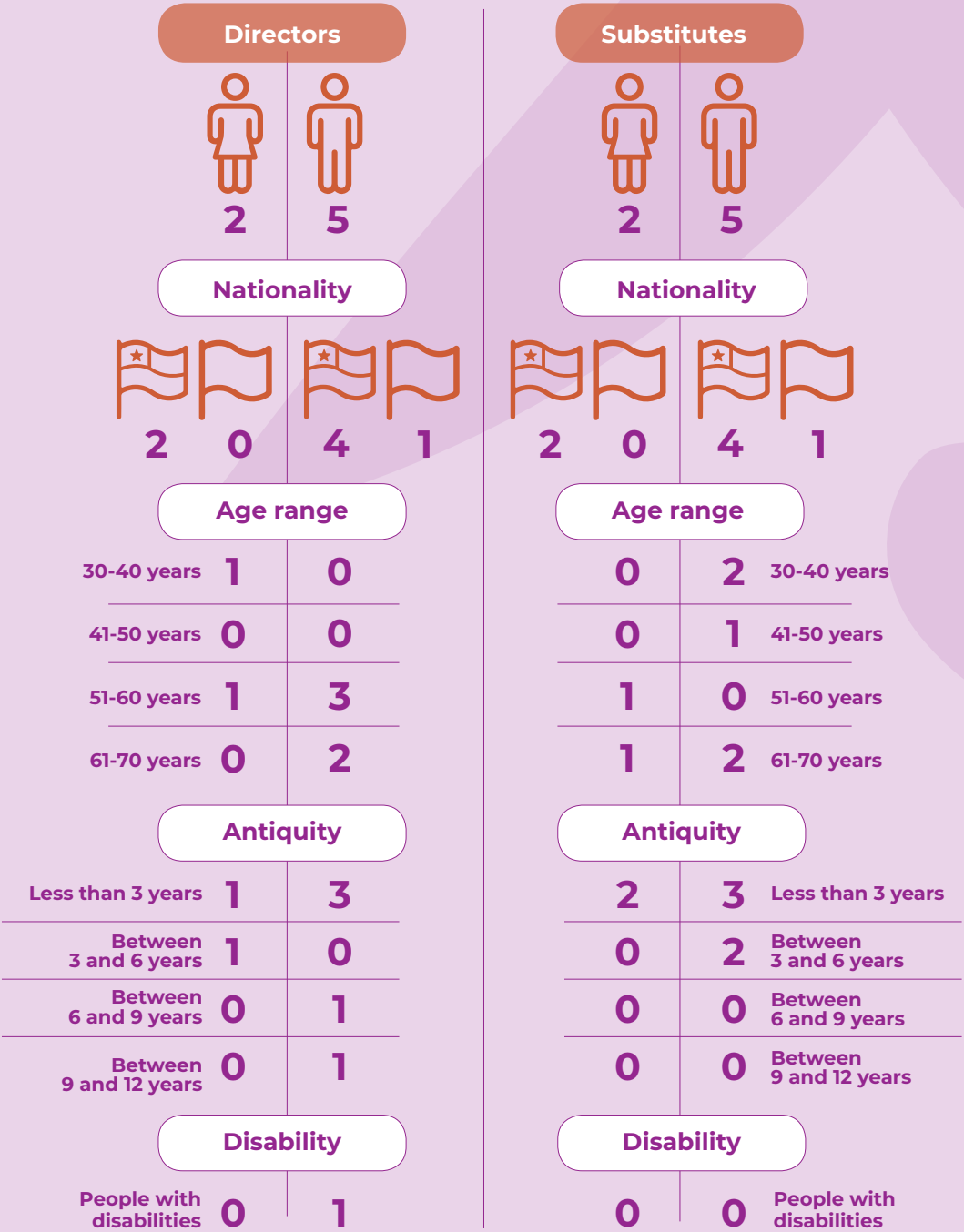
### Board Evaluation

In order to constantly improve its operation, the level of compliance with CMF regulations and its relationship with shareholders, the Board of Directors deploys periodic self-assessment processes, in addition to resorting to specialized external consultants who evaluate it in these matters. During 2023, the process that was originally scheduled for 2022 will be carried out, which could not be carried out due to the renewal of the Board of Directors that occurred in September 2022, in response to the change of indirect control of the company.

### Induction and training for directors

Upon assuming their positions, the directors receive training, advice, talks and content related to the business, its risks, the legal framework and the relevant policies and procedures, in line with the provisions of the CMF.

In October 2022, the induction process was carried out for the new members of the Board of Directors, who assumed their positions at the extraordinary shareholders' meeting held on September 28 of the same year.



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● GRI 2-19, 2-20

### Remunerations and expenses of the Board of Directors

In accordance with Law 18,046 on Public Limited Companies, the Ordinary Shareholders' Meeting held on March 2, 2022 agreed on the following remuneration scheme for the Board of Directors:

- A monthly allowance of UF 100 for the president, UF 75 for the vice president, and UF 70 for regular and alternate directors.
- A variable remuneration for attendance at each session of UF 80 for the president, UF 60 for the vice president, UF 20 for regular directors and UF 20 for alternate directors, only when they replace the regular directors.
- A remuneration of UF 20 for each director for effective participation in various committees that are established for the management or control of the company, except for the Directors' Committee, with a limit of four sessions per year. In the case of substitute directors, they will only receive this remuneration when they replace their holder.

The Board of Directors incurred expenses in the amount of \$2,152,946 during fiscal year 2022, corresponding to consultancies.



### Remuneration of the members of the current Board of Directors (period 2021-2022)

Directors	Job Position	Remuneration (\$ thousands of Chilean pesos)		Session (\$ thousands of Chilean pesos)	
		2022	2021	2022	2021
Felipe Larraín Aspillaga	President	13.878	0	11.103	0
Fernando Samaniego Sangroniz	Director	27.892	25.098	2.776	594
Giorgianna Cúneo Queirolo	Director	27.892	25.098	8.654	8.386
Jaime Arellano Quintana	Director	23.499	0	8.034	0
María Florencia Esquerre	Director	9.715	0	2.776	0
Rodrigo Manubens Moltedo	Director	27.892	25.098	9.289	8.386
Gustavo Miguez	Director	0	0	0	0
Gustavo Alcalde Lemarie	Alternate Director	9.715	0	0	0
Bernardo Simian Soza	Alternate Director	9.715	0	0	0
Marisol Bravo Leniz	Alternate Director	9.715	0	0	0
Katia Trusich Ortiz	Alternate Director	9.715	0	0	0
Tomás Uauy Cúneo	Alternate Director	27.892	25.098	635	0
Víctor Selman Biester	Alternate Director	23.499	0	0	0
Jorge Manent Codina	Alternate Director	0	0	0	0
Totals		221.019	100.392	43.267	17.366

Note: no pay gaps between board members

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## Directors Committee

Aguas Andinas has a Directors' Committee governed by the provisions of Law 18,046.

Composition	Appointment	Responsibilities	Functioning
<b>3 members</b> <ul style="list-style-type: none"><li>• Most of them must be independent directors, if any.</li><li>• The Chairman of the Board of Directors cannot be a member of the committee or its subcommittees, unless he is independent.</li><li>• Current members: Rodrigo Manubens, Jaime Arellano, Fernando Samaniego and their respective substitutes.</li></ul>	The committee is constituted in the first meeting of the Board of Directors, after its election by the respective ordinary shareholders' meeting. If there are more than three directors with the right to be part of the committee, the Board of Directors must unanimously resolve who will be part of it at the first meeting after the shareholders' meeting in which the election was held.	<ul style="list-style-type: none"><li>• Supervise the financial management of the company, with special powers to examine the reports of the independent auditors, the balance sheet and the income statements before being presented to the shareholders.</li><li>• Propose to the Board of Directors the external auditors and private risk classifiers.</li><li>• Review the operations contained in Title XVI of Law 18,046 and prepare a report on the matter.</li><li>• Analyze the remuneration schemes and compensation plans of the company.</li><li>• Make annual recommendations to shareholders and report on its management.</li><li>• Propose to the Board of Directors a general policy for handling conflicts of interest and rule on the general policies of regularity established in accordance with the provisions of the second paragraph of article 147 of Law 18,046.</li><li>• Inform the Board of Directors regarding the advisability of hiring or not the external audit company to provide services that are not part of the audit of Financial Statements, in accordance with the provisions of article 242 of Law 18,045.</li></ul>	<ul style="list-style-type: none"><li>• Has ordinary sessions once a month and extraordinary ones whenever required, in order to deal with the matters entrusted to it by article 50 bis of Law 18,046.</li><li>• The minimum quorum is two members.</li><li>• The deliberations, agreements and their organization are governed by the rules relating to the Board of Directors sessions of the company, in accordance with the law.</li><li>• The committee periodically informs the Board of Directors of the agreements adopted, which must be considered by the highest body. In 2022, he reported monthly to the Board of Directors.</li></ul>

### Remuneration and expenses of the Directors' Committee

At the Ordinary Shareholders' Meeting held on March 2, 2022, a monthly allowance of **UF 25** was agreed for the members of the Directors' Committee and an allocation of **UF 20** for attendance at each session. Alternate directors only receive remuneration for assistance when they replace the respective holder.

At the same Shareholders' Meeting, the annual expense budget for this committee was set at **UF 3,000**, same

amount than in the previous period. Expenses during the year 2022 were **\$33.013.984** and correspond to secretary fees.

**92,9%** was the average attendance at the meetings of the Directors' Committee in 2022.

### Remunerations Directors who left the company (period 2021-2022)

Directors	Post	Remuneration (\$ thousands of Chilean pesos)		Session (\$ thousands of Chilean pesos)	
		2022	2021	2022	2021
Claudio Muñoz Zúñiga	President	25.968	35.853	26.053	33.544
Gonzalo Rojas Vildósola	Director	18.177	25.098	0	0
Loreto Silva Rojas	Director	18.177	25.098	5.845	8.386
Luis Mayol Bouchon	Director	0	12.363	0	3.532
Mauricio Rojas Mullor	Director	4.393	25.098	1.255	4.854
Sonia Tschorne Berestesky	Director	18.177	25.098	668	0
Totals		84.892	148.608	33.821	50.316

There are no diets differentiated by gender among the members of the Board of Directors of Aguas Andinas.

### Remuneration of the Directors Committee 2021-2022 (in thousands of pesos)

Directors	Job Position	Remuneration	
		2022	2021
Bernardo Simian Soza	Director	2.613	0
Fernando Samaniego Sangroniz	Director	12.732	10.134
Gonzalo Rojas Vildósola	Director	7.348	8.963
Luis Mayol Bouchon	Director	0	7.948
Jaime Arellano Quintana	Director	16.472	0
Mauricio Rojas Mullor	Director	2.824	15.035
Rodrigo Manubens Moltedo	Director	19.295	18.568
Víctor Selman Biester	Director	8.393	0
Totals		69.677	60.648

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Committee of directors of Aguas Andinas SA (Article 50 bis of Law 18,046)

Santiago, February 28, 2023.

Mr

Felipe Larraín Aspillaga  
Chairman of the Board of Directors  
Aguas Andinas SA

Present

REF: MANAGEMENT REPORT OF THE DIRECTORS COMMITTEE FOR THE YEAR 2022

Dear Sir:

In compliance with the provisions of article 50 bis), paragraph eight, No. 6, of Law No. 18,046 on Public Limited Companies, the activities and management carried out by the Directors' Committee during the annual fiscal year that ended on 31 December 2022.

I. INTEGRATION AND OPERATION OF THE COMMITTEE.

The Committee was integrated from January to February 2022 by the regular director Rodrigo Manubens Moltedo and his alternate director Gonzalo Rojas Vildósola, both as independent; the director Mauricio Rojas Mullor, as an independent; the regular director Narciso Berberana Sáez and his substitute director Fernando Samaniego Sangroniz. The president of the Committee was the director Rodrigo Manubens Moltedo.

At the 2022 Ordinary Shareholders' Meeting, a new board of directors was elected, appointing the regular director Rodrigo Manubens Moltedo and his alternate director Gonzalo Rojas Vildósola as members of the Committee, both as independent; the regular director Narciso Berberana Sáez and his substitute director Fernando Samaniego Sangroniz, and the regular director Jaime Arellano Quintana and his substitute Victor Selmán Biester. It was agreed to elect director Rodrigo Manubens Moltedo as president of the Committee.

At the Extraordinary Shareholders' Meeting held on September 28, 2022, the Board of Directors was renewed. In the board meeting held on the same date, the regular directors Rodrigo Manubens Moltedo, Jaime Arellano Quintana and Fernando Samaniego Sangroniz, and their respective alternate directors Bernardo Simian Sazo, Víctor Selmán Biester and Jorge Manent Codina were appointed as members of the Committee. It was agreed to elect director Rodrigo Manubens Moltedo as president of the Committee.

The Directors' Committee meets regularly once a month, and in extraordinary sessions whenever required. Likewise, it has timely complied with all the duties and exercised its powers established in article 50 bis) of the Law on Public Limited Companies. A brief list of its activities during 2022 is as follows:

II. EXAMINATION OF OPERATIONS WITH RELATED PARTIES.

Transactions with related parties were examined based on the information and analysis provided by the company's Management, external experts selected by it and in some cases considering the expert opinion of independent advisors selected by the Committee. The Directors' Committee recommended the approval of such operations only when the

following conditions were met: i) that their purpose was to contribute to the corporate interest; ii) that the price, terms and conditions be adjusted to those that prevailed in the market at the time of its approval; and iii) that they were within the line of business and the usual policy of the company. All the agreements were adopted unanimously, and where appropriate with the abstention of the director involved in the operation. Regarding the adjustment to prices, terms and conditions similar to those prevailing in the market, it must be borne in mind that almost all operations or new contracts with related parties were the subject of a public, open, competitive and informed bidding process, in compliance with article 67 of the General Sanitation Services Law and its Regulations.

The operations examined by the Committee and reported to the board of directors were:

1.- Examined and reported favorably on the renewal of the Collaboration Program between the Chilean Water Research Corporation (CETAQUA) and Aguas Andinas SA for a period of three years, renewable for another three periods of one year each, for a maximum of annual contracting of UF 40,000, through specific annexes for each project. The Chilean Water Research Corporation (CETAQUA) is the only Research Center specialized in the urban water cycle and is a strategic partner for the development of technically complex projects that are difficult to monitor from within the company, generating knowledge for the comprehensive water management.

2.- Examined and favorably reported entering into a framework contract with Prieto Abogados at a "series of unit prices", applying the firm's rates based on the experience of the lawyer assigned to the tasks, with a 10% discount on the reported rates. The contract will have a limit of an amount of UF 3,500 per year for a term of 3 years.

3.- Examined and favorably reported the contract with the related company AQUATEC, so that the specialist of that company, Mr. Lorenzo Tomás Loncertales, carry out a training process for the internal and external operational teams of Aguas Andinas for the cleaning and unclogging of networks by a price of 8,250 Euros plus taxes, with the costs of transportation, lodging and food being the responsibility of Aguas Andinas.

4.- Examined and reported favorably on the draft Agreement between Aguas Andinas and the Sociedad de Canalistas del Maipo (SCM) for the exchange of raw water from an underground source produced in Pozos Cerro Negro – Lo Mena of Aguas Andinas, for raw water from a source surface of the Maipo river of SCM, for delivery to the Independiente Intake and El Yeso Reservoir, in which there are no prices or costs in the exchange of raw water, except for the costs of extraction and drive from the wells for Aguas Andinas.

5.- Examined and reported favorably on the draft of new Agreements between Aguas Andinas and Eléctrica Puntilla SA (EPSA) for the Puntilla Hydroelectric Power Plant; and with SCM regarding the La Florida Hydroelectric Power Plant, to compensate for the lower generation of energy as a result of water used by Aguas Andinas in which the prices in the compensations are estimated to lead to a lower payment by Aguas Andinas of up to 45%. regarding the values of the previous agreements, with the favorable opinion of the expert Mr. Andrés Salgado, Electrical Civil Engineer from the Universidad de Chile and MBA from the Adolfo Ibañez University, hired by Aguas Andinas.

6.- Examined and reported favorably on the training contracts by Aguas Andinas to the Water School in agreement with the Aqua Development Network, aimed at understanding the water issue in general, environmental and climate problems, and dam maintenance.

7.- Examined and favorably reported the contributions to be made by annual memberships of Aguas Andinas in ICARE, CAMACOES, the Construction Institute and CLG – Business Leaders for Climate Action.

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8.- Examined and reported favorably on the award of the public tender for the contract for "Monitoring control of Safety and Exploitation parameters of Embalse El Yeso and Tranque La Dehesa" to the related entity AQUATEC, at a price of UF 1,361 for the activities to be carried out in Embalse El Yeso and UF 764 through the Tranque La Dehesa. The maximum term is 36 months, with an early termination option at 24 months. Also award the work of updating documents of both reservoirs for a single time in UF 959 for Embalse El Yeso and UF 546 for Tranque La Dehesa. All of the aforementioned amounts to UF 3,631. AQUATEC's offer represents a total saving of 27% compared to the amount budgeted by the company, which was UF 4,992, and the same price reduction compared to the previous contract entered into with AQUATEC

9.- It examined and reported favorably to cooperate with Veolia in the direct offer of Veolia shares that it will make to the workers of Aguas Andinas and Aguas group. This is a direct commercial operation between the workers who opt for the benefit and Veolia, limiting the roles of Aguas Andinas to disseminating the offer among the workers, managing the documents that Veolia will send to the workers who exercise their option, and carrying out treasury work for withholdings in wages and compensation to workers, without any disbursement, or commitments or patrimonial obligations on the part of Aguas Andinas.

10.- Examined and reported favorably on the proposal to modify the "WEB Services" contract, which was signed on April 22, 2021 with the consortium formed between the related company SUEZ ADVANCED SOLUTIONS CHILE LTDA. and VASS CONSULTING SYSTEMS CHILE LTDA. The modification reduces the scope of certain project services and therefore the amount to be paid for them, which was UF 8,437.7, remains at UF 4,159.75.

11.- Examined and favorably informed of the signing of a Memorandum of Understanding between Veolia and the subsidiaries ANAM and Ecoriles for the joint search for new business opportunities, taking advantage of Veolia's expertise and synergies to develop activities and businesses in the field of asset management. water and waste, and other environmental services.

12.- Examined and favorably reported the award of a Technology Implementation Services Contract without water shutoff with the subsidiary Hidrogística SA for UF 13,187.4 per year, in a two-year modality with the option of two annual extensions, for a net total of UF 52,749.6 in 4 years.

13.- Examined and reported favorably contracting with Veolia the courses for Aguas Andinas executives at the Veolia Campus, for a total value of 18,064 Euros.

14.- Examined and reported favorably on the agreement proposal between Aguas Andinas and the related entity Aquambiente so that through it the terms in which Aguas Andinas will make available to Aquambiente its capacity and technical solvency and means of this type to be regulated that the latter participate in the bidding process for the contract for the "Operation and Maintenance Service of the Municipality of Madrid Sewer Network and Complementary Facilities", and that Aguas Andinas provide its collaboration to Aquambiente, effectively having its technical solvency and means of such a nature for the execution of the aforementioned contract if the indicated tender is awarded. Aguas Andinas will receive an initial payment of US\$10. 000 in the event of awarding the contract to Aquambiente and will also obtain the agreed income for the provision of its technical assistance services to Aquambiente, if required by it. The release or release of all liability is established for Aguas Andinas with respect to the Madrid City Council, the Autonomous Community of Madrid and Canal de Isabel II SA, and against any third party, in the results and effects of the operation, nor for the acts of facilitation of the same in which it intervenes. The collaboration of Aguas Andinas excludes all collaboration and responsibility in economic solvency and resources of this type. The release or release of all liability is established for Aguas Andinas with respect to the Madrid City Council, the Autonomous Community of Madrid and Canal de Isabel II SA, and against any third party, in the results and effects of the operation, nor for the acts of facilitation of the same in which it intervenes. The collaboration of Aguas Andinas excludes all collaboration and

responsibility in economic solvency and resources of this type.

15.- Examined and reported favorably to award to the related entity Veolia Solutions Chile Limitada part of the supply of network materials of one of the families publicly tendered, corresponding to 45 SKUs, which represent 22% of the total tender for this family of materials, for a total amount of \$234,427,129.

16.- Examined and favorably reported a donation or contribution of \$850,000 plus VAT to the related entity Franco-Chilean Chamber of Commerce, which will allow representatives of Aguas Andinas to participate in open business events in 2022 and 2023, in which the company may put their logos and banners.

17.- Examined and reported favorably awarding the Bid for the Civil Liability Insurance for Directors and Executives for the Company (D&O Insurance) to the related entity Orion Seguros Chile SA, sole bidder in the bidding, recommending the Administration that the bid be awarded in Alternative 1, for USD 323,507, keeping the same terms and conditions of the current insurance policy, for a renewal period from December 31, 2022 to December 31, 2023.

III. EXAMINATION OF THE BALANCE SHEET AND FINANCIAL STATEMENTS.

1.- The Committee examined and approved the Balance Sheet and other Financial Statements for the annual year ended December 31, 2021 presented by the Administration, and the draft of the EY External Auditors Report that does not present observations, thus ruling on them in prior to its presentation to shareholders for approval.

It recommended that in the Reasoned Analysis or in the Integrated Report corresponding to the year 2021, certain regulatory changes that affect the company's business be reported, which offer greater legal certainty and have been approved in adequate terms, such as the recent approval of the Water Code and the Basic Services Law.

2.- The Directors' Committee reviewed and approved without observations the Balance Sheet, other Financial Statements and Reasoned Analysis for the quarter ended March 31, 2022, presented by Management.

3.- The Directors' Committee reviewed and approved without observations the Balance Sheet, other Financial Statements and Reasoned Analysis for the quarter ended June 30, 2022, presented by the Administration, and their midterm review by the EY External Auditors.

4.- The Directors' Committee reviewed and approved without observations the Balance Sheet, other Financial Statements and Reasoned Analysis for the quarter ended September 30, 2022 presented by Management.

IV. PROPOSAL FOR EXTERNAL AUDITORS AND RISK RATERS 2022.

1.- The Directors' Committee agreed to propose to the Board of Directors to suggest to the ordinary shareholders' meeting as external auditors for 2022 the following firms, in the order of priority indicated below: EY; KPMG; and, Deloitte, considering their quote values, being EY the cheapest for UF 4,555 for Aguas Andinas and UF 7,300 for all the companies of the Aguas Group. EY is a world-leading professional services company; external auditor of Aguas Andinas and its subsidiaries since 2011, after 9 years of management by Deloitte; His work has allowed us to comply with the dates required by the different regulatory authorities; He has extensive experience in the healthcare sector, and currently audits Suez Spain and Suez, as well as Veolia.

2.- The Directors' Committee agreed to propose to the Board of Directors that it suggest to the Shareholders' Meeting that the ICR companies be designated as private risk classifiers for Aguas Andinas shares and bond issuance for the year 2022, for a total of UF 320 and FITCH for a total of UF 390. Both meet adequate work standards, quoted market prices and the incorporation of FITCH as an international rating agency is relevant for the purposes of eventual financing of the company in international markets.

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V. MEETINGS WITH EXTERNAL AUDITORS.

1.- The Committee established in its Regulations that it will meet with the external auditors of the company, especially for the following purposes:

- a) To examine the annual audited Balance Sheet and Financial Statements and the report of the external auditors thereon, as of December 31 of each year;
- b) To review the Annual Audit Plan;
- c) To examine the Balance Sheet and Financial Statements with a limited review report from the External Auditors as of June 30 of each year;
- d) To examine the Report of the External Auditors to the Administration, also called the Internal Control Report for the month of December of each year.

2.- Meeting with the external auditors.

The Committee met with the EY External Auditors and reviewed the Annual Audit Plan for 2023; the Report to the Administration, which detected 7 observations of a lower category called "Other Recommendations"; and the Auditors made inquiries to the members of the Committee who were present, about possible fraud, violations of the law, or related or unusual operations that could affect the financial statements, without their knowledge.

The Committee approved the Annual Audit Plan and the Management Report, instructing Management to correct the "other recommendations" of the Management Report.

Regarding the inquiries made by the External Auditors to the members of the Directors' Committee, there was no additional information to that available to the External Auditors.

The Interim Review Report of the Financial Statements as of June 30, 2022 of Aguas Andinas SA and Subsidiaries carried out by EY was also examined.

Their conclusion is that based on their review, they are not aware of any significant modification that should be made to the interim consolidated financial statements, so that they are in accordance with IAS 34, "Interim Financial Information" incorporated into the International Financial Reporting Standards (IFRS).

VI. INTERNAL AUDIT ANNUAL REPORT, SUSTAINABILITY PLAN AND RISK UNIT.

1.- The Committee examined an annual report of the Internal audit carried out by the Audit and Internal Control Sub-Management of the company. The objectives for the period 2022-2023 were exposed, the follow-up of the annual audit plan during 2022, indicating the projected audits and the programmed transversal activities. The Committee was also made aware of the new 2022 audit panel, which facilitates agile practices.

Regarding the monitoring of the Internal Control Letter of the external Auditors, there are 8 observations classified as "Other matters" (C), which contain Financial Observations and IT Observations. Of the 8 observations, 6 have already been resolved or resolved, representing 75% progress.

2.- The Committee examined a summary of recent years and the new model of Governance and Sustainability Management in Aguas Andinas.

3.- The Committee examined the annual Presentation of the Risk Unit. To face the threats to which it is exposed. The company has a business continuity management system, based on the ISO 22301 standard, which aims to provide an effective response to a disruptive incident. The Committee recommended that the Administration try to find metrics that serve to evaluate the progression of the Risk Unit plans and their effectiveness over time.

VII. EXAMINATION OF THE REMUNERATION AND COMPENSATION SYSTEMS FOR EXECUTIVES AND WORKERS.

The Committee examined the remuneration systems and compensation plans for the company's managers, senior executives and workers, in compliance with the provisions of article 50 bis) on Public Limited Companies. The entire review of the remuneration systems was completely redone by the consulting firm Korn Ferry, formerly called HAY, but applying the same methodologies as previous studies.

The Administration provided information on the general compensation model, which considers the factors of external competitiveness, internal equity and financial balance. Compensation policy tools were also analyzed.

Likewise, the comparative study of the company's remuneration with respect to the market was examined, considering the various levels of the company, grouped into six levels, taking into account the real average of remunerations for each level and the market information of the Korn Ferry consultancy.

The structure of the management and salary structure was also known, distinguishing the structure of the remuneration of the different groups of workers that make up the company, and the fixed and variable composition of the remuneration of the four higher levels, comparing them with the policy of the company and the market.

The variable component of the remuneration of senior executives is 25%, which according to the general market is relatively low; however, it is adequate for this type of company, because it reduces the risk in decision-making, and is in accordance with the Company salary policy.

VIII. MODIFICATION OF THE REGULATIONS OF THE DIRECTORS' COMMITTEE.

Considering the modifications introduced by Law No. 21,314, of the year 2021 to Law No. 18,046 on Public Limited Companies, and its respective Regulations and the issuance of various regulations issued by the Financial Market Commission that affect the work of the Committee, In ordinary session No. 291 dated June 14, 2022, the Directors' Committee modified, updated and approved through Agreement No. 291-1-2023 the new Regulations of the Directors' Committee, replacing the one that was approved in the session of September 22. from 2010.

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IX.- OTHER ISSUES DEALT WITH BY THE DIRECTORS' COMMITTEE.

- 1) Examined globally and statistically the public tenders in which the related companies have acquired the Bidding Bases, those in which they have not submitted bids, those that did bid and those that have been awarded and their amounts.
- 2) Started the studies to propose to the board of directors an update of the general policy for handling conflicts of interest, and about the general policies of habituality established in accordance with the provisions of the second paragraph of article 147, of Law No. 18,046 on Limited Companies.

X.- APPROVAL OF THE COMMITTEE'S PROPOSAL TO THE BOARD OF DIRECTORS FOR A GENERAL POLICY FOR THE MANAGEMENT OF CONFLICTS OF INTEREST.

Pursuant to the amendment to Law 18,046 issued in 2021, the Directors' Committee must propose to the board of directors a general policy for handling conflicts of interest, and rule on the general regularity policies established in accordance with the provisions of the second paragraph of the article 147.

The Committee has analyzed a proposal to the board of directors on the first of the matters, that is, the general policy for handling conflicts of interest since the end of 2021, which has been approved by the Committee through Agreement No. 301-1-2023 of 27 February 2023, being delivered to the Board on the same date.

Regarding the general habituality policy, the Directors Committee has deemed it pertinent to wait for the General Regulation that the Financial Market Commission must issue on this matter, which will establish new criteria in this regard, but which has not yet been issued.

XI. ANNUAL BUDGET OF THE COMMITTEE DURING 2022.

The annual Budget of the Board of Directors Committee established by the Ordinary Shareholders' Meeting for the year 2021 was UF 3,000, and it was only partially used for the Committee's secretarial work, which corresponds to 993.13 UF, equivalent to \$33,013,984.

XII. COMMITTEE'S RECOMMENDATIONS TO SHAREHOLDERS.

As of the date of this report, the Committee has no recommendations to make to shareholders.

The Committee's recommendations on external auditors and private risk rating agencies for the year 2023 will be forwarded to the Board of Directors and presented to the Ordinary Shareholders' Meeting, once the Committee has examined the proposals and adopted an agreement in this regard during its meeting. March 2023 session.

Kind regards,

**Rodrigo Manubens Moltedo**  
Chairman of the Directors Committee Aguas Andinas SA

CC: Sra. Marta Colet  
Sr. Camilo Larraín  
Sr. Alejandro Reyes

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## Other corporate governance initiatives

### Investor Relations

The relationship with the company's investors is managed by the Investor Relations area, which is responsible for delivering timely information to these stakeholders. The contact for this area is identified on the company's website, a site that includes financial analysis tools, corporate presentations, news and related events.<sup>6</sup>

In 2022, the relationship with investors continued to be very fluid, especially focused on the constitutional process that was underway during the first part of the year. In this context, his main concerns were related to the eventual regulatory impacts of the draft new Constitution, especially with regard to water rights. The company made efforts to inform them and explain to them how the constitutional discussion on these matters was evolving.

Following the exit referendum that took place on September 4, investor interest has focused on the company's plan to combat the drought that is affecting the region, the investments planned for the coming years and the measures to manage the inflationary pressures and continue maintaining the margins obtained in previous periods. The company has also provided

information on the change of indirect controller and the consequent transition process, a fact that has been well received by investors and shareholders.

### New ESG Committee

In line with the growing relevance that sustainability has acquired in the governance of Aguas Andinas, during the reported period the ESG Committee was created, which replaces the previous Sustainability Committee of the Board of Directors. The new committee has an operational nature and is made up of representatives of CODIR, as well as key areas in this field. Its main function is to monitor the deployment of the sustainability strategy and to be a forum for reflection and discussion around the various projects, investments and goals related to this topic.

The Sustainability Committee of the Board of Directors met three times during the year 2022. The directors that comprised it received a total of **5.943.000** as remuneration.



### Main investor relations instances in 2022

• **Quarterly results videoconference:** This modality of delivery of quarterly results was maintained, which guarantees open, transversal, transparent and public access to relevant information on the operational and economic performance of the company. The presentations are made in Spanish, with a simultaneous translation channel into English. In addition, replay videos of these events are available on the website for three months.

This year, post-conference surveys were conducted, the results of which reflected high investor satisfaction with the information provided. It was also an opportunity for them to point out possible improvements. Among other suggestions, it was requested to dedicate more time for questions and answers, which has already been applied to the format of the first semester presentation of the year.

• **Investor's Day:** In response to suggestions collected in the surveys, in November the company organized a new Investor's Day in person, an event that had been suspended during the pandemic and in which this year executives from different areas contributed their vision of Aguas Andinas, in addition to addressing financial issues.

• **Sustainability indices and financial ratings:** The company participates in various questionnaires on ESG issues required by institutions that prepare reports, rankings and highly relevant indices for the market, such as the Dow Jones Sustainability Index. Likewise, in the context of the search for new financing opportunities at the international level, in 2022 Aguas Andinas was rated by the Standard & Poor's, Fitch and ICR agencies

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## Key Executives

Led by the general manager, senior management is responsible for putting into practice the definitions of the Board of Directors, making excellence in daily operations compatible with the long-term strategy.

To strengthen the senior management structure of Aguas group, in December 2022 the Deputy General Manager was created, to which the following departments report:

- Territorial Management.
- Planning, Engineering and Construction.
- Transformation.
- Operations.

The other addresses kept their report to the General Management.

## Practicing Senior Executives

### Marta Colet Gonzalo

**General Manager**  
ID number 22.390.117-4

Graduate in Business Administration and Management and MBA from ESADE and the Polytechnic University of Catalonia. She has extensive experience at Grupo Suez, where she has held various roles for more than 20 years. Among others, she has held the positions of general manager and director of IAM in Chile, director of Concession Planning at Suez Spain, and administrator of various companies of the Suez Group. Previously, she was the financial manager of the electromechanical division of Alstom Spain. She took over as general manager of Aguas Andinas in April 2019.

### Sandra Gaete Diez

**Director of People, Organization, Culture and Talent**  
ID number 10.008.147-4

Degree in Social Work from the Universidad de la Frontera, with studies in Control and Business Management from the Universidad de Chile and Universidad Católica de Valparaíso and Strategic Management of People and Organization from the Universidad Austral de Chile. With more than 25 years of experience in the sanitation industry, she led the People, Community, Safety and Occupational Health management of the Los Lagos Sanitation Services Company and the Human Resources management of Suez Chile, among other positions. She has held her current position since August 2022.

### Daniel Tugues Andres

**Assistant General Manager**  
ID number 23.872.190-3

Civil Engineer from the Polytechnic University of Catalonia, MBA from IESE Business School and Master's in Integral Water Management (Agbar-UPC). He has 18 years of experience in the environmental infrastructure sector, both in water and sanitation, recycling and waste recovery. In our country, he has served as Business Development Manager of Aqualogy Chile and Operations Manager at Suez Chile. Later he was General Manager of Suez Recycling & Recovery Spain, and from 2019 to 2022, Director of Operations and Circular Economy at Aguas Andinas. He assumed his current role in December 2022.

### Camilo Larraín Sánchez

**Director of Legal, Regulatory Affairs and Corporate Governance**  
ID number 10.436.775-5

Lawyer from Universidad Diego Portales and Master's in Business Law from Universidad de Los Andes. He has been part of Aguas Andinas since 2000, where he has served as secretary of the company's Board of Directors. He was also a director at ANDESS AG and the subsidiary ESSAL SA, director of Sociedad Canal del Maipo and Eléctrica Puntilla SA, and professor of Water Law at the Law School of the Universidad de Los Andes. He has been in his current position since January 2010.

### Eugenio Rodríguez Mingo

**Director of Clients and Commercial Development**  
ID number 6.379.051-6

Business Engineer from the Universidad de Chile. He was commercial manager of Santander Leasing SA, of ENEA in Inmobiliaria Manso de Velasco and of Piedra Roja in Inmobiliaria Manquehue. In 2005 he joined Aguas Andinas, where he has served as Business Development Manager, Cordillera Area Manager and Corporate Customer Service Manager. He is General Manager of Aguas Cordillera SA and Aguas Manquehue SA and assumed his current position at Aguas Andinas SA in 2017.

### Didac Borrás Martínez

**CFO**  
ID number 27.654.313-K

Graduate in Economics and Business Administration from the University of Barcelona and MBA from IESE Business School. He has more than 16 years of professional career with management positions in financial services companies (Deloitte) and the integral water cycle in Spain, France and Mexico. Prior to his current position, he was financial director at Suez Mexico and advisor to different water companies. He is in his current position since November 2020.

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Key Executives



José Sáez Albornoz

Land Management Director  
ID number 9.447.215-6

Business Engineer from the Universidad de Santiago, Master's (c) in Human Behavior and Organizational Development from the Diego Portales University. He joined Aguas Andinas in 2008. With 30 years of experience in the sanitation industry, he has been General Manager of ESSAL SA and Zone Manager, Business Development Manager and Director of Customer Service at Aguas Andinas. He was appointed to his current position in July 2021.



Iván Yarur Sairafi

Transformation Director  
ID number 8.534.007-7

Industrial civil engineer and master's degree from the Universidad de Chile, Master of Science in Accounting and Finance from the London School of Economics and Political Science in the United Kingdom. He joined the company in 2000. From 2011 to 2013, he was General Manager of IAM. Since 2013 he has held the position of corporate Finance and Purchasing Manager and in 2017 he took over as Finance Director. He leads his current management since November 2020.



Cristián Schwerter Loyola

Director of Planning, Engineering and Construction  
ID number 12.343.884-1

Civil Engineer from the Pontificia Universidad Católica de Chile and Master's Degree in Integral Water Cycle Management from the Polytechnic University of Catalonia. He has more than 20 years of experience in the management of sanitation infrastructure projects, highlighting his participation in the Santiago sanitation plan. He has also been responsible for managing operational and operational support units at Aguas Andinas, from the positions of Network Manager and Operational Support. He has held his current position since April 2021.



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List of executives of Aguas Andinas SA (in alphabetical order)

Name	Id number	Profession	Job position	Nationality	Start date in job position
Camilla Angelini Pinedo	16.578.869-9	Sociologist	Sustainability and Social Value Manager	Chilean	09.01.2022
Rachel Bernardin	21.234.079-0	Civil engineering	Production and Resources Manager	Foreigner	01.05.2020
Francisca Blanc Mendiberri	7.741.356-1	Lawyer	Compliance and Corporate Governance Manager	Chilean	01.02.2020
Didac Borrás Martínez	27.654.313-K	Degree in Economics and Business Administration	CFO	Foreigner	22.11.2020
Marta Colet Gonzalo	22.390.117-4	Economist	General Manager	Foreigner	17.04.2019
Claudia Contreras González	13.919.980-4	Journalist	Corporate Communications and Public Affairs Manager	Chilean	01.01.2022
Christian Delgado Canseco	11.977.419-5	Electronic Executing Engineer	Asset Management Manager	Chilean	09.01.2022
Luis Faúndez Pérez	8.043.598-3	Civil engineer	Rates and Regulation Manager	Chilean	02.05.2012
Sandra Gaete Diez	10.008.147-4	Bachelor of Social Work	Director of People, Organization, Culture and Talent	Chilean	01.08.2022
Gironella Navidad Jaume	27.669.879-6	Computer systems technical engineer	Information Technology Manager	Foreigner	01.07.2021
Eduardo Laguna Tudela	24.196.211-3	Industrial civil engineer	Construction Manager of Major Works	Foreigner	01.07.2022
Antonela Laino	23.171.564-9	Economist	Finance and Investor Relations Manager	Foreigner	07.03.2022
Edson Landeros Poblete	14.505.628-4	Civil engineer	Planning Manager	Chilean	03.07.2020
Camilo Larraín Sánchez	10.436.775-5	Lawyer	Director of Legal, Regulatory and Corporate Governance Affairs	Chilean	21.01.2010

Name	Id number	Profession	Job position	Nationality	Start date in job position
Franco Nicoletti Ortigosa	12.028.060-0	Civil engineer	Distribution and Collection Manager	Chilean	03.10.2018
Alejandro Riquelme Hernández	10.200.262-8	audit accountant	Transformation Project Manager	Chilean	07.03.2022
Eugenio Rodríguez Mingo	6.379.051-6	business engineer	Director of Clients and Commercial Development	Chilean	02.07.2021
Rafael Rojas Agurto	10.211.767-0	Civil engineer	Security manager	Chilean	14.06.2022
Cristián Rosas Miranda	12.825.570-2	business engineer	Purchasing manager	Chilean	01.04.2022
José Sáez Albornoz	9.447.215-6	business engineer	Land Management Director	Chilean	02.07.2021
Orlando Salgado Céspedes	12.675.829-4	Civil engineer	Debug Manager	Chilean	16.04.2021
Cristián Schwerter Loyola	12.343.884-1	Civil engineer	Director of Planning, Engineering and Construction	Chilean	27.04.2021
Carlos Torres Barrientos	9.383.964-1	Electrical Execution Engineer	Operational Support Manager	Chilean	16.04.2021
Cristián Torres Rojas	12.867.840-9	business engineer	Management Control and Accounting Manager	Chilean	07.03.2022
Daniel Tugues Andres	23.872.190-3	Engineer of roads, canals and ports	Deputy General Manager of the Andinas Group	Foreign	05.12.2022
Juan Carlos Valdebenito Campos	9.266.672-7	Civil engineer	People Manager	Chilean	01.09.2022
Iván Yarur Sairafi	8.534.007-7	Industrial civil engineer	Transformation Director	Chilean	20.11.2020

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Composition and diversity of the executive staff



Nationality



Age range

Between 30-40 years 3

13 Between 41-50 years

Between 51-60 years 9

2 Between 61-70 years

Antiquity

Less than 3 years 9

4 Between 3 and 6 years

Between 6 and 9 years 0

0 Between 9 and 12 years

More than 12 years 14

Compensations

The total compensation of the executives of Aguas Andinas is determined according to the average income of the market, the size of the company and the specialization of the field. There are also remuneration components that respond to the company's results and compliance with the individual objectives set for the year. The company does not have compensation plans or special benefits aimed at its main executives, beyond the aforementioned variable bonus.

As of December 31, 2022, the company's main executives were made up of 27 people, a group that received a total remuneration of \$5,467 million during the last fiscal year. Indemnities for years of service totaled \$1,356 million.

Remunerations and indemnities paid (in million of pesos)

	2019	2020	2021	2022
Fixed rent	3.660	4.151	3.723	4.506
Equities	986	728	774	961
Total salaries paid	4.645	4.880	4.497	5.467
indemnities paid	1.004	1.358	631	1.356

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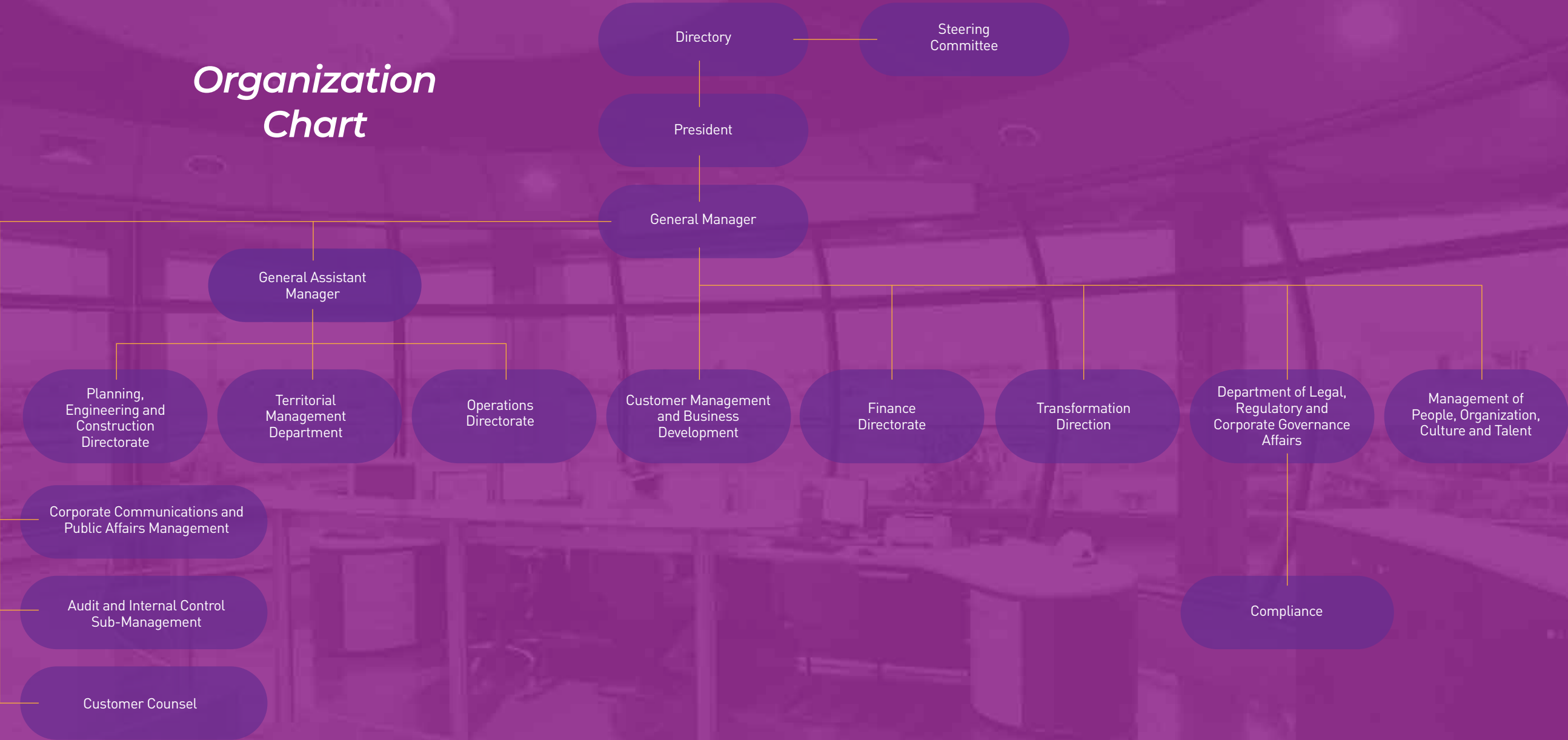
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# Organization Chart



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Modelo de negocio sostenible y resiliente

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## Governance ● GRI 2-15

The Aguas Group seeks to go beyond compliance with norms and standards. It has set out to strengthen day by day a culture of integrity and corporate ethics that guides the behaviour and decision-making of each member of the organisation, stamping its way of drawing up guidelines and defining strategic objectives for all its stakeholders. To this end, it has a Compliance area, which is part of the Legal Affairs Department, and a specific management system.



## Compliance Management System

The company's Compliance Management System, described in the Compliance Policy, consists of a set of processes, policies, procedures, instructions and organisational management practices whose purpose is to implement good practices that ensure compliance with the principles of ethics and integrity promoted by the Aguas Group, reducing the risk of committing acts that contravene them.

In 2022, 13 complaints were received through different channels: two of sexual harassment, which were resolved and presented to the Labour Directorate, and 11 on other issues, all of which were resolved internally. There were no confirmed cases of workplace harassment, fraud, conflict of interest, money laundering, discrimination or abuse, or actions that put people's health or safety at risk.

System component	Scope	Main associated roles
<b>Ethical code</b> Establishes the fundamental values and principles of conduct and guidelines in relation to the organization, the market and the environment.	The entire organization. It is the obligation of those who work in the company to disseminate it among suppliers and contractors.	<b>Compliance officer:</b> Promotes adherence to the Compliance policy and its associated documents; receives and investigates complaints.  <b>Integrity and Compliance Committee</b> (made up of the Chairman of the Board, the General Manager and Area Directors): ensures the proper functioning of the system, knows the status of complaints and investigations, and proposes improvements.  <b>Directory:</b> Approves the related policies, appoints the compliance officer, knows the progress of the system and the complaints received every six months.  <b>Anti-Corruption Management System Committee</b> (made up of the director of Legal Affairs, the compliance officer and the Compliance consultant): Defines the actions intended to implement, control, maintain and improve the performance of the Anti-Corruption Management System, in accordance with the requirements of the International Standard ISO37001:2016.
<b>Crime Prevention Model</b> Establishes rules, protocols and procedures designed according to the provisions of Law 20,393. It must be implemented in each branch. It is audited and certified annually by a specialized external agency.	The entire organization, suppliers and contractors.	
<b>Policy and Anti-Corruption Management System</b> It guides the behavior of the members of the company in their relationship with third parties, including other workers, business partners and public officials. Among other things, contributions of cash, donations or collaborations to finance political parties or campaigns or to solve activities are prohibited. policies of any kind. The system is certified under the ISO 37001 standard.	The entire organization.	
<b>Human Rights Policy</b> Defines the principles and guidelines that transversally govern the protection of fundamental rights, both within the company and throughout its value chain.	The entire organization. For suppliers, specific clauses are included in their contracts and a special channel has been set up for them to make complaints.	
<b>Donations and Sponsorship Policy</b> In order to carry out the principles and definitions of this policy, there is a Donations and Sponsorship Committee that evaluates the impact of the initiatives promoted by the group's collaborators from the point of view of social, environmental and cultural interest, as well as sustainable development and innovative environment and local communities. This instance presents the projects to the Board of Directors, which ultimately authorizes their implementation.	The entire organization.	
<b>Environmental Compliance Policy</b> Provides guidelines on how to manage environmental protection. Describes the legal and regulatory norms and those arising from the environmental evaluation processes that the company has decided to carry out. Consider the company's voluntary efforts in environmental risk management, especially those linked to ISO No. 14,001.	The entire organization.	
<b>Complaint line</b> Channel available on the intranet and on the Aguas Andinas website, through which it is possible to confidentially report possible breaches of internal regulations and laws.	The entire organization and external public.	

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### Anti-corruption training

To reinforce the Compliance Management System, there are annual training and communication plans on these matters. During the reported year, these actions covered a total of 838 workers from different estates and group companies.

#### Workers trained in anti-corruption policies and procedures - 2022

Estate	Aguas Andinas	Aguas Cordillera	Aguas Manquehue	EcoRiles	ANAM	Hidrogística	Aguas del Maipo	Total
Executives	64	5	0	4	0	1	0	74
Headquarters	67	2	0	2	2	4	0	77
Professionals	322	11	1	18	26	19	0	397
Technicians	103	13	2	2	20	4	0	144
Administrative	30	1	0	3	1	3	0	38
Operators	69	10	2	24	1	2	0	108
Total	655	42	5	53	50	33	0	838

### Compliance risk assessment

● GRI 205-1, 205-2, 205-3

In order to keep the management of ethics and integrity aligned with the general strategy of the company, the Compliance risk matrix is reviewed annually, as well as the policies and procedures.

In 2022, the process of identification and evaluation of the risks associated with corruption was carried out in accordance with the corporate methodology of comprehensive risk management. 71 processes or operations were analyzed and it was concluded that no risk associated with corruption is significant for the company.

**There were no confirmed cases of corruption in the company during 2022.**

● GRI 2-23, GRI 2-25 ● ODS 16

### Due diligence in human rights

Between November 2021 and May 2022, the company updated the human rights due diligence process that it had carried out in 2018. The project, which had the support of the Vincular Center of the Catholic University of Valparaíso, contemplated the identification of real impacts and potential from the perspective of human rights in all Aguas Andinas operations, throughout its entire value chain. In total, they were evaluated:

**5 stakeholders: customers, community, internal workers, workers, suppliers and contractors.**

**16 processes or operations .**

**27 impacts linked to a total of 21 human rights issues (among others, the right to enjoy fair and favorable working conditions, the right to form and join unions, the right to strike, freedom of association, collective bargaining, non-discrimination at work and child labor).**

The evaluation consisted of interviews with the main executives of critical areas in human rights and representatives of relevant interest groups (mainly internal) whose fundamental rights could potentially be violated by business activities, in addition to a review of context information related to the business. of Aguas Andinas and human rights. In general terms, a high level of compliance with the guiding principles of the United Nations that support the respect of fundamental rights in companies.

44 risks were identified, of which 15 are new, 18 remain identical to those raised in 2018, seven were given new wording for better understanding and four are new in relation to the 2018 human rights risk matrix. but they were already included in the environmental impact matrices. An important part of the new risks are related to impacts for internal and external workers, especially from the labor perspective, and some for the community.

In conclusion, the Centro Vincular recommended that the Compliance area consolidate a work methodology that ensures a real integration of these rights into the culture and daily management of the different areas of the group, together with working continuously with the areas responsible for the implementation of actions. and the subsequent monitoring of the defined indicators. The importance of strengthening the reportability and transparency of human rights management was also highlighted, not only to the Board of Directors and senior management, but also to all collaborators and external stakeholders. For the time being, the company has already appointed the compliance officer in charge of materializing these recommendations and pushing forward the human rights protection system of Aguas Andinas.

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Human rights integration

Risk	Existing control and mitigation measures
Water quality outside of acceptable parameters	<ul style="list-style-type: none"><li>• Construction of Pirque mega-tanks, the Cerro Negro-Lo Mena wells and other infrastructure works to increase the autonomy of Santiago in the event of extreme turbidity events.</li><li>• Control laboratories in all production plants, where samples from the different stages of the process are analyzed.</li></ul>
Damage to company facilities and infrastructure	<ul style="list-style-type: none"><li>• Implementation of a business continuity management system based on the ISO22301 standard.</li><li>• Incident and Emergency Management Plan (PGIE).</li></ul>
Population is not aware of the protection of water resources	<ul style="list-style-type: none"><li>• Awareness campaigns.</li></ul>
Lack or inadequate instances of participation and communication with the community	<ul style="list-style-type: none"><li>• Work tables with communities.</li></ul>
Non-compliance with the human right to water and sanitation, recognized by the UN in 2010	<ul style="list-style-type: none"><li>• Drought Plan, which involves the aforementioned investments and awareness campaigns, in addition to coordination with authorities and other relevant actors (such as the canalists of the first section of the Maipo River) to comprehensively address water scarcity.</li><li>• Payment facilities for delinquent clients with debt forgiveness.</li><li>• Management of solutions for sectors that do not have potable water or sewage services.</li></ul>
Non-compliance with the criteria established by P31 of the Guiding Principles, in relation to reporting channels (legitimate, accessible, predictable, equitable, transparent, compatible with rights, a source of learningcontinuous, based on participation and dialogue)	<ul style="list-style-type: none"><li>• Customer Ombudsman (Customer Counsel).</li><li>• Complaints channel.</li></ul>



First diagnosis of companies and human rights

Aguas Andinas participated in the first diagnosis on companies and human rights in Chile, carried out in 2022 by the Sustainability Program of the Faculty of Law of the Pontificia Universidad Católica in collaboration with the World Benchmarking Alliance. The variables evaluated were the political commitment of the senior administration with respect to human rights, the due diligence process and the claim and remediation instances.

Consumer Compliance Policy

The Board of Directors approved a Consumer Compliance Policy, which defines the essential bases, criteria and guidelines adopted by Aguas Andinas and its sanitation subsidiaries, related to compliance in terms of protection of consumer rights, in order to incorporate effective instruments of prevention of legal and regulatory non-compliance, which are adapted to the legal and social complexities of the companies providing health services and their links with their clients within the framework of consumer relations.

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# Management systems

## Integrated Management System

Aguas Andinas, understanding the existing value in the integration of its operations, eliminating redundancies and consolidating systems to maintain high service standards for the fulfillment of its objectives and strategy, is that it has an Integrated Management System, as the only one designed to manage multiple aspects of the organization in line with multiple standards, achieving its ninth certification in 2022.

The Integrated Management System (SGI) of Aguas Andinas is based on a series of international and national certifications that allow managing specific processes associated with quality,

information security, occupational health and safety, the environment, energy efficiency, business continuity, corruption prevention, gender equality and work-life balance, and the management of critical assets.

Through its application, the company ensures compliance with high standards in its systems, comprehensive management of its operations and the competitiveness of its business model. Certifications are regularly reviewed and updated to ensure reliable operation and share good practices.

Drinking Water Production	●	●	●		●	●	●		
PA Distribution	●	●		●		●	●		
Sewage Collection	●	●	●	●	●	●	●	●	●
Sewage Treatment	●	●				●			
Customer Management	●	●			●	●			●
Support: Maintenance, IT, Laboratory, Other works	●	●	●	●		●	●	●	●
									
Aguas Andinas	●	●	●	●	●	●	●	●	●
Aguas Cordillera	●	●	●	●	●	●	●		
Aguas Manquehue	●	●	●	●	●	●	●		
Anam	●	●	●						

*Aguas Andinas, a pioneer in quality and innovation in the sanitation industry, since June 2022 is the first Sanitation Company in Latin America to obtain certification in the ISO55001 Asset Management standard for our Biofactories.*

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## Comprehensive risk management

In order to increase organizational resilience, Aguas Andinas integrates risk management into each of its activities. For this, it has a corporate risk methodology that is applied to all processes where risks are being managed, which consists of six stages:

1

### Risk identification

It includes the analysis of the external and internal context, operations and their continuity, and interaction with interested parties, among other aspects.

2

### Update of the Corporate Risk Map

Risks are divided into strategic, financial, operational and compliance.

3

### Assessment

The impact in case of materialization, the probability of occurrence and the associated controls are calculated.

4

### Determination of the remaining risk level

5

### Preparation of action plans for significant risks

6

### Approval and execution of expenses and investment projects

## Methodological improvements: focus on critical infrastructure and prioritization of mitigation plans

A more detailed and granular risk map was drawn up, evolving from generic risks to specific risks. In the context of the Avanza program, a new asset-related risk detection methodology was developed to increase efficiency in their management, work that in 2022 resulted in the closure of an 18-month cycle of methodological studies and an exhaustive review of the company's infrastructure. As a result of the above:

- Specific and well-defined management policies were established for each family of assets;
- A more detailed and granular risk map was prepared, evolving from generic risks to specific risks, which allow action plans to be implemented in the short term to reduce their probability or mitigate their consequences;
- The operational risk management methodology was strengthened.

For the 2023 budget, investments were prioritized with a selection method that incorporates this new risk perspective, also seeking to increase the efficiency and effectiveness with which the resources for asset maintenance are allocated.



### Achievements in risks and policy review

36 active families were evaluated, out of a total of 38.

2933 risks were identified in total.

24 very high level risks were mapped.

### Achievements in efficiency

27% increased the productivity of network equipment.

20% decreased the electrical consumption of wells (pilot).

In addition, in 2022 a study was carried out on the deterioration of the drinking water network and renewal criteria were defined for the next 15 years, in order to guarantee the service in the long term.

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## Business continuity management

As part of risk management, the company identifies the threats and vulnerabilities to which its operations are exposed. To deal with them, it has a business continuity management system based on the ISO22301 standard, whose main objective is to have resilient units, capable

of continuing to operate at an acceptable level after a disruptive incident.

This management is structured through the preparation of business continuity plans for each critical process of the company, a process that comprises six stages:

1	Identification of critical resources and recovery times.	Business Impact Analysis (BIA)
2	Identification of risk scenarios for each critical resource, controls and action plans.	Risk Analysis (RIA)
3	Definition of strategies to recover each critical resource.	recovery strategies
4	Generation of the document, considering roles, times and resources to give continuity to the process.	Business continuity planning
5	Training of key personnel.	training plans
6	Testing of a process recovery strategy, in order to identify and manage improvements.	mock exercises

The Board of Directors has defined a Risk Management and Control Policy, which considers that annually, each management will carry out a survey of its main risks and propose the actions that must be implemented for their mitigation, which must be put into practice by said management, accredited compliance at the request of the internal auditors. The General Management will, in turn, determine which of these risks are the most relevant, with respect to which a more exhaustive follow-up must be carried out, documenting the evidence that allows for later evaluation of compliance with the committed actions.

Within the risk quantification, monitoring and communication process, both the direct risks of the entity and those of the subsidiaries must be considered; and within the criteria of impact and probability, both operational and economic risks, as well as environmental and social, human rights and regulatory risks are considered. The national and international principles, directives and recommendations developed

by "The Committee of Sponsorship Organizations", COSO or another with similar characteristics are used as a guide.

In relation to the work of risk management, the Board of Directors has approved a "Compliance Risk Control System" whose objective is the search for regulatory compliance, and the contingencies that may derive from the violation of regulations, policies and procedures. Within this system, the delivery of information and development of training is contemplated, to all relevant personnel, about the policies implemented in this regard.

For its part, the Board of Directors has the Code of Ethics, which defines the principles and guidelines that should guide the actions of directors, which is updated annually.

Information available in the Compendium of Corporate Governance, (xii) Guidelines and Risk Management Policy of the company.

## Management and crisis management

The possible occurrence of emergencies with a major impact or crisis that may affect the company's critical processes —whether technological failures, events of natural origin or caused by third parties— is addressed by the risk management system through the Risk Management Plan. Incidents and Emergencies (PGIE), which establishes a general framework for reporting, dealing with, mitigating and communicating this kind of incident. Its guidelines, transversal to the entire organization, include:

Work structures and coordination to face a crisis.

- The alert levels that are activated according to defined operational criteria, which are approved by the National System for Disaster Prevention and Response (SINAPRED)
- The definition of roles, responsibilities and authorities.
- Communication with interested parties (authorities, clients, suppliers, among others).

In addition to coordinating the response to an event in progress, the model considers the post-crisis evaluation, in order to identify the causes that gave rise to the incident or emergency, its consequences and the application of possible improvements to minimize the impacts in case it returns. to happen.



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● GRI 3-3, 201-2 ● ODS 13

# Risks and opportunities of climate change

Within the framework of its sustainability strategy and comprehensive risk management, in 2022 Aguas Andinas began the process of integrating climate risks into its corporate risk management system, following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). ).

To this end, and through an external consultancy, the company carried out an initial exercise to identify risks associated with the climate and the opportunities that this scenario opens up. The results will serve as input to continue building a climate risk assessment and management system and disseminate to the different interest groups how they are being addressed.

The risks associated with climate are those generated by climate change and that can cause direct or indirect impacts on a system (countries, cities, companies, ecosystems, etc.). The TCFD classifies them into two categories:

● **Risks related to the physical impacts of climate change.**

The potential negative impacts caused by climatic phenomena, including extreme events (acute risks) and changes in long-term patterns (chronic risks).

● **Risks related to the transition to a low carbon economy.**

Derived from the uncertainty associated with the efforts made by countries to reduce global greenhouse gas (GHG) emissions and keep the impacts of rising planetary temperatures to a minimum, as established in the Paris Agreement.

It is important to consider that climate risks are different from traditional ones: they are not seasonal, linear, or representable by historical data; instead, they have an uncertain temporality, are cumulative, gradual and depend on geographical characteristics. Therefore, they cannot be directly assessed using impact and probability.

Taking these characteristics into account, a methodology was structured that includes the following stages:

- **Identification of climate-related risks and determination of their magnitude and scope.**
- **Integration of climate risks into the risk management system.**



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Physical risks

The identification of physical threats was based on the review of climate models, public information from companies with similar characteristics and guides published by TCFD and other entities. Based on this, an initial list of potential threats was prepared, which was then matched with the geographic location of Aguas Andinas assets to determine their local relevance. To calculate the magnitude, indicators were used to quantify the level of threat. Next, a workshop was organized with company collaborators, where some of the original risks were reformulated based on details made by the participants and new threats were raised.

In this way, six relevant physical risks for the company were defined:



Precipitation decrease

In the Metropolitan Region, a significant decrease in annual rainfall is expected according to projections. The impact of a dry year is reflected in the levels of the aquifers and flows of the rivers from which water is obtained. Furthermore, given the trend of recent years, future years are expected to remain dry.



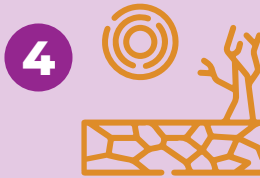
Prolonged drought

The availability of water is essential for the operations of Aguas Andinas. The current drought has already raised alerts to the organization. Its extension would have a significant impact since the continuity of the operation would depend on water reserves such as glaciers or aquifers. It could cause possible cuts in the water supply due to less availability to be able to supply all the clients.



Average temperature rise

In the province of Santiago, an increase in the average maximum temperature and average temperature is projected. The most direct impact is reflected in the water consumption by customers, since there is a direct correlation between the increase in temperature and water consumption. Currently there is a marked seasonal consumption, which may change in the future given the increase in temperature, causing greater consumption in winter and generating greater pressure on the system. Another impact is the melting of glaciers, since an increase in temperature would accelerate this process and could cause less water availability in the summer for future periods. Also, the sustained increase in temperature generates an elevation in the isotherm, which implies precipitation in the form of rain in increasingly higher mountainous areas, increasing the probability of turbidity events.



Increase in heat waves

In the province of Santiago, a more than double increase in heat waves is projected. Although the infrastructure is designed to work in cases of high temperatures, if these are extended over time it would cause greater pressure in the system since the equipment would have to be operating in extreme conditions for longer. This implies an increase in the probability of a device failing, which in turn translates into an increase in the probability of a supply cut. On the other hand, heat waves also accelerate the melting of glaciers, and can even cause landslides due to very accelerated melting. In addition to the impact that floodwaters would have on infrastructure and water quality due to turbidity, they could reduce water availability due to stagnation that would generate natural reservoirs, preventing the water from continuing its course to treatment plants. Finally, heat waves could affect working conditions for its operators on the road, making it difficult to maintain wells and other facilities.



Increase in heavy rain events

For the province of Santiago, the days of intense precipitation are expected to decrease compared to previous periods. Heavy rains generate problems in the collection system since obstruction problems are generated, which is where they are considered less prepared. Also, episodes of intense rain can generate turbidity problems if the rain is accompanied by an increase in the isotherm. Additionally, in the management of biosolids, they must go through a drying process that can be interrupted by these heavy rain events.



Increased turbidity events

The increase in temperature causes an elevation in the isotherm, which consequently generates precipitation in the form of liquid water in increasingly higher areas of the mountain range. Recent years have seen an increase in the frequency and intensity of these events. Given the risk of cuts in the water supply due to the events described above, Aguas Andinas continues to work on increasing the resilience of its infrastructure, in addition to obtaining better forecasts.

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## Transition risks

For its identification, the consulting team used regulatory, industry and market background, as well as its own experience. A workshop was also held with Aguas Andinas collaborators, where the initial list of threats was reformulated and enriched with the contributions of the participants. To facilitate the discussion, the year 2030 was considered as the time horizon and a scenario where climate action is relevant.

### 1 Increase in the value of the green (carbon) tax that affects the emissions of sanitation companies and other industries



The green tax that Chile set (of USD 5/t CO<sub>2</sub>) is well below the value necessary to comply with the Paris Agreement (between USD 50 and 100 by 2030). The Ministry of Social Development recently updated the price of these emissions used in the social evaluation of projects, raising it to around USD 32.5, which can be considered an indication that the green tax in Chile will increase, in addition to increasing the number of affected companies - including those belonging to the sanitation industry, such as Aguas Andinas.

### 2 Weakening of the positive perception of customers and investors due to non-compliance with the climate action plan.



While not yet widespread practice, there is a record that investors are already considering the climate action performance of companies. According to a YouGob survey, 52% of executives say that their commitment to science-based targets has increased investor confidence and that, conversely, not having sustainable targets produces the opposite effect. Faced with this type of perception, Aguas Andinas adhered to the “Race to Zero” initiatives. To this end, an Emissions Reduction Plan by 2030 is underway in line with the Science Based Targets initiative (SBTi) in addition to a waste management plan, demonstrating its ambition in this matter.

### 3 Changes in the tariff system that do not include the costs associated with compliance with climate commitments



Faced with tariff updates, there is a risk that the needs raised by the company are not considered, in terms of the relevance given to climate change mitigation. Given the commitments of Aguas Andinas to reduce its carbon footprint, reducing these emissions will entail significant investment in research, technology and infrastructure.

### 4 Changes in the tariff system that do not include sufficient investments in resilient infrastructure



In a scenario where extreme weather events are on the rise, the SISS sets supply security goals together with each sanitation company, in order to reinforce resilience in the face of emergencies. In this context, in each tariff process, tables are generated where it is sought to incorporate the new demands of the health sector. However, there is a risk that the investment weight to deal with climate change is not considered with the necessary weight to meet infrastructure and resilience needs. Along these lines, Aguas Andinas must continue investing in new infrastructure to increase its resilience to weather events, in addition to evaluating more projects to optimize the use of water.

### 5 Greater demands on the reduction of non-revenue water



According to the 2021 SISS health sector report, 33.1% of the drinking water produced in the country for urban sectors does not reach end users or is not invoiced. Although this percentage is in the medium range for the international context, it is higher than in other OECD countries, such as Poland, England and New Zealand. For this reason, the SISS has on its agenda to advance in the reduction of non-revenue water from sanitation companies and there is already a working group together with Andess Chile to define reduction goals in the medium term. In order to continue contributing to the responsible and sustainable use of the resource, the company has formulated plans to reduce losses in each of its systems.

### 6 Need to diversify technologies and infrastructure for water purification



quantity and quality arises, which requires the search for new technologies to produce drinking water. International organizations such as the International Water Association recognize that the reuse of treated wastewater and desalination are essential for future consumption. However, globally it is observed that reuse remains marginal compared to desalination, which is currently widespread with more than 18,000 plants in 150 countries. While new purification methods are emerging, they still require testing and refinement.

### 7 Changes in water administration, transferring responsibility towards basin management



As revealed by Fundación Chile's Water Scenarios 2030 initiative, 44% of water-related problems are due to the lack of an adequate regulatory framework for the integrated management of water resources, something that the current Water Code did not resolve. . In this scenario, the Central Government created an Inter-ministerial Committee for Just Water Transition, mandated to develop a road map on the matter. To date, there are already advances that propose starting with 16 integrated management pilots. Added to this, the GORE of the Metropolitan region plans to create, within a year, a provisional Basin Council whose decisions are binding.

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Opportunities

Efforts to mitigate and adapt to climate change also create opportunities for organizations. In the case of Aguas Andinas, the following opportunities have been identified to mitigate some identified risks:

**Resource efficiency**

Improvements in water distribution infrastructure to reduce leaks and loss of network pressure for more efficient use and responsible for the resource.

Implementation of energy conservation measures in aeration processes and other stages of water treatment.

**Energy source**

Use of sanitation infrastructure for the generation of hydro and solar energy with synergistic effects on the operation of the company.

**Market**

Provision of financing in collaboration with governments and financial entities for the development of infrastructure that improves resilience against climate change

Access to the carbon market through the sale of emission reduction certificates (offset) associated with projects that reduce emissions.

**Resilience**

Promotion of plans for the creation of green infrastructure in the Santiago basin that allow the reduction or compensation of water consumption in the sector.



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## Main suppliers

	INMOBILIARIA Y CONSTRUCTORA NUEVA PACIFICO SUR S.A.	
	BIOFACTORIA ANDINA SPA	
	CONSTRUCTORA PEREZ Y GOMEZ LTD	
	AES ANDES S A	
	INGENIERIA Y CONSTRUCCION M.S.T SPA	
	ECHEVERRIA IZQUIERDO ING.	
	INLAC S.A.	
	FAST SOLUCIONES CONSTRUCCIONES	
	ASOC.CANALISTAS SOC.CANAL	
	CONSORCIO BGM SPA	

## Ownership Executives

Executive Ownership Participation						
Name or Social reason	RUT	Job Position	Aguas A	%	IAM	%
Inversiones Palguin Ltda. (Luis Alberto Faundez Perez ) custodia corredor de bolsa	77.429.760-K	Rates and Regulation Manager	895.879	0,01%	23.277	0,00%
Rocha Ibarra Chary Alejandra	12.236.181-0	People Management Deputy Manager	246.673	0,00%	-	0,00%
Sociedad Arata y Cerda Ltda.	76.027.684-7	General Manager Ecoriles – ANAM	205.487	0,00%	-	0,00%
Arata Zapico Paola Del Carmen	10.253.396-8	General Manager Ecoriles - ANAM	213.700	0,00%	-	0,00%
Walton Lazo Pablo Andrés	10.579.432-0	Customer Experience Manager	45.000	0,00%	-	0,00%
San Jorge Nielsen Sebastián Alejandro	12.041.075-k	Customer Service Assistant Manager	15.720	0,00%	-	0,00%
Inversiones Los Olivos S.A. (Giorgianna Cúneo)	76.360.576-0	Principal Director	18.294.384	0,30%	-	0,00%
Giorgianna Cúneo Queirolo	9.667.948-3	Principal Director	1.469.119	0,02%	534.747	0,05%
Asesorias E Inversiones Daramai Spa (Rodrigo Manubens)	79.997.420-7	Principal Director	20.206.989	0,33%	-	0,00%

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Social object

The purpose of the company is to produce and distribute drinking water; collect and treat sewage; and perform the other benefits related to said activities, in the manner and conditions established in the decree with the force of Law No. 382 of the Ministry of Public Works of 1988, General Law of Sanitation Services, and other regulations that are applicable to it.

Identification of the company

Legal constitution

Aguas Andinas SA was established by public deed dated May 31, 1989, executed at the Santiago Notary of Mr. Raúl Undurraga Laso, and an extract of it was registered on page 13,981, No. 7,040, in the Registrar of Commerce of the Registrar of Real Estate of Santiago in 1989, and was published in the Official Gazette on June 10, 1989. The bylaws have been subject to various modifications. The last of these reforms was agreed upon by the 18th Extraordinary Shareholders' Meeting, which aimed to: (i) incorporate the modifications introduced to the laws and regulations that regulate the company's activity; (ii) modify the corporate purpose adapting it to the General Law of Sanitation Services; (iii) extend the term of the board of directors to three years; (iv) record that the share capital is fully subscribed and paid; and (v) repeal the transitory provisions that have lost their validity. Likewise, a new consolidated text of the statutes was granted. This modification is recorded by public deed dated October 2, 2013, granted in the Santiago Notary of Mr. Iván Torrealba Acevedo, and an extract of it was registered on page 78,229 No. 51,547, in the Registry of Commerce of the Real Estate Registrar de Santiago in 2013, and was published in the Official Gazette on October 21, 2013.

Legal aspects

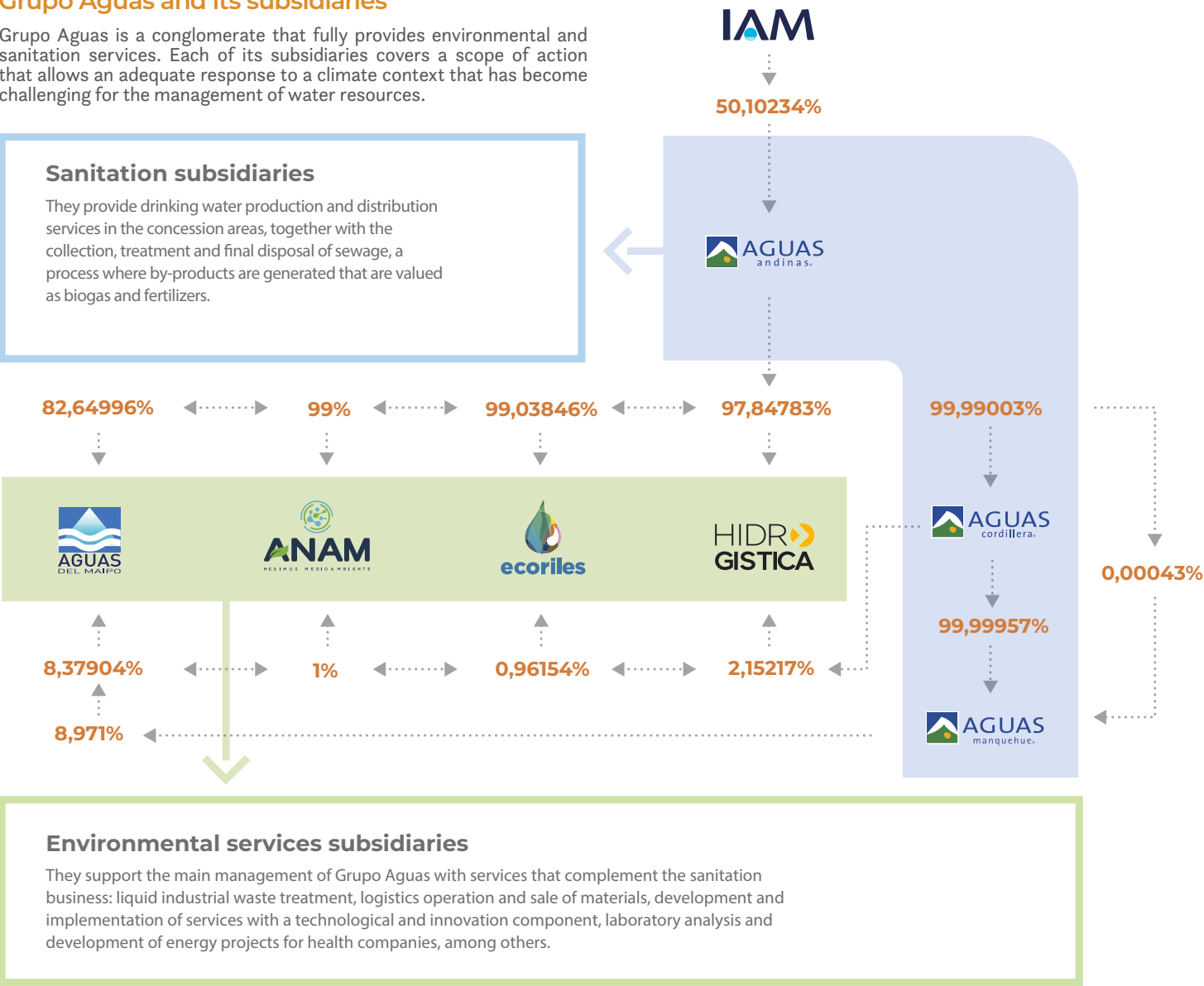
The Company is registered in the Securities Registry of the Financial Market Commission under No. 0346 by provision of Law No. 18,046. As a company in the sanitation sector, it is supervised by the Superintendence of Sanitation Services in accordance with Law No. 18,902.

Series of shares A and B

Article 5 of the Company's bylaws establishes that series B shares have a preferential nature, which provides them with a special quorum established at the Extraordinary Shareholders' Meeting held on March 29, 1999. This allows them to decide on acts and contracts that are related to the water use rights and sanitation concessions of Aguas Andinas. Series B will be automatically extinguished as from the transfer or exchange of any of its titles for series A shares, act by which the titles transferred or exchanged will become part of series A. It will also disappear once the 50 years counted from the date of the legalization of the modification of the bylaws agreed at the aforementioned Extraordinary Shareholders' Meeting, and in the event that series B shares represent less than 5% of the total capital issued by the company. If any of these circumstances are verified, series A and B will be eliminated, and all the shares that comprise them will be automatically transformed into common or ordinary titles, suppressing the division into series of shares. The statutes of Aguas Andinas are available on the following website.

Grupo Aguas and its subsidiaries

Grupo Aguas is a conglomerate that fully provides environmental and sanitation services. Each of its subsidiaries covers a scope of action that allows an adequate response to a climate context that has become challenging for the management of water resources.



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## Stock Transactions 2022

2022	SANTIAGO STOCK EXCHANGE		
	Average Price (\$)	Units	Amount (\$)
Total 1st quarter	174.38	444,138,454	77,552,133,098
Total 2nd quarter	154.83	421,648,526	65,343,648,324
Total 3rd quarter	185.16	747,769,151	140,246,347,296
Total 4th quarter	197.95	499,878,849	101,560,704,327
Year 2022	178.08	2,113,434,980	384,702,833,045

2022	ELECTRONIC STOCK		
	Average Price (\$)	Units	Amount (\$)
Total 1st quarter	170.64	22,638,502	3,863,094,943
Total 2nd quarter	156.55	15,591,508	2,440,774,581
Total 3rd quarter	187.64	18,331,912	3,439,759,780
Total 4th quarter	194.81	13,660,697	2,649,519,345
Year 2022	177.41	70,222,619	12,393,148,649

Relationship with informant with society	Id number of the informant	Informant name / business name	Transaction date	Transaction Type	Number of units traded	Unit price in (\$)	Total amount of the transaction in (\$)	Observations
EJ	8043598-3	Luis Alberto Faundez Perez	02/09/2022	E	73,620	\$205.00	\$15,092,100	Luis Faundez Perez is Tariff and Regulation Manager Aguas Andinas
EJ	12018097-5	Carmen Gloria Rivera Vera	11/04/2022	A	5,485	\$170.00	\$932,450	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	18,474	\$166.27	\$3,071,672	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	94,433	\$165.50	\$15,628,662	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	372,045	\$170.00	\$63,247,650	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	30,443	\$166.01	\$5,053,842	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	5,247	\$165.38	\$867,749	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	16,127	\$165.35	\$2,666,599	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12018097-5	Carmen Gloria Rivera Vera	08/04/2022	A	57,746	\$166.00	\$9,585,836	Spouse of the executive Mr. Alejandro Riquelme, Manager of Transformation Projects
EJ	12041075-K	Sebastián San Jorge	11/01/2022	A	15,720	\$159.00	\$2,499,480	Sebastian San Jorge Nielsen is Assistant Manager of Customer Service at Aguas Andinas

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## Property, equipment and insurance

Aguas Andinas is the owner of the main buildings and equipment used in the provision of potable water production and distribution services, as well as those used in the collection and treatment of sewage. The company is concerned with keeping these infrastructures in optimum working order.

The following is the list of the main properties and facilities belonging to the company:

Name	Address	Main features	Leased or own
Florida Plant	Tobalaba 9670, La Florida, Santiago	Drinking water production plant	own
The Vizcachas Plant	Av. Camilo Henríquez 540, Puente Alto, Santiago	Drinking water production plant	own
Mapocho-Trebal Biofactory	Av. Las Parcelas S/N, Padre Hurtado, Santiago	water treatment plant	own
La Farfana Biofactory	Camino La Farfana, Maipú Santiago	water treatment plant	own

The company maintains current insurance that mainly includes risks of nature and fire for all its infrastructure assets, real estate and their contents.

Also covered are facilities for the production and distribution of drinking water, collection and treatment of sewage, as well as offices and warehouses.

## Current rates

Within the framework of the Seventh Tariff Process of Aguas Andinas SA, in which the Superintendency of Sanitation Services and Aguas Andinas SA is a party, the tariff level for the five-year period 2020-2025 was established, through an agreement document signed on November 14, 2019. As established, the agreed rate level as of December 31, 2018, meant a downward variation of -3% for current services and standards. The signed agreement also contemplated additional fees for future works, which apply upon their entry into operation, including (i) the Pirque Ponds, (ii) works aimed at improving the quality of treated wastewater such as the works removal of nutrients in the Farfana and Trebal treatment plants, and (iii) the encapsulation of biosolids drying at the Rutal integrated biosolids management centre.

A series of works are also considered to deal with extreme turbidity events in the city of Santiago, which allow the autonomy of the drinking water system to be increased to 37 hours and to 48 hours. It should also be noted that Aguas Andinas SA has also proposed new fundamental works to address drought and climate change, highlighting (i) works for the reuse of 3 m3/s of treated wastewater, (ii) expansion by 1 m3/s of the La Florida drinking water treatment plant, (iii) construction of boreholes in the central aquifer for 1.8 m3/s, and (iv) investments to reduce losses in the drinking water network and repurposing wastewater . The new established rates, set by decree of the Ministry of Economy, Development and Tourism, entered into force as of March 1, 2020.



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Dividends paid				
Dividend No.	Payment date	Historic dividend	Dividend rate	Exercise
50	17-05-2010	14.80945	Definitive	2009
51	22-11-2010	5.4138	Provisional	2010
52	23-05-2011	11.5579	Definitive	2010
53	23-11-2011	5.5985	Provisional	2011
54	23-05-2012	12.62015	Definitive	2011
55	13-11-2012	5.7945	Provisional	2012
56	22-05-2013	14.02414	Definitive	2012
57	14-01-2014	6.0468	Provisional	2013
58	26-05-2014	13.02105	Definitive	2013
59	13-01-2015	6.35	Provisional	2014
60	26-05-2015	13.1667	Definitive	2014
61	13-01-2016	6.6294	Provisional	2015
62	25-05-2016	14.4539	Definitive	2015
63	18-01-2017	6.8614	Provisional	2016
64	22-05-2017	15.257	Definitive	2016
65	24-01-2018	6.8614	Provisional	2017
66	24-05-2018	15.64	Definitive	2017
67	22-01-2019	7.0639	Provisional	2018
68	23-05-2019	14.6474	Definitive	2018
69	20-01-2020	7.2616	Provisional	2019
70	15-12-2020	10.59	Definitive	2020
71	18/05/2021	10.65236	Provisional	2020
72	08-11-2021	6.5371	Definitive	2021
73	29-03-2022	7.02734	Provisional	2021
74	16-12-2022	5.71993	Provisional	2022

## Dividend policy

At the twenty-ninth Ordinary Shareholders' Meeting, a dividend policy was agreed consisting of distributing 100% of the profits, with 30% of the net profits for the year corresponding to a mandatory dividend and the remaining 70% to an additional dividend. This policy will remain in force as long as the current level of capitalization of the company continues and is compatible with the investment and financing policies established for each fiscal year.

\$ per share	2017	2018	2019	2020	2021	2022
Book value	105,02	104,37	105,32	137,4	137,76	137,10
Earnings per share	22,81	22,24	23,16	16,13	16,45	13,93
Dividends paid	22,1184 (1)	22,5014 (2)	22,7413 (3)	17,8516 (4)	17,18946 (5)	12,74727 (6)

Distributable profit	Thousands of \$
Net profit for the year 2022	85.248.734
Retained earnings distributable	84.647.710
Interim dividends on utility account 2021	-35.000.052
Remaining distributable profit	134.896.391
% of dividends distributed on distributable profits	0,00%

(1) Includes two items: An interim dividend of \$6.8614 per share paid on January 18, 2017 and a final dividend of \$15.257 per share paid on May 22, 2017, on account of 2016 earnings.

(2) Includes two items: An interim dividend of \$6.8614 per share paid on January 24, 2018 and a final dividend of \$15.64 per share paid on May 24, 2018, on account of 2017 earnings.

(3) Includes two items: An interim dividend of \$7.0639 per share paid on January 22, 2019 and a final dividend of \$15.6774 per share paid on May 23, 2019, on account of 2018 earnings.

(4) Includes two items: An interim dividend of \$7.2616 per share paid on January 20, 2020 charged to fiscal year 2019 and a final dividend of \$10.59 per share paid on December 15, 2020, on account of the 2020 earnings

(5) Includes two items: A final dividend of \$10.65236 per share paid on May 18, 2021 charged to fiscal year 2020 and retained earnings and an interim dividend of \$6.5371 per share paid on November 8, 2021, on account of 2021 profits.

(6) Includes two items: A final dividend of \$7.02734 per share paid on March 29, 2022 charged to fiscal year 2021 and an interim dividend of \$5.571993 per share paid on December 16, 2022, on account of the 2022 profits.

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# Financial risks



## Interest rate risk

As of December 31, 2022, the interest rate risk maintained by Aguas Andinas SA is made up of 90.3% at a fixed rate and 9.7% at a variable rate. Fixed-rate debt is made up of: short- and long-term bond issues (63.9%), reimbursable financial contributions (15.0%), bank loans (20.2%) derivatives (0.6%) and liabilities for leases (0.3%), while the variable rate debt corresponds to loans with national banks.

The company maintains an interest rate monitoring and management policy, which, in order to optimize the financing cost, permanently evaluates the hedging instruments available in the financial market.

All this favorable situation has meant that the risk rating agencies have assigned us a risk rating of AA+ for long-term debt. In the case of shares, Feller Rate and ICR assigned us a first class level 1 rating for series A and first class level 4 for series B. In April 2022, Fitch Ratings assigned AA+ to the solvency and emissions rating of public debt of Aguas Andinas SA. Additionally, in September 2022 the agency Standard & Poor's assigned Aguas Andinas the classification of 'A-', becoming the first non-state corporate company in Chile to receive this international rating.



## Credit risk

Credit risk is the possibility of financial loss derived from non-compliance by counterparties (clients) with their obligations.

The companies of the Aguas Group have a fragmented market, which implies that the credit risk of a particular customer is not significant, and the objective of the company is to maintain minimum levels of uncollectibility. There is a credit policy, which establishes the conditions and types of payment, as well as conditions to be agreed upon by delinquent clients. The management processes are: control, estimate and evaluate uncollectibles in order to carry out corrective actions to achieve the proposed compliances.

One of the main actions and measures to maintain low levels of uncollectibles is the cut off of the supply, which due to the health crisis caused by the COVID-19 pandemic has not been carried out from 2020 until mid-2022. However, During this period, greater access has been given to the realization of agreements and the collection, contactability and collection mechanisms that the company carries out with delinquent clients through email, text messages, collection bot or by telephone have been strengthened.



## Liquidity risk

Liquidity risk is the possibility that the Aguas Group has difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset and cannot finance the commitments acquired, such as long-term investments. and working capital needs, at reasonable market prices. Management monitors the Group's liquidity reserve forecasts based on expected cash flows.

Various preventive measures are used to manage liquidity risk, such as:

- Diversify financing sources and instruments, such as placement in international markets, in Australian dollars and Japanese yens.
- Agree with creditors maturity profiles that do not concentrate high amortizations in one period.

As of December 31, 2022, 78.9% of the Company's debt was issued in UF, which has a negative impact on the company's financial results. Said effect is mitigated by the adjustment established by the tariff indexation polynomial.



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## Essential Facts

### 1 On March 2, 2022, the CMF was informed that:

This morning the thirty-second Ordinary Shareholders' Meeting of the Company was held, in which matters related to it were discussed, among them, the renewal of the Board of Directors, resulting in the following people being elected:

#### Regular directors

Claudio Muñoz Zúñiga  
Narciso Berberana Sáenz  
Jorge Manent Codina  
Loreto Silva Rojas  
Giorgianna Cúneo Queirolo  
Jaime Arellano Quintana  
Rodrigo Manubens Moltedo

#### Alternate directors

Cosme Sagnier Guimón  
Fernando Samaniego Sangroniz  
Ignacio Escudero García  
Sonia Tschorne Berestesky  
Tomás Uaay Cúneo  
Víctor Selman Biester  
Gonzalo Rojas Vildósola

It is hereby recorded that the director, Mr. Rodrigo Manubens Moltedo, and his respective alternate, Mr. Gonzalo Rojas Vildósola, have been elected as independent directors.

Next, the Board of Directors of the Company met, a session in which it was agreed unanimously by its members present to designate Mr. Claudio Muñoz Zúñiga as President of the same and of the Company.

Likewise, it was agreed that Messrs. Rodrigo Manubens Moltedo, Jaime Arellano Quintana and Narciso Berberana Sáenz and their respective alternates will be part of the Directors' Committee.

### 2 On March 14, 2022, the CMF was informed that:

We have learned of the incorporation of Veolia Environnement SA ("Veolia") to the ownership of Suez SA, which implies the change of indirect control over Aguas Andinas SA This after a Public Offer for the Acquisition of shares launched by Veolia in France, which was declared successful last January; and that the operation was approved by the European Commission in accordance with the Community Regulation of Concentrations between Companies of the Council of the European Union, and, in addition, that, on March 11, 2022, it has been notified that the Competition & Markets Authority of the Kingdom Kingdom (the "CMA"), has enabled the integration of Veolia with certain business units of Suez outside the UK, subject to certain conditions.

### 3 On August 26, 2022, the CMF was informed that:

On current August 25, the Company was notified of various claims for compensation for damages for alleged breaches of indemnity guarantee and breaches of contract, as well as subsidiary claims of those, filed in arbitration proceedings against it by Eco Acquisitionco SpA , those related to the sale and assignment of the direct and indirect participation of Aguas Andinas S.A.

at Sanitation Services Company of Los Lagos S.A. ("ESSAL"), completed in October 2020. The lawsuits filed claim for the payment of compensation for the total amount of \$65,222,222,373.- In the opinion of Aguas Andinas S.A. the aforementioned claims are unfounded and, ultimately, should be rejected. With everything, and in any case, in the aforementioned sale and assignment operation, Aguas Andinas assumed the usual responsibilities in an operation of these characteristics, which is limited to the total amount of US\$ 11,500,000. In addition, the subscribed contracts provide for additional limitations of responsibility for the amounts of individual losses, opportunity for claims, insurance recovery, losses derived from certain facts previously known by the buyer, among others; circumstances that Aguas Andinas S.A. will be asserted in the corresponding procedural opportunities so that the demands in question are rejected in their entirety.

### 4 On September 1, 2022, the CMF was informed that:

On this date, the Company's Board of Directors agreed to call an Extraordinary Shareholders' Meeting to be held on September 28, 2022, in order to submit to the consideration and pronouncement of the shareholders the revocation of the entire current Board of Directors, and, in the In the event said revocation is approved, the election of new members of the Board of Directors.

The foregoing, due to the request made for this purpose on August 31, by its shareholder Inversiones Aguas Metropolitanas SA, which holds more than 10% of the issued shares with voting rights of the Company.

### 5 On September 28, 2022, the CMF was informed that:

This morning the nineteenth Extraordinary Shareholders' Meeting of the Company was held, in which the Board of Directors was renewed, resulting in the following people being elected:

#### Regular Directors

Felipe Larraín Aspillaga  
Gustavo Mígues  
Fernando Samaniego Sangroniz  
María Florencia Esquerre Riquelme  
Giorgianna Cúneo Queirolo  
Rodrigo Manubens Moltedo  
Jaime Arellano Quintana

#### Alternate Directors

Gustavo Alcalde Lemarie  
Katia Trusich Ortiz  
Jorge Manent Codina  
Marisol Bravo Léniz  
Tomás Uaay Cúneo  
Bernardo Simián Soza  
Víctor Selman Biester

It is hereby recorded that the director, Mr. Rodrigo Manubens Moltedo, and his respective alternate, Mr. Bernardo Simián Soza, have been elected as independent directors.

Next, the Board of Directors of the Company met, a session in which it was unanimously agreed by its members present to designate Mr. Felipe Larraín Aspillaga as President of the same and of the Company.

Likewise, it was agreed that Messrs. Rodrigo Manubens Moltedo, Jaime Arellano Quintana and Fernando Samaniego and their respective alternates will be part of the Directors' Committee.

### 6 On November 23, 2022, the CMF was informed that:

On this date in ordinary session No. 535, the Board of Directors of the Company unanimously agreed to distribute among the shareholders the sum of \$35,000,052,388, as an interim dividend, on account of the profits for the year 2022 Due to the foregoing, the interim dividend number 74 of the Company will amount to \$5.71993 per share and will be payable as of December 16, 2022.

### 7 On December 13, 2022, the CMF was informed that:

On this date, December 13, the Company has issued and placed in the international markets bonds issued under Regulation S of the Securities and Exchange Commission of the United States of America, under the Securities Act of 1933, from the United States of America for an amount of (i) AUD\$20,000,000 (twenty million Australian dollars), maturing in 2037, at a semi-annual interest rate of 6.82%; and (ii) JPY \$5,000,000,000 (five billion Japanese yen), maturing in 2037, at an interest rate of 2.16% semi-annual (jointly the "Bonds"), jointly equivalent to approximately USD50,000,000.

For this purpose, on November 4, 2022, the Company signed an agreement in English called the Medium-Term Notes Program Dealer Agreement with Daiwa Capital Markets America Inc, as Dealer, in which the terms and conditions of the issuance and placement of the Bonds. Likewise, on that same date, the Company entered into a bond issuance agreement (Fiscal and Paying Agency Agreement) with Citibank NA, London Branch as Fiscal and Paying Agent, Transfer Agent and Registrar, for the Bond issue.

The funds raised with the issuance of the Bonds will be used to finance eligible projects within the company's Green and Social Framework, which have made disbursements during the last 24 months prior to the issuance, which correspond to approximately 90% of the income. The balance will be used for disbursements of projects scheduled to be executed within the next 24 months after issuance.

The obligations arising from the Bonds for the Company will not be secured with guarantees of any kind. Likewise, in accordance with the applicable regulations, the bonds will not be subject to registration with the Securities and Exchange Commission of the United States of America or with the CMF and, consequently, they will not be subject to a public offering or in the United States of America. nor in the Republic of Chile.

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# Materiality process

that make up the Aguas Group during the period between January 1 and December 31, 2022 regarding economic, governance, social and environmental issues. Therefore, it reports on the role of the parent company Aguas Andinas SA and its sanitation subsidiaries Aguas Cordillera SA and Aguas Manquehue SA in these areas, as well as the environmental services subsidiaries Ecoriles SA, Análisis Ambientales SA (ANAM), Hidrogística SA and Aguas del Maipo SA.

To define the material issues that guide the development of this integrated report, it was decided to carry out an extensive and in-depth analysis of **double materiality**, involving all the company's stakeholders in the process.

This strategic decision by the company entails a significant advance compared to previous years, when this definition of material topics was carried out according to traditional criteria. Now, it was explicitly sought to validate with internal and external stakeholders the impacts that Aguas Andinas generates both in its financial performance, as well as those it may cause in society and the planet. The result of this effort is a new materiality matrix thanks to obtaining

much more precise, detailed and more useful information for the company's future decision-making.

With this, the company also aligned itself with the methodology recommended by the main international benchmarks in terms of integrated delivery of corporate information, including the European Non-Financial Reporting Directive and the GRI-2021.

During this process, the consultations addressed to the company's internal and external stakeholders addressed two main aspects:

- **The level of impact that material issues may have on financial performance** of the deal, including whether it is positive or negative, the likelihood of it materializing, and its eventual magnitude.
- **The level of impact that the company can generate on society and the planet** in each material issue -and an estimate of whether it is positive or negative-, as well as the probability that it will materialize and its eventual magnitude.

# Material topics

Prior to the survey, a selection of topics was carried out through a documentary analysis that included internal information and relevant external sources to understand the context and performance of the company. These backgrounds included:

- **Sector trends.**
- **Sector commitments and challenges.**
- **Veolia's sustainability strategy (final controller of Aguas Andinas).**
- **The previous materiality.**
- **Media analysis.**

The analysis and review of the aforementioned sources made it possible to establish a list of 18 material topics, segmented by area of impact.



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Economic issues

Code	Material topic	Description
E1	Governance and Integrity	Support and lead the management of the company with a corporate governance of high standard characteristics and performance, and an organizational culture based on ethics and unrestricted compliance with relevant laws, regulations and codes of conduct.
E2	Sustainable financial opportunities	Promote new lines of business with sustainable financial instruments and investment plans to maintain and renew the networks, and increase the resilience of the company, strengthening its infrastructure, technology, and training to prevent and respond early to incidents and emergencies, and to deal with the climate crisis
E3	Privacy and cybersecurity	Ensure the privacy of customer and user information, implementing practices, standards and regulations in accordance with international guidelines, also reinforcing mechanisms and systems to safeguard information from loss, leaks or data corruption.
E4	Supply chain management	Integrate environmental, social and governance (ESG) aspects into supply chain management, in order to continuously improve the ESG standards of suppliers and contractors.
E5	Legal framework, regulations and public debate	Strengthen public participation through a transparent and constructive dialogue with policy and regulatory makers, regulators and representatives of civil society, in the context of a changing regulatory framework and a regulated and supervised industry.
E6	Customer Management	Continuously enhance customer satisfaction by optimizing response times to complaints, maintaining water quality and improving the service provided, in a context of increased demand for water and sanitation services.
E7	Innovation, technology and digital transformation	Promote innovation and digitization of the company, adapting and optimizing its processes in the face of a digital environment in continuous development.

Environmental issues

Code	Material topic	Description
A1	Water resource management	Strategic management of water resources considering current variables such as water scarcity and increased demand, through efficiency measures and participation in public debate in order to ensure the continuity and quality of the service.
A2	Energy sustainability	Identify and manage the main risks and opportunities derived from climate change, establishing goals to move towards the decarbonisation of the portfolio.
A3	Climate change	Climate change. Develop strategies to adapt to climate change, considering physical risks (such as fires, drought and turbidity) and transition risks (such as regulation, reputation and new technologies), in addition to mitigating emissions in accordance with the goal of limiting to 1.5 °C the increase in global temperature.
A4	Circular economy	Maximize efficiency in the use of available water resources and by-products of the purification and sanitation process. In addition, apply other innovative solutions that make it possible to better manage resources, add value to society and contribute to mitigating the effects of climate change, including the reduction, reuse and revaluation of the waste generated by the company.
A5	Biodiversity and ecosystem services	Generate processes and projects that restore and conserve the biodiversity of the ecosystems in the Metropolitan Region, thus improving the health of the basin, with solutions based on nature.

Social topics

Code	Material topic	Description
S1	Diversity, climate and labor relations	Generate an optimal work environment, fostering respect, dialogue and diversity and equal opportunities, providing decent wages and good labor practices.
S2	Occupational health and safety	Create and maintain a safe and healthy environment, without accidents and occupational diseases linked to operations, responding adequately to potential health crises and maintaining the highest health and safety protocols for workers and contractors.
S3	Human rights	Align management with international standards, using mechanisms to protect the inherent rights of individuals throughout our entire value chain.
S4	Human capital development	Promote new leadership and the development of workers through adequate training and strengthening performance evaluations, to ensure the attraction and retention of the best talent.
S5	Access and affordability	Facilitate greater access to water, facilitating its availability in rural or remote sectors and allowing this good to be economically accessible to the largest number of customers.
S6	Relations and impact in communities	Maintain an active relationship with the community and generate a positive impact through the development of projects of social value, water education and the promotion of responsible water consumption.

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# Changes with respect to previous material topics

The list of material topics prepared in the last year represents an evolution with respect to the topics raised in the previous period. Although there is continuity in many of them, there were others that were merged, resulting in a list with a more precise focus.

## Consult stakeholders

During November and December 2022, Aguas Andinas carried out an online survey addressed to its collaborators and executives to find out their perception of the material issues that had been previously identified. This instance was complemented with interviews with the general manager and the main executives of the company (area directors and those who have positions close to the General Management).

In parallel, the company surveyed external interest groups online, to incorporate their vision of the same issues. The following groups were consulted:

- Shareholders
- Clients
- Communities
- Investors
- Suppliers
- Other groups



Material topics 2021		Material issues 2022	
ECON / GOVERNANCE	Corporate governance	→	Governance and integrity
	Code of Conduct		
	Privacy and cybersecurity	=	Privacy and cybersecurity
	Legal framework, regulations and public debate	=	Legal framework, regulations and public debate
	Supply chain management	=	Supply chain management
	Customer Management	=	Customer Management
	Innovation, technology and digital transformation	=	Innovation, technology and digital transformation
	Emergency response	-	It is reflected in water risk management, environmental issue.
ENVIRONMENTAL	Climate change	=	Climate change
	Biodiversity and ecosystem services	=	Biodiversity and ecosystem services
	Circular economy	=	Circular economy
	Energy sustainability	=	Energy sustainability
	Water risk management	=	Water risk management
	Environmental systems and controls	-	It is reflected as an intrinsic element in other material issues of the environmental dimension, especially in water risk management.
SOCIAL	Human capital development	=	Human capital development
	Access and affordability	=	Access and affordability
	Relations and impact in communities	=	Relations and impact in communities
	Diversity, climate and labor relations	=	Diversity, climate and labor relations
	Human rights	=	Human rights
	Occupational health and safety	=	Occupational health and safety

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## Materiality matrix

The materiality matrix resulting from this process makes it possible to calibrate the material topics according to the assignments granted to each one by the multiple stakeholders of Aguas Andinas. On the X axis, its financial impact on the company is represented; that is, its possible effect on the income, costs, assets or reputation of Aguas Andinas.

On the Y axis, the social and environmental impact of the company's activities on the environment is displayed according to each theme, taking into account the effect on society, communities and the environment.

Initials	Material Topics 2022
E1	Governance and Integrity
E2	Sustainable Financial Opportunities
E3	Privacy and Cybersecurity
E4	Supply chain management
E5	Legal framework, regulations and public debate
E6	Customer Management
E7	Innovation, technology and digital transformation
A1	Water Resource Management
A2	Energy sustainability
A3	Climate change
A4	Circular economy
A5	Biodiversity and ecosystem services
S1	Diversity, climate and labor relations
S4	Human capital development
S5	Access and affordability
S6	Relations and impact in communities



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Conclusions

- No aspect has been revealed that would make us believe that the Quantification of Greenhouse Gas Emissions carried out by Aguas Andinas has not been prepared in accordance with applicable international standards.
- All the inconsistencies found were clarified and resolved, therefore, no aspect has been revealed that makes us believe that the information provided about the Quantification of Greenhouse Gas Emissions contains significant errors. Responsibilities of Aguas Andinas and Deloitte
- The preparation of the Quantification of Greenhouse Gas Emissions, period 2020, as well as its content is the responsibility of Aguas Andinas, which is also responsible for defining, adapting and maintaining the management and internal control systems of the which information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared exclusively in the interest of Aguas Andinas, in accordance with the terms established in the Letter of Commitment.

- The conclusions of the verification carried out by Deloitte are valid for the Quantification of Greenhouse Gas Emissions of the stages of production, transportation and distribution of drinking water, sewage collection, sewage treatment and non-productive buildings in the year 2022. .
- The scope of a limited security review is substantially less than that of a reasonable security review or audit. Therefore, we do not provide an audit opinion on the Quantification of Greenhouse Gas Emissions for the stages of production, transportation and distribution of drinking water, Collection of sewage, treatment of sewage and non-productive buildings belonging to Aguas Andinas for the period 2022.
- We agree to the provision of this letter to CDP to comply with the terms of CDP's disclosure requirements, but do not accept or assume any liability or obligation on our part to CDP or any other party that may have access to this letter.

Verifier data:

**Gonzalo Escalona**  
Senior Manager  
gescalonar@deloitte.com  
Kind regards to you,

**David Falcón**  
Socio

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Verification letter ● GRI 2-5

Santiago, March, 2023.

**Eugenio Rodríguez Mingo**  
Director of Clients and Commercial Development Aguas Andinas

From our consideration:

We have reviewed the following aspects of the 2022 Integrated Report of Aguas Andinas:

Scope

Limited security review of the adaptation of the contents and indicators of the Integrated Report 2022, with the provisions of the Global Reporting Initiative (GRI) Standards regarding the profile of the organization and material indicators arising from the materiality process carried out by the company in around the criteria established by said standard, related to the Economic, Social and Environmental dimensions.

We have conducted our work in accordance with the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accounts (IFAC).

Our review work has consisted of formulating questions to various Aguas Andinas units and managements that have been involved in the process of preparing this report, as well as applying the analytical procedures and review tests described below.

- Meeting with the team that led the process of preparing the Integrated Report 2022.
- Request for requirements and review of evidence with the areas participating in the preparation of the 2022 Report.
- Analysis of the adaptation of the contents of the 2022 Integrated Report to those recommended by the GRI Standard in its Comprehensive compliance option, and verification that the verified indicators included in this Report correspond to the protocols established by this guide and the indicators are justified. not applicable or not material.
- Verification through review tests of the quantitative and qualitative information, corresponding to the indicators of the GRI Standard included in the 2022 Integrated Report, and its proper compilation based on the data provided by the information sources of Aguas Andinas conclusions.

The verification process was carried out based on the indicators declared from the materiality process carried out by the company. Once identified, prioritized and validated, the indicators were included in the report. The reported indicators submitted for verification are indicated in the following table:

2-1	2-2	2-3	2-4	2-5	2-6	2-7	2-8	2-9
2-10	2-11	2-12	2-13	2-14	2-16	2-17	2-18	2-19
2-20	2-21	2-22	2-23	2-24	2-25	2-26	2-27	2-28
2-30	201-1	201-2	201-3	201-4	204-1	205-1	205-2	205-3
206-1	302-1	302-2	302-3	302-4	302-5	303-1	303-2	303-3
303-4	303-5	304-1	304-2	304-3	304-4	305-1	305-2	305-3
305-4	305-5	305-6	305-7	306-1	306-2	306-3	306-4	306-5
308-1	308-2	401-1	401-2	401-3	404-1	404-2	404-3	405-1
405-2	406-1	413-1	413-2	415-1	418-1	416-1	416-2	414-1
414-2								

Regarding the verified indicators, we can affirm that no aspect has been revealed that makes us believe that the Aguas Andinas 2022 Sustainability Report has not been prepared in accordance with the GRI Standard in the aspects indicated in the scope.

Responsibilities of the Management of Aguas Andinas and Deloitte

- The preparation of the 2022 Integrated Report, as well as its content, is the responsibility of Aguas Andinas, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.

Our responsibility is to issue an independent report, based on the procedures applied in our review.

- This report has been prepared exclusively in the interest of Aguas Andinas, in accordance with the terms established in the Letter of Commitment.
- We have performed our work in accordance with the standards of independence required by the IFAC Code of Ethics.
- The verification conclusions made by Deloitte are valid for the latest version of the Report in our possession, received on 03/16/2023.
- The scope of a limited security review is substantially less than that of a reasonable audit or security review, therefore we do not provide an audit opinion on the 2022 Integrated Report of Aguas Andinas.

Kind regards to you,

Juan Carlos Jara  
Socio

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GRI Index: General contents

	GRI	TM	Indicador	Chapter	Subchapter	Comments	Page	N° of ODS	Global Compact Principle Number
General Content	02-.01	-	Organizational details	Back cover			2	6,12	
	02-02	-	Entities included in sustainability reporting	1	Our Operations	Aguas Andinas and its Companies	16	6	
	02-.03	-	Reporting period, frequency and point of contact	Back cover			2		
	02-.04	-	Update of information			No relevant updates have been made			
	02-.05	-	External verification	11	External verification letter		122-123		
	02-.06	-	Activities, value chain and other busiEness relationships	1	Our Operations	Aguas Andinas and its Companies	16	6	
				5	Supply chain management		55	1,8, 10	
	02-22	-	Commitments and policies	Message from Felipe Larrain; Message from Marta Colet			5, 6		
	02-23	-	Incorporation of commitments and policies	9	Ethical culture and integrity	Policies and due diligence in Human Rights	100-102	16	P1, P2, P3, P4, P5, P6
	02-24		Processes to remedy negative impacts	2	Strategy and Commitments		24		
		-		11	ESG indicators	Human rights	152		
	02-25	-	Compliance with legislation and regulations	8	Impact on Local Communities	Aló vecino Program		11	P2
	02-26	-	Mecanismos para solicitar asesoramiento y plantear inquietudes	8	Impact on Local Communities	Aló vecino Program	77-78		
	02-27	-	Cumplimiento de legislación y normativas	11	ESG indicators	Non-compliance in wastewater discharges and affiliates Metropolitan Region	157	6	P7
	02-28	-	Association membership	11	ESG indicators		131	17	
	02-30	-	Approach to stakeholder engagement	11	ESG indicators		132-139		
Gobernanza e Integridad	02-.09	E1	Governance structure and composition	9	Corporate governance		82-87		
	02-.10	E1	Appointment and selection of the highest governance body	9	Corporate governance		82		
	02-.11	E1	President of the highest government body	9	Corporate governance		84		
	02-.12	E1	Role of the highest government body in overseeing the management of impacts	9	Corporate governance		83		
	02-.13	E1	Delegation of responsibility for managing impacts	9	Corporate governance		83		
	02-.14	E1	Role of the highest governance body in sustainability reporting	9	Corporate governance		83		
	02-.15	E1	Conflicts of interest	9	Corporate governance		82	16	P 10
	02-.16	E1	Communication of critical concerns	9	Ethical culture and integrity	Complaint line	99		
	02-.17	E1	Collective knowledge of the highest governance body	11	ESG indicators	Skills Matrix Directory	121		
	02-.18	E1	Evaluation of the performance of the highest government body	9	Corporate governance		86		
	02-.19	E1	Remuneration policies	9	Corporate governance		87		
	02-.20	E1	Process to determine remuneration	9	Corporate governance		87		
	02-.21	E1	Annual Total Compensation Ratio			The annual total compensation ratio has been defined as confidential in the company			
	205-1	E1	Operations evaluated based on risks related to corruption	9	Ethical culture and integrity		100	16	P 10
	205-2	E1	Communication and training on anti-corruption policies and procedures	9	Ethical culture and integrity		100		
	205-3	E1	Confirmed incidents of corruption and actions taken	9	Ethical culture and integrity	There were no cases of corruption during 2022	100		
	206-1	E1	Legal actions related to unfair competition and monopolistic practices and against free competition			There have been no legal actions of this type during 2022			
	406-1	E1	Cases of discrimination and corrective actions taken	11	ESG indicators		145		

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	GRI	TM	Indicador	Chapter	Subchapter	Comments	Page	Number of ODS	Nº Global Compact Principle
Legal Framework, Regulations and Public Debate	415-1	E5	Contribution to political parties and/or representatives	11	ESG indicators	Agua Andinas has not made contributions to political parties or representatives	172		
Sustainable financial opportunities	201-1	E2	Direct economic value generated and distributed	11	ESG indicators		173	8	
	201-2	E2	Financial implications and other risks and opportunities derived from climate change	9	Main management systems	Risks and opportunities under the TCFD framework	103-108	13	P7, P8 y P9
	201-3	E2	Obligations of the defined benefit plan and other retirement plans	11	ESG indicators		147	8	
	201-4	E2	Financial assistance received from the government			There was no assistance received by the government			
Innovation, Technology and Digital Transformation	N/A	E7	Dispatch of tickets by mail (own indicator)	6	Digital transformation		62		
Privacy and Cybersecurity	418-1	E3		6	Digital transformation	There were no privacy complaints or data leaks during the year 2022	62		
Customer Management	416-1	E6	Assessment of the impacts of product and service categories on health and safety	4	Decarbonization and energy sustainability plan		49	6	
	416-2	E6	Non-compliance cases related to the impacts of the categories of products and services on health and safety	11	ESG indicators		157		
Supply chain management	204-1	E4	Proportion of spending on local suppliers	5	Supply chain management		55	1, 8, 10	
	414-1	E4	Negative social impacts in the supply chain and measures taken	5	Supply chain management		55	5	P6
	414-2	E4		5	Supply chain management		55		
	308-1	E4	New suppliers that have passed selection filters in accordance with environmental criteria	5	Supply chain management		55	7	
	308-2	E4	Negative environmental impacts in the supply chain and measures taken	5	Supply chain management		55		
Climate change	305-1	A3	Direct GHG emissions (scope 1)	11	ESG indicators		161	13	
	305-2	A3	Indirect GHG emissions associated with energy (scope 2)	11	ESG indicators		161		
	305-3	A3	Other indirect GHG emissions (scope 3)	11	ESG indicators		161		
	305-4	A3	GHG emissions intensity	11	ESG indicators		162		
	305-5	A3	Reduction of GHG emissions	11	ESG indicators		162		
	305-6	A3	Emissions of substances that deplete the ozone layer (ODS)	11	ESG indicators		162		
	305-7	A3	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	11	ESG indicators		163		
Water Resource Management	303-1	A1	Interaction with water as a shared resource	1	Our Operations	Description of how the organization interacts with Water	15-18	6,12	P7, P8 y P9
			Management of impacts related to water spills	3	Relations with authorities and users	Interaction with stakeholders	37-41		
	303-2	A1		8	Commitment to customers		73		
	303-3	A1	Water extraction	1	Our Operations		17		
	303-4	A1	Water spills	11	ESG indicators		158		
	303-5	A1	Water consumption	3	Water footprint		32		
Circular Economy	306-1	A4	Waste generation and significant waste-related impacts	4	Circular Economy Model		46	12	
	306-2	A4	Management of significant impacts related to waste	4	Circular Economy Model		46		
	306-3	A4	Waste generated	4	Circular Economy Model		46		
	306-4	A4	Waste not intended for disposal	4	Circular Economy Model		46		
	306-5	A4	Waste destined for disposal	4	Circular Economy Model		46		

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	GRI	TM	Indicator	Chapter	Subchapter	Comments	Page	Nº ODS	Nº of Global Compact Principle
Energy sustainability	302-1	A2	Energy consumption within the organization	11	ESG indicators		154	7, 13	P7, P8 y P9
	302-2	A2	Energy consumption outside the organization	11	ESG indicators		155		
	302-3	A2	Energy intensity	11	ESG indicators		155		
	302-4	A2	Reduction of energy consumption	11	ESG indicators		156		
	302-5	A2	Reduction of energy requirements of products and services	11		Does not apply to Aguas Andinas			
Biodiversity and ecosystem services	304-1	A5	Owned, leased or managed operational sites located within or adjacent to or protected areas or areas of high biodiversity value outside protected areas.	3	Biodiversity		37-38	14,15	P7, P8 y P9
	304-2	A5	Significant impacts of activities, products and services on biodiversity.	3	Biodiversity		37-38		
	304-3	A5	Habitats protected or restored	3	Biodiversity		37-38		
	304-4	A5	Species that appear on the IUCN Red List and on national conservation lists whose habitats are in areas affected by operations			Uninformed			
Diversity, climate and labor relations	401-1	S1	Hiring of new employees and staff turnover	11	ESG indicators		148	8	
	401-2	S1	Benefits for full-time employees that are not provided to part-time or temporary employees	7	Diversity, climate and labor relations	Benefits are not distinguished by type of contract	68	3	
	401-3	S1	Parental leave	11	ESG indicators		145, 146		
	405-1	S1	Diversity of governing bodies and employees	11	ESG indicators		143		
	405-2	S1	Ratio between the basic salary and the remuneration of women and men	11			144		
	2-30	S1	Collective bargaining agreements	7	Diversity, climate and labor relations		149		
Human Capital Development	2-7	S2	Employees	11	ESG indicators		140	8	
	2-8	S2	Non-Employee Workers	11	ESG indicators	Staffing (annual average) contractors	151		
	404-1	S2	Average hours of training per year per employee	7	Talent management		69		
	404-2	S2	Programs to develop employee skills and transition assistance programs	7	Talent management		69		
	404-3	S2	Percentage of employees receiving regular performance and career development reviews	7	Talent management		69		
Access and Affordability	ND	S3	Number of new communes where access to water was provided (own indicator)	8	Social focus		77	6, 11	
Relations and impact in communities	413-1	S4	Operations with local community engagement programs, impact assessments, and development	8	Social focus		77	11	P1
	413-2	S4	Operations with significant negative impacts - actual or potential - on local communities.	8	Impact on local communities		78		P2

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Task Force on Climate-related Financial Disclosures (TCFD)

TCFD Pillar	Reference	Page
Governance - Disclose the organization's governance of climate-related risks and opportunities	a) Describe the role of management in assessing and managing climate-related risks and opportunities.	Page 21: Resilient and Sustainable Business Model Page 93: New ESG Committee Page 103-108: Comprehensive Management of Risks, Risks and Opportunities associated with climate change.
	b) Describe the board's control over weather-related risks and opportunities.	Page 21: Resilient and Sustainable Business Model Page 93: New ESG Committee Page 103-108: Comprehensive Management of Risks, Risks and Opportunities associated with climate change.
Strategy - Disclose the current and potential impact of climate-related risks and opportunities on the organization's business, strategy and financial planning where such information is material	a) Describe the climate-related risks and opportunities that the organization has identified in the short, medium and long term.	Page 24: Strategy and Commitments Page 105-108: Risks and Opportunities associated with climate change.
	b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	Page 105-108: Risks and Opportunities associated with climate change Page 32: Adaptation strategy: strengthening resilience.
	c) Describe the resilience of the organization's strategy, taking into account different climate-related scenarios, such as a 2oC or less scenario	Page 47: Decarbonization and energy sustainability plan.
Risk management - Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	Page 105-108: Risks and Opportunities associated with climate change.
	b) Describe the organization's processes for managing climate-related risks.	Page 32: Adaptation strategy: strengthening resilience. Pag 108: Opportunities of climate change.
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Page 103: Comprehensive risk management.
Metrics and targets - Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities consistent with its strategy and risk management process.	Page 8: ESG highlights of 2022. Page 9: Main achievements of Aguas Andinas that contribute to the SDGs in 2022. Page 42: Roadmap: circular economy pillar. Page 47: Decarbonization and energy sustainability plan
	b) Disclose Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas (GHG) emissions and their related risks.	Page 47: Measurement of the Carbon Footprint. Page 151: Emissions.
	c) Describe the objectives used by the organization to manage risks and opportunities related to climate and performance against the objectives.	Page 42: Roadmap: circular economy pillar. Page 47: Decarbonization and energy sustainability plan.

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2.3.4	Shares, their characteristics and rights	<b>i. Description of the series of actions:</b> If there are series of shares, you must describe the characteristics of each of them and the validity terms of the corresponding preferences.	111
		<b>ii. Dividend Policy:</b> The dividend and/or profit distribution policy must be explained, as appropriate, that the entity's administration intends to follow for the next 2 years.	114
		<b>iii. Statistical information.</b> <b>a. Dividends:</b> In relation to distributed dividends, if they exist, the amount paid for interim and final dividends must be indicated, and what part corresponds to the profit of the year and retained earnings from previous years. Additionally, a statistic of the dividends paid per share in the last three years must be included, breaking down the information by series of shares, if applicable.	81, 112, 114
		<b>b. Exchange transactions:</b> The stock exchanges in which the entity lists its shares must be identified and, for each market, understood as the jurisdictions in which its shares are listed, a summary table indicating for the last year and quarterly, information regarding price, stock market presence, volume and amounts traded.	
		<b>c. Number of shareholders:</b> The total number of registered shareholders at the end of the annual period must be reported. In the event that one or more securities deposit and/or custody companies referred to in Law No. 18,876 are among the shareholders, the determination of the total number of shareholders will be made by adding those that appear in the shareholder register of the company and those that appear on the list that corporations must form and maintain in accordance with article 26 of the aforementioned Law, for each one of the shareholders.	
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3.1	Governance framework	<b>i.</b> How the entity seeks to guarantee and evaluate the proper functioning of its corporate governance.	82-97
		<b>ii.</b> How the entity integrates a sustainability approach in its business; in particular, how the entity incorporates environmental matters (especially climate change), social issues and respect for human rights, in the different evaluation processes and strategic definitions, and how the entity defines the units or managers in charge these subjects.	24, 30, 42, 51, 58, 64, 72, 100, 101, 160
		<b>iii.</b> How the entity detects and manages the conflicts of interest it faces, conducts that could affect free competition and fair competition, and how corruption, money laundering and terrorist financing are prevented. How the entity detects and manages conflicts of interest that it faces, the conducts that could affect free competition and fair competition, and how to prevent corruption, money laundering and financing of terrorism.	82, 99, 100
		<b>iv.</b> How the entity deals with and addresses the interests of its main stakeholders, at least identifying them and pointing out the activities of the entity that have a direct impact on those groups.	138-145
		<b>v.</b> How the entity promotes and facilitates innovation and whether it allocates corporate resources to Research and Development.	59, 62
		<b>vi.</b> How the entity detects and reduces organizational, social or cultural barriers that could be inhibiting the diversity of capacities, conditions, experiences and visions that, without these barriers, would have occurred naturally in the organization.	66, 86
		<b>vii.</b> How the entity identifies the diversity of capacities, knowledge, conditions, experiences and visions that all those who perform functions at the different levels of the organization must have and what are the hiring policies in order to achieve and preserve that diversity.	66, 68, 82

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3.2	Board	i. The identification of each one of its members indicating: the date of their appointment or last re-election as well as their cessation of office when appropriate and including their profession or trade if they hold the status of president or vice president and when appropriate, if their quality of director is titular or alternate.	84-85
		ii. The income of its members as a result of their work on the Board of Directors, identifying the origin of the same and presented in comparative terms with the exercise of the previous year. For these purposes, the remuneration must be separated, distinguishing whether it is fixed income (for example, attendance fees), from variables, which may come from functions or jobs in the same entity other than the exercise of their position or for concept representation expenses, travel expenses, royalties and, in general, any other stipend.	87-88
		iii. A description of the policy that has been implemented for the hiring by the Board of experts to advise it on accounting, tax, financial, legal or other matters. Along with the above, the total amount disbursed for consultancies contracted by the Board of Directors must be reported. Regarding the services contracted with the auditing firm in charge of the audit of financial statements, as well as with other entities that, due to their amount, are estimated to be relevant with respect to the annual budget of the Board of Directors, mention must be made of the identity of those hired, the amount paid and the type of services contracted. If it is not appropriate, it must be expressly indicated.	173
		iv. A matrix of knowledge, skills and experience of the members of the Board of Directors.	177
		v. A description of the procedures or mechanisms that have been implemented for the induction of new members, indicating the most relevant matters that it has been determined they should know and understand.	86
		vi. vi.The frequency with which it meets with the risk management, internal audit and social responsibility units, or with the persons responsible for equivalent functions and with the external audit firm in charge of auditing the financial statements, indicating the main topics that are addressed in such meetings and indicating whether the general manager or other senior executives participate in them.	83, 172
		vii. A description of how, and with what periodicity, issues related to environmental and social matters are reported, especially regarding climate change, and if these matters are included when debating and adopting strategic decisions, business plans or budgets, among others.	86
		viii. If the Board of Directors in plenary or any of its members has made field visits during the year to the different dependencies and facilities of the entity, in case the entity has these, to know aspects such as: the status and operation of these dependencies and facilities, the main functions and concerns of those who work there, the recommendations and improvements that, in the opinion of those responsible for those units and facilities, it would be pertinent to make to improve their operation. In addition, you must report if the general manager or other senior executives participate in these activities.	173
		ix. If the Board of Directors regularly evaluates its collective and/or individual performance, in addition to that of its Committees, indicating the procedures that have been implemented for the continuous improvement of its operation, indicating the periodicity with which this performance is evaluated and reviewed and update those procedures, and referring in particular to: a.The detection of those areas in which its members can be trained, strengthened and continue to improve, pointing out the subjects that are considered most relevant for the purposes of a continuous updating of knowledge. b.The detection and reduction of organizational, social or cultural barriers that could be inhibiting the natural diversity of capacities, visions, characteristics and conditions that would have occurred in its composition if these barriers did not exist. c. If you consider the eventual hiring of an expert outside the company for the evaluation of the performance and operation of the board of directors, in addition to the detection and implementation of possible improvements or areas of strengthening.	173
		x. Notwithstanding the legal obligations, if it expressly contemplates the determination of the minimum number of ordinary meetings, the minimum average time spent in person and remotely to them and the advance notice with which the summons and the necessary background information must be sent for the proper performance of those, recognizing the particular characteristics of the entity as well as the diversity of experiences, conditions and knowledge existing in the Board of Directors, according to the complexity of the matters to be dealt with.	173
		xi. If it expressly contemplates the change, if pertinent, of its form of internal organization and operation in contingency or crisis situations, with an operational continuity plan.	173
		xii. If you have an information system that allows each member to access, securely, remotely and permanently, to: a.The minutes and documents kept in view for each Board meeting, or equivalent, indicating the temporal extension of the historical record of such minutes and documents. b.The minutes or document that synthesizes all the matters that will be dealt with in each session and the other information that will be presented in the same or additional ones necessary for its preparation, all of the above without prejudice to the legal obligations regarding the deadline for sending the content of the subpoenas. c.A reporting system or channel that has been implemented. d.To the final text of the minutes of each session, indicating the term after the respective session in which said minutes are available for consultation.	173

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3,2	Board	<p>xiii. Regarding the formation of the Board of Directors, the following must be reported:</p> <p>a. The total number of directors separated by men and women, distinguishing between regular and alternate directors.</p> <p>b. The number of directors by nationality, separated by men and women, distinguishing between regular and substitute directors.</p> <p>c. The number of directors by age range according to the ranges contemplated in section 5.1.3., separated by men and women, distinguishing between regular and alternate directors.</p> <p>d. The number of directors by seniority in the organization according to the ranks contemplated in section 5.1.4., separated by men and women, distinguishing between regular and alternate directors.</p> <p>e. The number of disabled directors, separated by men and women, distinguishing between regular and alternate directors</p> <p>f. The salary gap by sex based on the mean and median, in the terms indicated in section 5.4.2., in the event that there are differentiated remunerations between directors or that there are royalties, per diems or other types of compensation that do not are applicable to all of them.</p>	86, 87 (without differentiated gaps between directors)
3,3	Board Committees	i. A brief description of the role and main functions of the respective committee.	88
		ii. The identification of each of its members during the last 2 years, indicating who holds or has held the status of independent directors.	88
		iii. In a comparative way with respect to the previous year, the income of its members on the occasion of their work in the corresponding committee.	88
		iv. Identification of the main activities that the committee has developed during the year. In the case of the committee referred to in article 50 bis of Law No. 18,046, in addition to indicating that fact, it must indicate whether the committee has complied with the obligations set forth in said article 50 bis. In the case that it has had to review transactions that Title XVI of Law No. 18,046 deals with, mention must be made of them. Additionally, the committee's annual management report must be submitted, including its main recommendations to shareholders, in accordance with the instruction given in said article.	88-92
		v. The policies that have been implemented for the contracting of consultancies and the expenses that the respective committee has incurred during the fiscal year for this concept.	173
		vi. In the case of the Directors' Committee of article 50 bis of Law No. 18,046, or committee that fulfills equivalent or risk management functions, the periodicity with which the committee meets with the risk management, internal audit and social responsibility, or with the persons responsible for the equivalent functions, and with the external audit company in charge of the audit of the financial statements, indicating the main issues that are addressed in such meetings, and indicating whether the general manager or others top executives participate in them.	173
		vii. The frequency with which the respective committee reports to the Board.	88
3,4	Main executives	i. Position, name, id number (RUT), profession and date from which each of them holds the position.	94, 95
		ii. In an aggregated manner and in a comparative manner with respect to the previous year, the amount of the remunerations received by the main executives.	97
		iii. In the event that the entity has compensation plans or special benefits aimed at its main executives, said remuneration must be separated into its fixed and variable components, in the event that those benefits or compensation have those components.	97
		iv. The percentage of participation in the property of the issuer that each of the main executives and directors of the company have directly and indirectly through companies that they control must be indicated. If it does not correspond, it must be expressly indicated. In addition, it must be expressly indicated if there have been relevant changes in that participation in the last year.	110
3,5	Adherence to national or international codes		170
3,6	Risk management	i. The general guidelines established by the Board of Directors, or administrative body, on risk management policies, especially operational, financial, labor, environmental (particularly physical and transition related to climate change), social and human rights indicating whether For these purposes, it has taken national or international principles, directives or recommendations as a guide, and what they are.	83, 93. 103-108
		ii. The risks and opportunities that the entity has determined could materially affect the performance of its businesses and its financial condition, describing the impact of those both in the development of its activities, as well as in its strategy and financial planning, and the resilience of the model. of business before the materialization of the same. For the above, the definitions, guidelines and recommendations that, on risk management, including those of climate change, have been issued by recognized international organizations in these areas, such as such as COSO (Committee of Sponsoring Organizations of the Treadway), COBIT (Control Objectives for Information and Related Technology), ISO (International Organization for Standardization) and TCFD (Task Force on Climate-related Financial Disclosure), among others.	103-108
		iii. How all these risks are detected and how those that are relatively more significant than the others are determined, including whether changes in existing regulations or the emergence of new regulations and due diligence procedures in the area of human rights are considered in said process.	23, 100, 101, 102, 103-108

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3,6	Risk management	iv. What is the role of the Board of Directors, or administrative body, and senior management, in the detection, evaluation, management and monitoring of said risks, especially environmental, social and human rights risks, with particular emphasis on climate change, and how strategic responses are adopted to mitigate, transfer, accept, avoid and prioritize those risks.	103-108
		v. If it has a risk management unit, specifically in charge of the detection, quantification, monitoring and communication of risks.	103-108
		vi. If it has an internal or equivalent audit unit, responsible for verifying the effectiveness and compliance with the policies, procedures, controls and codes implemented for risk management.	82-83
		vii. If it has a Code of Ethics or Conduct or equivalent document that defines the principles and guidelines that should guide the actions of the personnel and the Board of Directors.	99
		viii. If it has programs for the dissemination of information and permanent training for personnel regarding the policies, procedures, controls and codes implemented for risk management.	99, 100
		ix. If you have a channel available for your staff, shareholders, customers, suppliers and/or third parties outside the entity, for reporting any irregularities or illegal acts, indicating how that specific channel works if it guarantees the anonymity of the complainant if it allows the complainant know the status of your complaint and if it is made known to your staff, shareholders, customers, suppliers and third parties, both through training and through the entity's website.	99, 101, 172
		x. If it has procedures to establish a Succession Plan, which incorporates the identification among the employees of the entity or other external ones, to potential replacements of the general manager and other main executives. It must indicate whether this Succession Plan allows the timely replacement of the general manager and other main executives, and transfer their functions and relevant information, in the event of their unforeseen absence, minimizing the impact that this would have on the organization.	173
		xi. If it has procedures for the Board of Directors to review the salary structures and compensation and indemnity policies of the general manager and other main executives, indicating the periodicity with which these reviews are carried out and informing if for these purposes it considers the advice of a third party outside the entity.	173
		xii. If it has procedures to submit the salary structures and compensation and indemnity policies of the general manager and other main executives to the approval of the shareholders, in addition to the approval of the Board of Directors or one of its Committees. For your part, if you consider the disclosure of those structures and policies to the general public.	173
		xiii. If you have an implemented crime prevention model in accordance with the provisions of Law No. 20,393 and intended to prevent the commission of crimes in the organization.	99
3.7	Relationship with stakeholders and the general public	i. If it has a unit for relations with interest groups and the press that allows them to clarify doubts regarding the main risks, financial, economic or legal situation and publicly known businesses of the entity, indicating the means by which Contact that unit.	138-145
		ii. If it has a continuous improvement procedure to detect and implement eventual improvements in the processes of preparation and dissemination of disclosures made by the entity to the market, so that said communications are easily understood and provided in a timely manner. In addition, it must refer to the periodicity with which these procedures are carried out and if, for these purposes, the advice of experts external to the entity is available.	26, 61, 93
		iii. If it has a procedure so that shareholders can be informed in advance of the shareholders' meeting in which directors will be elected, about the diversity of capacities, conditions, experiences and visions that in the opinion of the Board of Directors it is advisable to have those who are part of it of the same, so that it is in a better position to ensure the social interest. As well as, before the corresponding vote, the experience, profession or trade of those who are candidates for the Board of Directors.	173

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3.7	Relationship with Stakeholders and general public	iv. If it has a mechanism, system or procedure that allows shareholders to participate and exercise their right to vote remotely, at the same time as the rest of the shareholders who are physically represented at the shareholders' meeting, and the general public be informed in real time of the agreements adopted in such meetings.	The Company has made technological systems available to shareholders that allow them to exercise their rights remotely, as if they were physically represented at the meeting. Likewise, shareholders and the general public can observe and be informed in real time of what happens during shareholders' meetings, by having streaming technology to transmit live the development of the same.
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		vi. If it is important, the patents owned by the entity, indicating in which production processes said patents are used.	No aplica
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		Indication of the name and surname of the director, general manager or main executives of the parent company or investing entity that perform some of these positions in the subsidiary or associate.	
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		Description of their main activities.	
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		Total amount of interest for late payment of invoices (million of pesos): the sum of the value of the interest that was paid or must be paid due to late payment or simple delay for the invoices issued during the reported period.	175
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# Membership in Associations

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The 2022 association memberships were:

							
IAI CHILE Instituto de Auditores Internos	Cámara Chilena de la Construcción	Asociación de Empresas de Servicios Sanitarios (ANDESS)	Capítulo Chileno de Transparencia Internacional (Chile Transparente)	Pacto Global	Universidad Adolfo Ibáñez	Acción Empresas	Instituto de Ingenieros
							
CPI Consejo Políticas de Infraestructura	Fundación Chile 21	Instituto Chileno de Administración Racional de Empresas (ICARE)	Sociedad de Fomento Fabril	Asociación Interamericana de Ingeniería Sanitaria y Ambiental	Líderes Empresariales por la Acción Climática	Fundación Libertad y Desarrollo	Fondo de Agua Santiago-Maipo
							
Pride Connection (Fundación Iguales)	Programa de Sostenibilidad Corporativa Derecho UC	Club de Innovación	CAMACOES - Cámara Oficial Española de Comercio de Chile	ACADES Asociación Chilena de Desalinización	Fundación Generación Empresarial	Cámara Franco-Chilena para el Comercio y la Industria.	Instituto de la Construcción

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# Participation of interest groups

GRI 2-30

ODS 17

The stakeholders of Aguas Andinas and subsidiaries were defined in a process agreed upon by the different areas of the company and validated by the Board of Directors. To manage the participation of all interest groups, the company has the Communications Management, which reports directly to the General Management.

Nº	Concerned parties	Subgroup	Needs	Expectations	Participation approach (form of communication)	Frequency	Communication channels
1	Customers	Commercial and industrial	Clients need the service to be 100% available and that it be of quality (drinking water suitable for human consumption and sewage collection), with the company having an Anti-Corruption Policy and a Crime Prevention Model , which allow, among other things, to prevent risks of corruption. Right to protection of personal data.	Consumers of the service expect that: <ul style="list-style-type: none"><li>• Service is delivered in a consistent and quality manner.</li><li>• Along with this, an effective resolution to problems in the delivery of the service.</li><li>• There is a customer service department and the necessary channels for handling complaints.</li><li>• Service interruptions are notified in advance and are resolved in the shortest possible time.</li><li>• Service charges are transparent and accurate, and in case of errors there are quick and effective solutions.</li><li>• Have alternative supply support in case of an incident (hospitals, dialysis centers and prisons, among others).</li><li>• Have general information about the policies of the Aguas Group, also considering those of the Compliance Management System, and particularly in relation to the Anti-Corruption Policy and Crime Prevention Model.</li><li>• Access to a confidential channel where they can make queries/complaints regarding the behavior of the Aguas Group's workers, as well as suppliers and third parties in these matters.</li><li>• That the intervened infrastructure is left in safe physical conditions, being in optimal conditions. If work is carried out on public roads, it must be properly signposted and protected for safety.</li><li>• Integral protection of personal data recorded in files, records, data banks, or other technical means of data processing, whether public or private, intended to provide reports.</li></ul>	<ul style="list-style-type: none"><li>• Through the delivery service of Drinking Water, Collection and Treatment.</li><li>• Commercial Relationship.</li><li>• Attention of requirements through the Contact Center.</li><li>• Web platforms and Commercial Agencies.</li><li>• Access to the complaints channel and the information of the Compliance Management System through the institutional website.</li><li>• Perception and satisfaction surveys.</li><li>• Mass communications and by RRSS.</li><li>• Information on tickets.</li><li>• Information campaigns.</li></ul>	Monthly or according to customer requirements, in particular responding to those critics.	<ul style="list-style-type: none"><li>• Service channels available 24X7 (Contact Center, Virtual Office and Web platform).</li><li>• Communication in RRSS and by SMS (in cases of subscribed clients).</li><li>• Commercial Agencies.</li><li>• Customer service improvement program (Homeowners).</li><li>• Development of non-face-to-face customer service platforms.</li><li>• Easy-to-understand information on ballots.</li><li>• Informative videos</li><li>• Media and marketing communication</li><li>• Complaints channel on institutional website.</li></ul>
		Sensitive					
		Residential – people					
		Critical Clients					

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2	Suppliers / contractors	Critics	<p>Suppliers need the Aguas Group to carry out its functions on a regular basis, interacting with them with the parameters and guidelines that have been defined in the contracting of the service.</p> <p>They hope that the obligations of the Compliance Management System will be extended, always fulfilling their commitments in a timely manner and urging high standards of transparency.</p> <p>The contractual commitments must be in correlation to the Policies and Procedures that make up the Compliance Management System, and particularly the Crime Prevention Model and Anti-Corruption Policy.</p> <p>Stakeholders suppliers/contractors would expect to know the implications of not meeting, as well as the pertinent benefits and requirements of the Energy Management System for certified facilities, in order to meet their pertinent needs for energy performance and EMS .</p> <p>Be aware of the requirements in the field of information security that apply to it. Be aware of the Information Security Policies and Standards to which they must be aligned.</p>	<p>Critical suppliers expect you to:</p> <ul style="list-style-type: none"><li>• Maintain a constant operation of the services provided.</li><li>• Communicate and train on protocols for dealing with incidents in the organization.</li><li>• Communicate and train regarding roles, responsibilities and responsibilities within the delivery of the service and in the face of any incident.</li><li>• Deliver a prompt response to the incidents presented.</li><li>• Comply with the clauses agreed in the contract or other formal document signed by the parties.</li><li>• Transparent and equitable conditions.</li><li>• Timely payment and development opportunities.</li><li>• Be trained in anti-corruption matters.</li><li>• Access to a confidential channel for queries/complaints regarding the behavior of workers of the Aguas Group, as well as other suppliers and third parties in matters of integrity and compliance.</li><li>• That the infrastructure visited by our suppliers is in optimal conditions, so as not to suffer occupational accidents or contract occupational diseases as a result of entering our facilities and / or perform work for which the company has treated them.</li><li>• If necessary and according to the service provided, contractors and suppliers would expect the communication of relevant criteria for operation and maintenance, as well as procurement, to maintain or improve the energy and EMS performance of the organization. - Have information security requirements established and agreed with each supplier.</li></ul>	<ul style="list-style-type: none"><li>• Work meetings</li><li>• Supplier Portal.</li><li>• Active listening meetings.</li><li>• Satisfaction surveys.</li><li>• Mailing.</li><li>• Web platforms, including the Compliance section and Complaints System.</li><li>• Clear contracts with pre-established formal requirements, including those of the Crime Prevention Model, Anti-Corruption Policy and the existence of the Complaints Channel and the Energy Management System.</li><li>• The communication of the Energy Policy (as applicable).</li><li>• The communication of criteria for the evaluation of the energy performance in the acquisition of products, equipment, and services that use energy.</li></ul>	Permanent	<ul style="list-style-type: none"><li>• Communication through the Suppliers Portal.</li><li>• Decalogue of Suppliers.</li><li>• Relationship Policy.</li><li>• Responsible Area with Suppliers.</li><li>• Annual work program: Comprehensive Supplier Plan.</li><li>• Permanent meetings.</li><li>• Attention to accredited suppliers.</li><li>• Supplier Conference.</li><li>• Electronic Box gestionenergetica@aguasandinas.cl</li><li>• Complaints Channel on the institutional website</li></ul>
		Not critical	<p>Non-critical suppliers expect you to:</p> <ul style="list-style-type: none"><li>• Communicate and train regarding roles, responsibilities and self-responsibilities within the delivery of the service and in the face of any incident.</li><li>• Compliance with the clauses agreed in the contract or other formal document signed by the parties.</li><li>• Transparent and equitable conditions.</li><li>• Timely payment and development opportunities.</li><li>• Be trained in anti-corruption matters.</li><li>• Access to a confidential channel for queries/complaints regarding the behavior of employees of the Aguas Group, as well as other suppliers and third parties in matters of integrity and compliance.</li><li>• That the infrastructure visited by our suppliers is in optimal conditions, so as not to suffer occupational accidents or contract occupational diseases as a result of entering our facilities and / or perform work for which the company has treated them.</li><li>• In case it is necessary and according to the service provided, suppliers will wait for the delivery of energy-efficient operational premises to operate.</li></ul>				

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3	Workers and workers Grupo Aguas	Workers of regulated companies	Workers need to work in a functional and formal organization, in an environment that is safe for the development of their work and, mainly, have clarity and knowledge of what the companies of the Aguas Group expect and demand from them. behavior in matters of integrity and compliance.	The workers of Grupo Aguas expect a work environment that: <ul style="list-style-type: none"><li>• Is safe, constant and timely training according to the positions and equal opportunities.</li><li>• Reliable evaluation and adequate recognition.</li><li>• That the necessary communication channels exist and are known by the parties.</li><li>• Functioning of a communication channel to the family in case of emergency.</li><li>• That the organization has benefits that provide a better quality of life, health and safety.</li><li>• Additionally, workers must have access to a channel where they can make complaints regarding the behavior of workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance, without fear of reprisals.</li><li>• Training, which can be on the Compliance Management System and Energy Management, among others, as well as interaction with the area in a safe, transparent and confidential manner.</li><li>• Specifically for the Committees and Boards of Directors: Information to be able to follow up and make proposals for improvements to the Policies, including those that integrate the Compliance Management System and Energy Management. The commitment of Senior Management is essential for compliance with the guidelines that the Aguas Group promotes.</li><li>• Specifically for the subsidiaries: Comprehensive knowledge of the Policies and Procedures that make up the Compliance Management System, first because these are applicable to them and their behavior must be governed by such regulations, and second, because the development and strengthening of the culture of integrity in the Group is also the responsibility of all of them. This is why they require training, clear and permanent communication on everything related to the system, which must of course be easily accessible to all of them.</li><li>• That in case of accidents they are attended in a timely manner.</li><li>• That the company pays the contributions established in Law 16744 in order not to lose coverage in case of accidents at work and occupational diseases.</li><li>• That the representatives of the Joint Committees have instances where they are heard and their decisions are taken into consideration by the company.</li></ul>	<ul style="list-style-type: none"><li>• Internal campaigns.</li><li>• Mailing.</li><li>• Meetings.</li><li>• Institutional stationery.</li><li>• Interventions in work spaces.</li><li>• Work meetings.</li><li>• Formation of committees and participation groups.</li><li>• Intranet and Social Networks.</li><li>• Aguas Andinas website.</li><li>• Training.</li><li>• Periodic reports on the operation of the Management System, including Compliance.</li><li>• Access to the Complaints Channel and Minisite of the Compliance Management System on the Intranet.</li><li>• Reports and information SGE information: objectives, energy goals, energy policy, benefits of improving energy performance, impact of its activities and implications of not complying for the facilities certified with the ISO 50001:2018 Standard</li><li>• E-mail reporting energy indicators</li><li>• Employment contract.</li></ul>	Permanent Contingent/Adhoc/ According to the procedures of the Management Systems (SGI)	Various media and platforms managed by the company, such as: <ul style="list-style-type: none"><li>• Digital communication.</li><li>• Mailings and campaigns.</li><li>• Meetings (online and face-to-face).</li><li>• Communication interventions.</li><li>• Audiovisual programs ("Interview with...")</li><li>• Training.</li><li>• Marketing and Social Networks.</li><li>• Complementary information of public knowledge (media ).</li><li>• Events.</li><li>• Electronic Box gestionenergetica@aguasandinas.cl</li><li>• Complaints Channel and Minisite of the Compliance Management System on the Intranet - Complaints Channel on the institutional website</li><li>• Other instances.</li></ul>
		Workers of non-regulated companies	Both workers and Senior Management need to optimize the use of resources used. Any person who works under the control of the organization (external operators, suppliers and contractors are excluded), who need to optimize the use and consumption of energy.				
		Joint Hygiene and Safety Committees	The Health and Safety Joint Committees need the Aguas Group to allow and provide the instances, facilities, means and any other requirement to carry out their activities.  In addition, they require that the agreements emanating from the committees be heard and respected by the company.				
		Union leaders	Union Leaders need to generate collaborative relationships between the parties, in a context of transparency of information and availability of dialogue with high authorities of the company, to generate agreements with the company that benefit both parties. Have clarity and knowledge of what the companies of the Aguas Group expect from workers and demand in their behavior in matters of integrity and compliance.				

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4	Authorities	Nationals	The national authorities need Aguas Andinas to comply with the guidelines defined in the documents that apply to the organization. This is very relevant because the Aguas Group is mainly made up of regulated companies, which are in constant relationship with the Administration public. In this sense, interaction with public officials must be carried out within the framework of transparency and respect for applicable laws and regulations on the matter.	<p>The Government expects that:</p> <ul style="list-style-type: none"><li>• The company complies with current legislation.</li><li>• Is aligned with government policies and the areas of national interest defined for its operation.</li><li>• Aguas Andinas carries out ethical behavior.</li><li>• The company carries out its operations according to the regulations stipulated for its operation.</li><li>• The different facilities of the company are inspected in order to ensure that the service is not affected.</li><li>• Reduce the impact of the incidents presented.</li><li>• The organization of compliance with the aspects regulations.</li><li>• Collaborative relations between the parties and contribution to local development.</li><li>• Response to emergencies.</li><li>• Access to a confidential channel where they can make inquiries/complaints in relation to the behavior of workers of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul> <p>-Improve cybersecurity and resilience of systems and data security for all Chileans.</p>	<ul style="list-style-type: none"><li>•Consult and/or inform them about matters of interest through formal communication channels.</li><li>•Coordination in emergency situations.</li><li>•Visits to facilities.</li><li>•One-stop communication window through Rates Management and Regulation.</li><li>• Response to requirements.</li><li>•Direct communication.</li><li>• Meetings.</li><li>• Inspection visits.</li><li>•Participation in public activities.</li><li>•The Public Administration has access to the information of the Compliance Management System through the institutional website and access to the complaints channel.</li><li>•Meetings that are informed according to the Procedure for Interaction with Public Officials.</li><li>•Training.</li></ul>	Contingent / Permanent	<ul style="list-style-type: none"><li>•Participation in meetings.</li><li>•Participation in emergency committee and meetings.</li><li>•Development of management plans.</li><li>•Response to information requirements.</li><li>•Communication plan for the population.</li><li>•Early warning.</li><li>•Communication in the media and marketing.</li><li>•Complaints Channel on the institutional website.</li><li>-Exchange of relevant cybersecurity information.</li><li>•Information Security Incident Response Team.</li></ul>
			Specific for National Security groups (such as the Undersecretary of Crime): It is only executed in case of coordinating response to high-impact incidents. Ex: social outbreak. Interaction with public officials must be carried out within the framework of transparency and respect for applicable laws and regulations on the matter.	<ul style="list-style-type: none"><li>• Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, employees of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul>			
		Regionals	The regional authorities need Aguas Andinas to comply with the guidelines defined in the documents that apply to the organization. This is very relevant because the Aguas Group is mainly made up of regulated companies, which are in constant relationship with the Administration public. In this sense, interaction with public officials must be carried out within the framework of transparency and respect for applicable laws and regulations on the matter.	<p>The regional authorities expect that:</p> <ul style="list-style-type: none"><li>- The company is aligned to the Regional Policies and regional areas of interest defined for its operation.</li><li>- Maintain ethical behavior.</li><li>- Conduct its operations in accordance with the regulations stipulated for its operation.</li><li>- Decrease the impact of the incidents presented.</li><li>- Collaborative relationships between parties and contribution to local development. - Emergency response.</li><li>- Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, employees of the Aguas Group, as well as suppliers and third parties in these matters.</li><li>- Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, employees of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul>			

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4	Authorities	Communal	The community authorities need Aguas Andinas to comply with the guidelines defined in the documents that apply to the organization. This is very relevant because the Aguas Andinas Group is mainly made up of regulated companies, which are in constant relationship with the Public Administration. In this sense, interaction with public officials must be developed within the framework of transparency and respect for the laws. of transparency and respect for the laws and regulations applicable to the matter.	The community authorities expect that: <ul style="list-style-type: none"><li>• The company is aligned with communal policies.</li><li>• Maintain ethical behavior.</li><li>• Conduct its operations in accordance with the regulations stipulated for its operation.</li><li>• Reduce the impact of incidents.</li><li>• Collaborative relationships between parties and contribution to local development. - Generate Shared Value in communities surrounding plants and facilities (local development opportunities).</li><li>• Generate opportunities for dialogue and relationship, to maintain a lasting relationship over time.</li><li>• Emergency response.</li><li>• Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, workers of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul>	<ul style="list-style-type: none"><li>• Consulting and/or informing them about matters of interest through formal communication channels.</li><li>• Coordination in emergency situations.</li><li>• Visits to facilities. -One-stop communication window through the Tariff and Regulation Management.</li><li>• Regulation.</li><li>• Response to requirements. • Direct communication. -Meetings.</li><li>• Surveillance visits. -Participation in public activities.</li><li>• The Public Administration has access to the information of the Compliance Management System through the institutional website and access to the complaints channel. -Meetings that are reported in accordance with the Procedure for Interaction with Public Officials.</li><li>• Training.</li></ul>	Contingent / Permanent	<ul style="list-style-type: none"><li>• Participation in meetings.</li><li>• Participation in emergency committees and meetings.</li><li>• Development of management plans.</li><li>• Response to information requests.</li><li>• Communication plan for the population.</li><li>• Early warning.</li><li>• Communication in media and marketing.</li><li>• Complaints channel on institutional web.</li><li>• Exchange of relevant cybersecurity information.</li><li>• Computer Security Incident Response Team.</li></ul>
		Regulators and fiscalizers	Regulators and overseers need Aguas Andinas to comply with the guidelines defined in the documents that apply to the organization. This is very relevant because the Aguas Andinas Group is mainly made up of regulated companies, which are in constant relationship with the Public Administration. In this sense, interaction with public officials must be developed within the framework of transparency and respect for the laws. of transparency and respect for the laws and regulations applicable to the matter.	The auditing entities expect, mainly, timely and truthful information whenever requested, in addition to ensuring compliance under the standards that each one supervises. -Regulatory compliance. <ul style="list-style-type: none"><li>• Resilience/operational continuity. -Impact management.</li><li>• Investments.</li><li>• Management of communication to the population.</li><li>• Communication management to the public.</li><li>• Customer complaints.</li><li>• Compensations.</li><li>• SEREMI requires that: To be informed every time a fatal or serious accident occurs. The SEREMI is required to answer information requested in case of inspection, within the required deadlines.</li><li>• Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, workers of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul>			
		Emergency services	The emergency services need incidents to be reported as soon as possible and all the necessary information to be provided. This is very relevant because the Aguas Andinas Group is mainly made up of regulated companies, which are in constant relationship with the Public Administration. In this sense, interaction with public officials must be developed within the framework of transparency and respect for the laws and regulations applicable to the matter.	Emergency services expect Aguas Andinas: <ul style="list-style-type: none"><li>• to report incidents in the shortest possible time.</li><li>• to provide all required information.</li><li>• to support in cases where additional resources are required.</li><li>• to maintain defined protocols to deal with incidents.</li><li>• to have instances of coordination and work on existing protocols.</li><li>• to access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers, workers of the Aguas Group, as well as suppliers and third parties in these matters.</li></ul>			

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5	Capital providers	Matrix	The shareholders need the business to be profitable, with an acceptable financial return, lasting over time and a sustained increase in the value of the company. Likewise, shareholders must have information about the Policies and Procedures that the Company implements to prevent risks of corruption. Decrease in operating costs and maintenance/improvement of energy performance and EMS results. Timely and transparent information. Fulfillment of commitments established with international organizations (SDG).	Shareholders, Creditors / Bondholders expect that: <ul style="list-style-type: none"><li>• The company increases its value and its growth in the short and long term. Profitability.</li><li>• The organization is in optimal conditions so as not to be affected by the decrease in the value of the company. Importance of risk management and transparency of management in general.</li><li>• Investments.</li><li>• Financial performance.</li><li>• Corporate governance practices.</li><li>• Risk management.</li><li>• Transparency.</li><li>• ESG Performance.</li><li>• Access to a confidential channel where they can make inquiries/complaints regarding the behavior of workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul> Regarding OHS: <ul style="list-style-type: none"><li>• That there is a stability of investment, considering occupational health and safety as one of the axes that contribute to such stability.</li><li>• Promote a decrease in rates of accidents at Grupo Aguas level.</li><li>• Reduce additional contributions for compulsory insurance established by Law.</li><li>• New sustainable energy business models.</li><li>• Protect the value assets of the organization from loss of integrity , availability and confidentiality.</li></ul>	Communication through market information. Direct information via audits of the Head Office or periodic reports on the performance of the company. Access to the complaints channel and the information of the Compliance Management System through the institutional website.	Annual/ Contingent/ Ad-hoc	<ul style="list-style-type: none"><li>• Investor web page.</li><li>• Meetings and ad-hoc calls.</li><li>• Investor relations area.</li><li>• Shareholders' meeting.</li><li>• Annual Report.</li><li>• Integrated Report.</li><li>• Local and international conferences.</li><li>• Access to Complaints Channel.</li><li>• Internal Audits of the Parent Company.</li></ul>
		Majority shareholders (controller)					
		Minority shareholders					
6	Communities	Neighboring Communities to PA Sanitation Facilities and Infrastructure	Neighboring communities need the facilities to comply with the fundamental requirements to protect the care of the environment and the quality of life of the surrounding parties, with the company having an Anti-Corruption Policy and a Crime Prevention Model, which allow among other things prevent corruption risks.	The communities neighboring plants and facilities expect that Aguas Andinas: <ul style="list-style-type: none"><li>• Ensures the quality of life in the sectors surrounding the plants and facilities.</li><li>• Reduce the impact of incidents that may affect them.</li><li>• Support community development in the towns surrounding the plants and facilities (local development opportunities).</li><li>• Generate opportunities for dialogue and relationships, to maintain a lasting relationship over time.</li><li>• Have certifications that ensure the quality of service and care for the environment.</li><li>• There is a communication channel and the corresponding flows.</li><li>• The impact of incidents that may affect them in health and safety matters is eliminated or reduced.</li><li>• Access to a confidential channel where they can make inquiries/complaints in relation to the behavior of workers in theGrupo Aguas, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>	Communication/impact management, local development projects. This is done through direct territorial contact or through segmented campaigns. Access to the complaints channel and Compliance Management System information through the institutional website.	Daily, monthly, fortnightly. Some communications regulated by RCA.	<ul style="list-style-type: none"><li>• Aló Vecino.</li><li>• Work tables.</li><li>• Community relationship programs.</li><li>• Direct door-to-door communication.</li><li>• Segmented communication campaigns.</li><li>• Channel for Complaints on the institutional website.</li></ul>
		Communities Neighboring AS Sanitation Facilities and Infrastructure					
		Neighborhood associations, sports clubs, other neighborhood associations					

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7	Water user associations	Canal Associations	The Canal Associations need an effective operation and distribution of the water supply, for the benefit of all the agents that depend on the intervened channels. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption.	<p>The associations of water users expect that Aguas Andinas:</p> <ul style="list-style-type: none"><li>• Complies with the operating requirements.</li><li>• Ensures the quality of the service and care for the environment.</li><li>• There is a channel and corresponding communication flows.</li><li>• Ensures the water supply for all those who "benefit" or depend on the intervened channels.</li><li>• Water management in general: discharges of treated water, water quality, water extraction, availability of the resource.</li><li>• Support community development in the towns surrounding the plants (local development opportunities).</li><li>• Access to a confidential channel where they can make inquiries/complaints in relation to the behavior of the workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>	Work meetings and constant communication to review main topics of common interest. Access to the complaints channel and the information of the Compliance Management System through the institutional website.	Periodically/Contingent	<p>Report of discharges to bodies of water.</p> <ul style="list-style-type: none"><li>• Report of water collection.</li><li>• Reserve monitoring.</li><li>• Follow-up and coordination meetings.</li><li>• Complaints Channel on the institutional website.</li></ul>
		Hydroelectric users	Hydroelectric entities need constant and regular flow of water for electricity generation. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption.				
		Surveillance Boards	The Surveillance Boards need an effective functioning of the water supply. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption.				
		Surveillance Boards and Canal Owners Associations downstream of the Aguas Andinas Biofactories	It needs an effective operation of the water supply, for the benefit of all the agents that depend on the intervened channels. Counting, the company, with an Anti-corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent corruption risks.				
8	Civil society associations	Environmental/Social/Ethical Organizations	Organizations need good compliance with the specialized rules of their management. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption.	<p>The organizations expect Aguas Andinas to:</p> <ul style="list-style-type: none"><li>• Comply with the operating requirements.</li><li>• Ensure the quality of the service and care for the environment.</li><li>• Access to a confidential channel where they can make inquiries/complaints regarding the behavior of the workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>	<ul style="list-style-type: none"><li>• Respond to their requirements.</li><li>• Communicate the company's actions to provide a better service.</li><li>• Possibilities of joint initiatives.</li></ul>	Circumstantial	<p>Publications in the mass media.</p> <ul style="list-style-type: none"><li>• Personalized response according to the requirement.</li><li>• Direct interaction.</li><li>• Customer Counsel if necessary.</li><li>• Joint work projects to provide Shared Value (meetings, coordination, contributions, among other related activities).</li><li>• Complaints Channel on the institutional website.</li></ul>
		Consumer Association	<p>These organizations need to generate collaboration agreements that make it possible to address issues that are relevant to the country.</p> <p>They require timely, transparent and traceable information regarding various aspects of companies such as energy. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption.</p>	<p>The Consumer Association expects Aguas Andinas to:</p> <ul style="list-style-type: none"><li>• Comply with operating requirements.</li><li>• Ensure service quality and care for the environment.</li><li>• There is a channel and corresponding communication flows.</li><li>• Support community development in the towns surrounding the plants. (local development opportunities).</li><li>• Ensure water supply for all who "benefit" or depend on the intervened channels.</li><li>• Access to a confidential channel where they can make inquiries/complaints in relation to the behavior of the workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>			
		Foundations and NGOs	<p>These organizations need to generate collaboration agreements to address issues relevant to the country.</p> <p>They require timely, transparent and traceable information regarding the various aspects of companies such as energy.</p> <p>The company has an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent corruption risks.</p>	<p>These organizations need to know information, Policies and Procedures that the Company is implementing to prevent risks in different areas, including Compliance.</p> <p>They require transparent and traceable information regarding the various aspects of companies such as energy.</p> <ul style="list-style-type: none"><li>• Access to a confidential channel where they can make inquiries/complaints in relation to the behavior of the workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>			

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Nº	Concerned parties	Subgroup	Needs	Expectations	Participation approach (form of communication)	Frequency	Communication channels
9	Mass media	Specialized press	The media need clear and timely information to be delivered	The media expect Aguas Andinas to: <ul style="list-style-type: none"><li>• Generate communication instances when necessary, in attractive and reproducible formats, tailored to the nature of each medium.</li><li>• Be available to answer queries, especially in contingencies. Issues recurring:<ul style="list-style-type: none"><li>• Operational continuity / resilience.</li><li>• Investments.</li><li>• Projects (investment, social, environmental, energy management).</li><li>• Development of works.</li><li>• Preparation of the company for climatic events.</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Proactive and direct communication (phone, face to face, e-mail).</li><li>• Meetings.</li><li>• Sending press releases.</li><li>• Visits to plants and other facilities.</li></ul>	Periodic, contingent	<ul style="list-style-type: none"><li>• Sending of communications.</li><li>• Response to requirements.</li><li>• Development of meetings.</li><li>• Invitation to events/seminars.</li><li>• Development of management plans for climatic events and to mitigate environmental and social impacts.</li><li>• Mass Media.</li></ul>
		Media					
10	Leaders of opinion	Leaders of opinion	Opinion leaders need to take a position in relation to the work of Aguas Andinas, especially in situations of public interest.	Opinion leaders expect access to correct, sustained and timely information on the work of Aguas Andinas, in order to maintain their position, or change it. Recurring themes: <ul style="list-style-type: none"><li>• Operational continuity/resilience.</li><li>• Ability to deal with emergencies.</li><li>• Financial position.</li><li>• Labor practices.</li><li>• Environmental practices.</li><li>• Development of activities of citizen interest.</li></ul>	<ul style="list-style-type: none"><li>• Keep them informed of matters of interest to them.</li><li>• Direct communication (face-to-face meetings, telephone conversations, e-mail).</li><li>• Invitation to events.</li></ul>	Periodic, contingent	<ul style="list-style-type: none"><li>• Direct communication.</li><li>• Invitations.</li><li>• Development of management plans.</li><li>• Delivery of specialized and detailed information.</li></ul>
11	Specialized Entities	Institutions of Higher Education (Universities)	The specialized institutions need Aguas Andinas to support their agreements, to have common development and to ensure the rights and interests of the companies that provide Sanitation Services. Trade associations ensure the rights and interests of the companies that provide Sanitation Services. Counting, the company, with an Anti-Corruption Policy and a Crime Prevention Model, which allow, among other things, to prevent risks of corruption. In general, they require all those efforts that contribute to Sustainable Development and the creation of Shared Value.	The specialized entities expect that Aguas Andinas: <ul style="list-style-type: none"><li>• Is committed to caring for the environment.</li><li>• There is a channel and corresponding communication flows.</li><li>• Support the development of studies related to research and innovation.</li><li>• Create alliances with study centers to train their workers. Main topics:<ul style="list-style-type: none"><li>• Innovation.</li><li>• Development of human capital.</li><li>• Water management.</li><li>• Regulations.</li><li>• Industry challenges.</li><li>• Climate change (reduce its effects and resilience).</li><li>• Contribution to reducing the Carbon Footprint.</li><li>• Continuous improvement of the sustainable management of the Dow Jones Sustainability Index (DJSI) companies.</li></ul></li><li>• Access to a confidential channel where they can make queries/complaints in relation to the behavior of the workers of the Aguas Group, as well as suppliers and third parties in matters of integrity and compliance.</li></ul>	<ul style="list-style-type: none"><li>• Participation/Support in events (seminars, workshops, talks).</li><li>• Consultations for issues that involve the industry.</li><li>Access to the complaints channel and the information of the Compliance Management System through the institutional website.</li></ul>	Periodic, short-term	<ul style="list-style-type: none"><li>• Organization and participation in seminars, talks and workshops.</li><li>• Facilitation of information.</li><li>• Request for advice.</li><li>• Complaints Channel if necessary.</li><li>• Respond to Surveys and ensure the traceability of the information.</li><li>• Integrated report.</li><li>• Joint work projects to provide Shared Value (meetings, coordination, contributions, among other related activities).</li><li>• Complaints Channel on the institutional website.</li></ul>
		Research Centers - Thought					
		International Organizations, Trade Associations and Multilateral Organizations					

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## ESG indicators

### Worker information

Staffing by company as of December 31th, 2022

Estate	Aguas Andinas	Aguas Cordillera	Aguas Manquehue	Ecoriles	Hidrográfica	ANAM	Aguas del Maipo
Senior Management	26	1	0	0	0	0	0
Management	34	4	0	4	2	2	0
Leadership	90	5	0	0	0	0	0
Operator	343	53	8	0	0	0	0
Other technicians	210	29	3	0	0	0	0
Sales force	104	8	2	251	57	290	2
Administrative	43	3	0	0	0	0	0
Assistant	0	0	0	0	0	0	0
Other professionals	491	17	1	0	0	0	0
Total	1.341	120	14	255	59	292	2

### Number of people by age range

	Senior Management			Management			Leadership			Operator			Other technicians			Sales force			Administrative			Assistant			Other professionals			Total	
	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Woman
30 years or less	0	0	0	0	0	0	1	0	1	50	0	50	28	7	35	112	40	152	0	3	3	0	0	0	31	22	53	222	72
Between 31 and 40 years	1	2	3	5	2	7	26	7	33	148	2	150	67	4	71	192	88	280	3	6	9	0	0	0	125	70	195	567	181
Between 41 and 50 years	10	3	13	17	6	23	25	7	32	93	2	95	61	3	64	126	55	181	4	4	8	0	0	0	106	45	151	442	125
Between 51 and 60 years	7	2	9	13	2	15	19	3	22	80	0	80	46	5	51	60	26	86	5	11	16	0	0	0	70	20	90	300	69
Between 61 and 70 years	2	0	2	0	1	1	6	0	6	29	0	29	21	0	21	15	0	15	9	1	10	0	0	0	18	0	18	100	2
71 years or older	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	2	3	0

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Number of people by seniority

	Senior Management			Management			Leadership			Operator			Other technicians			Sales force			Administrative			Assistant			Other professionals			Total	
	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women
Less than 3 years	4	3	7	3	2	5	7	3	10	100	1	101	36	5	41	200	80	280	1	3	4	0	0	0	58	31	89	409	128
Between 3 and 6 years	2	2	4	1	1	2	10	2	12	82	0	82	30	3	33	107	47	154	4	2	6	0	0	0	77	41	118	313	98
More than 6 and less than 9	1	0	1	2	1	3	11	2	13	66	0	66	35	3	38	66	23	89	4	4	8	0	0	0	51	23	74	236	56
Between 9 and 12	0	0	0	7	1	8	12	3	15	49	1	50	32	2	34	37	18	55	1	3	4	0	0	0	50	25	75	188	53
More than 12 years	13	2	15	22	6	28	38	7	45	103	2	105	90	6	96	95	41	136	11	13	24	0	0	0	116	37	153	488	114

Number of people by nationality in 2022

	Chilean	Foreign
Aguas Andinas	1,279	62
Aguas Cordillera	109	11
Aguas Manquehue	12	2
Ecoriles	214	41
Hidrogistica	54	5
ANAM	279	13
Aguas del Maipo	2	0
Total	1,949	134

Number of people by nationality

	Senior Management			Management			Leadership			Operator			Other technicians			Sales force			Administrative			Assistant			Other professionals			Total	
	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women
Chilean	16	4	20	35	10	45	75	17	92	370	4	374	214	19	233	455	200	655	21	25	46	0	0	0	337	147	484	1,523	426
Argentine	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	1	0	1	2	1
Bolivian	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
Brazilian	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
Colombian	0	0	0	0	0	0	1	0	1	1	0	1	1	0	1	1	0	1	0	0	0	0	0	0	2	2	4	6	2
Cuban	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1	3	2	1
Ecuadorian	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	1	0	1	2	0
Spanish	4	1	5	0	1	1	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	5	3
French	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	1	1	2	2	2
Peruvian	0	0	0	0	0	0	0	0	0	2	0	2	1	0	1	1	0	1	0	0	0	0	0	0	1	3	4	5	3
Uruguayan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	1	0
Venezuelan	0	0	0	0	0	0	0	0	0	26	0	26	7	0	7	45	9	54	0	0	0	0	0	0	6	2	8	84	11

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Number of people according to labor formality

GRI 2-7 ODS 8

	Senior Management			Management			Leadership			Operator			Other technicians			Sales force			Administrative			Assistant			Other professionals			Total	
	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women	Total Estate	Men	Women
People with an indefinite contract	20	7	27	35	11	46	78	17	95	380	4	384	217	19	236	461	194	655	21	25	46	0	0	0	343	155	498	1,555	432
People with a permanent contract	0	0	0	0	0	0	0	0	0	20	0	20	6	0	6	44	15	59	0	0	0	0	0	0	9	2	11	79	17
People with a contract for work or task	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
People to fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Labor Adaptability

	Aguas Andinas			Aguas Cordillera			Aguas Manquehue			Ecoriles			Hidrogistica			ANAM			Aguas del Maipo			Total	
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Full time	1,051	290	1,341	107	13	120	13	1	14	236	19	255	44	15	59	181	111	292	2	0	2	1,634	449
Part time	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Number of people with adaptability agreements for family responsibilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Diversity in governing bodies and employees

GRI 405-1

	2020				2021				2022			
	Men		Women		Men		Women		Men		Women	
	N°	%	N°	%	N°	%	N°	%	N°	%	N°	%
Senior Management	22	88%	3	12%	22	88%	3	12%	20	74%	7	26%
Management	40	85%	7	15%	33	80%	8	20%	35	76%	11	24%
Leadership	71	72%	28	28%	67	81%	16	19%	78	82%	17	18%
Operator	301	98%	6	2%	303	99%	4	1%	400	99%	4	1%
other technicians	172	80%	44	20%	155	91%	15	9%	223	92%	19	8%
sales force	426	77%	130	23%	442	70%	192	30%	505	71%	209	29%
Administrative	18	44%	23	56%	18	46%	21	54%	21	46%	25	54%
Assistant	0		0		0		0		0		0	
other professionals	289	66%	149	34%	290	68%	136	32%	352	69%	157	31%
Total	1,729				1,725				2,083			

Age group

	2020						2021						2022					
	30 years or less	Between 31 and 40 years	Between 41 and 50 years	Between 51 and 60 years	Between 61 and 70 years	71 years or older	31 years or less	Between 31 and 40 years	Between 41 and 50 years	Between 51 and 60 years	Between 61 and 70 years	72 years or older	32 years or less	Between 31 and 40 years	Between 41 and 50 years	Between 51 and 60 years	Between 61 and 70 years	73 years or older
Senior Management	0	1	11	9	4	0	0	1	11	9	4	0	0	3	13	9	2	0
Management	0	10	22	13	2	0	0	9	16	16	0	0	0	7	23	15	1	0
Leadership	2	29	34	26	8	0	4	28	24	20	7	0	1	33	32	22	6	1
Operator	44	121	52	75	15	0	37	120	58	72	20	0	50	150	95	80	29	0
other technicians	11	69	54	60	22	0	11	48	46	46	19	0	35	71	64	51	21	0
sales force	142	226	132	48	8	0	147	247	161	67	12	0	152	280	181	86	15	0
Administrative	1	7	11	17	5	0	1	6	9	16	7	0	3	9	8	16	10	0
Assistant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
other professionals	49	173	114	79	23	0	42	169	118	81	16	0	53	195	151	90	18	2
Total	1,729						1,725						2,083					

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Gaps ● GRI 405-2

Wages in pesos	2020						2021						2022					
	Mean (average)			Median (intermediate value)			Mean (average)			Median (intermediate value)			Mean (average)			Median (intermediate value)		
Estate	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men	\$ Men's Average Salary (CLP)	\$ Average Salary Women (CLP)	% that represents salary of women with respect to men
Senior management	14,894,549	15,170,496	102%	15,170,496	15,170,496	100%	15,300,115	15,300,115	100%	15,300,115	15,300,115	100%	16,873,513	16,873,513	100%	16,873,513	16,873,513	100%
Management	8,625,449	8,554,587	99%	6,925,498	6,035,343	87%	9,033,993	9,909,165	110%	7,425,102	7,387,187	99%	10,660,012	11,228,121	105%	7,811,359	7,000,580	90%
Leadership	3,839,842	3,204,745	83%	3,800,187	3,045,813	80%	4,182,946	4,177,443	100%	4,250,444	4,081,122	96%	4,352,213	4,356,991	100%	4,056,967	3,358,960	83%
Operator	1,330,263	1,303,864	98%	1,307,424	1,286,061	98%	1,424,081	1,405,178	99%	1,398,895	1,403,531	100%	1,660,583	1,608,530	97%	1,611,339	1,684,346	105%
Other technicians	1,701,556	1,294,691	76%	1,711,835	1,246,029	73%	1,848,164	1,538,911	83%	1,856,463	1,482,157	80%	2,041,666	1,678,146	82%	1,851,686	1,344,078	73%
Sales force	1,096,640	1,377,628	126%	850,917	1,215,198	143%	1,195,693	1,410,112	118%	952,964	1,297,979	136%	1,556,285	1,596,336	103%	1,084,396	1,272,439	117%
Administrative	1,376,194	1,661,193	121%	1,367,898	1,691,737	124%	1,494,959	1,798,153	120%	1,462,389	1,833,680	125%	1,602,823	1,878,694	117%	1,637,343	1,681,120	103%
Assistant	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
Other professionals	2,621,220	2,262,097	86%	2,411,869	2,076,764	86%	2,766,635	2,497,232	90%	2,527,065	2,305,094	91%	2,956,999	2,530,615	86%	2,529,267	2,225,072	88%

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People with disabilities

	2020			2021			2022		
Estamento	Men	Woman	Total estate	Men	Woman	Total estate	Men	Woman	Total estate
i. Senior management	0	0	0	0	0	0	0	0	0
ii. Management	0	0	0	1	0	1	1	0	1
iii. Leadership	2	0	2	1	0	1	2	0	2
iv. Operator	2	0	2	3	0	3	6	0	6
ix. other technicians	6	1	7	6	1	7	7	2	9
v. sales force	0	0	0	0	0	0	0	0	0
vi. Administrative	1	2	3	1	2	3	1	1	2
vii. Assistant	0	0	0	0	0	0	0	0	0
viii. other professionals	5	5	10	5	4	9	7	7	14

Incidents of Discrimination and Corrective Actions Taken

GRI 406-1

		2020	2021	2022
Status of incidents and actions taken with reference to the following:	Incident reviewed by organization	0	0	0
	Where remediation plans are being implemented	0	0	0
	Remediation plans that have been implemented, with results reviewed through routine internal management review processes	0	0	0
	The incident is no longer subject to action	0	0	0

Parental leave

Parental leave	2020		2021		2022	
GRI 401-3	Women	Man	Women	Man	Women	Man
Number of workers on parental leave	26	30	9	20	23	55
Return to work rate	53.8%	100%	67%	100%	57%	100%

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● GRI 401-3

## Maternity Benefits

2020

		i. Senior Management			ii. Management			iii. Leadership			iv. Operator			v. Sales force			vi. Administrative			vii. Assistant			viii. other professionals			ix. other technicians		
		Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate
Benefits: Maternity leave	Number of people who are eligible for postnatal care beyond the legal minimums	2		2			0	2	1	3	11		11	10	3	13			0			0	8	7	15	8		8
	Number of people who have made effective use of postnatal care beyond the legal minimum			0			0		1	1			0		3	3			0			0		7	7			0
	Number of days that postnatal care has been used beyond the legal minimum			0			0		84	84			0		252	252			0			0		540	540			0

2021

		i. Senior Management			ii. Management			iii. Leadership			iv. Operator			v. Sales force			vi. Administrative			vii. Assistant			viii. other professionals			ix. other technicians		
		Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate
Benefits: Maternity leave	Number of people who are eligible for postnatal care beyond the legal minimums			0			0	2		2	8		8	15	3	18			0			0	5	5	10	2	0	2
	Number of people who have made effective use of postnatal care beyond the legal minimum			0			0			0			0		4	4			0			0		6	6			0
	Number of days that postnatal care has been used beyond the legal minimum			0			0			0			0		342	342			0			0		354	354			0

2022

		i. Senior Management			ii. Management			iii. Leadership			iv. Operator			v. Sales force			vi. Administrative			vii. Assistant			viii. other professionals			ix. other technicians		
		Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate	Men	Women	Total estate
Benefits: Maternity leave	Number of people who are eligible for postnatal care beyond the legal minimums		1	1			0	5	2	7	13		13	20	4	24		3	3			0	13	14	27	5	0	5
	Number of people who have made effective use of postnatal care beyond the legal minimum		1	1			0	0	1	1	0		0	0	6	6			0			0	0	12	12	0		0
	Number of days that postnatal care has been used beyond the legal minimum		84	84			0		60	60			0		514	514			0			0		1303	1303			0

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Obligations of the defined benefit plan and other retirement plans

GRI 2-30 ODS 8

The voluntary retirement plan signed in March 2022 by Union No. 1, Union No. 2, Union of Professionals and Technicians of Aguas Andinas SA, and signed in December 2022 by Union No. 1, Unions No. 2 and Union of Workers and Supervisors of Aguas Cordillera SA, consists of recognizing the contributions in the labor trajectory of workers through the offer of additional benefits to what is agreed in the current collective instruments, improving their compensation by granting a fixed incentive and another variable .

The company has not considered any special fund for the pension plan of its workers.

Aguas Andinas provides full coverage for retirement plans.

Ratio of the standard entry level salary by gender against the local minimum wage

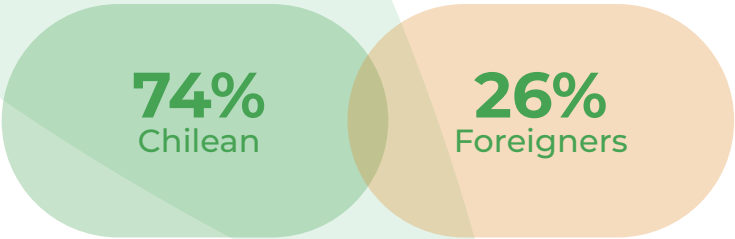
In order to maintain and retain the organization's personnel, in addition to ensuring fair remuneration for its workers, a competitive compensation is established that is determined based on the average income of the referred market for the homologous positions. For each of the levels that group the different positions of the Group, ranges of remunerative income are defined. In this way, the relative position will depend on different factors required for each position, such as the level of studies, experience, job performance, among others.

By law, in Chile for both men and women the minimum salary amounts to **\$724,248**, however, the minimum monthly income for women is **\$811,638** and for men it is **\$724,248**

Proportion of senior executives hired from the local community

The main executives are those professionals who work as managers, directors and in the General Management.

The company has defined that those main executives who are of Chilean nationality are part of the local community.



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## Hiring - Rotation

New employee hires and staff turnover

GRI 401-1 ODS 8

		2018		2019		2020		2021		2022	
		N°	%	N°	%	N°	%	N°	%	N°	%
gender	man	175	8.3	200	9.4	148	8.6	150	8.7	468	22.5
	women	58	2.7	55	2.6	37	2.1	52	3.0	110	5.3
	total	233	11.0	255	12.0	185	10.7	202	11.7	578	27.7
ages	30 years or less	104	4.9	108	5.1	80	4.6	78	4.5	198	9.5
	Between 31 and 40 years	95	4.5	100	4.7	74	4.3	83	4.8	200	9.6
	Between 41 and 50 years	27	1.3	41	1.9	23	1.3	27	1.6	173	8.3
	Between 51 and 60 years	7	0.3	5	0.2	8	0.5	13	0.8	0	0.0
	Between 71 and 70 years	0	0.0	1	0.0	0	0.0	1	0.1	7	0.3
	71 years or older	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Total	233	11.0	255	11.9	185	10.7	202	11.7	578	27.7

\* Internalización de Biofactorias

Rotation  
(left the organization)

		2018		2019		2020		2021		2022	
		N°	%	N°	%	N°	%	N°	%	N°	%
gender	Man	186	8.8	176	8.2	154	8.9	155	9.0	164	7.9
	Women	51	2.4	60	2.8	35	2.0	51	3.0	56	2.7
	Total	237	11.2	236	11.0	189	10.9	206	11.9	220	10.6
ages	30 years or less	51	2.4	63	2.9	43	2.5	46	2.7	56	2.7
	Between 31 and 40 years	85	4.0	84	3.9	71	4.1	67	3.9	76	3.6
	Between 41 and 50 years	46	2.2	46	2.2	29	1.7	48	2.8	62	3.0
	Between 51 and 60 years	31	1.5	12	0.6	17	1.0	17	1.0	0	0.0
	Between 71 and 70 years	23	1.1	31	1.5	28	1.6	28	1.6	26	1.2
	71 years or older	1	0.0	0	0.0	1	0.1	0	0.0	0	0.0
	Total	237	11.2	236	11.0	189	10.9	206	11.9	220	10.6

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## Collective negotiation ● GRI 2-30

Company	2018				2019				2020				2021				2022			
	Total Staff	Unionized	Negotiators	With Extension Of Benefits	Total Staff	Unionized	Negotiators	With Extension Of Benefits	Total Staff	Unionized	Negotiators	With Extension Of Benefits	Total Staff	Unionized	Negotiators	With Extension Of Benefits	Total Staff	Unionized	Negotiators	With Extension Of Benefits
Aguas Andinas	1,089	88.00%	83.20%	6.60%	1,077	89.97%	79.29%	18.29%	1,080	90.56%	88.89%	8.61%	1,064	89.66%	86.65%	10.90%	1,341	89.90%	78.52%	19.24%
Aguas Cordillera	127	96.10%	95.30%	0.80%	121	95.04%	91.74%	6.61%	115	95.65%	88.70%	10.43%	121	92.56%	95.04%	4.13%	120	93.30%	89.17%	10.00%
Agua Manquehue	14	100.00%	100.00%	0.00%	14	100.00%	100.00%	0.00%	14	92.86%	92.86%	7.14%	13	92.31%	100.00%	0.00%	14	100.00%	92.86%	7.14%
ESSAL	395	83.50%	47.60%	44.60%	404	86.39%	45.79%	51.73%	0	0.00%	0.00%	0.00%	0	0.00%	0.00%	0.00%	0	0.00%	0.00%	0.00%
Ecoriles	212	63.20%	62.30%	18.90%	231	74.03%	51.52%	47.62%	235	65.11%	75.32%	20.00%	244	65.57%	64.75%	34.43%	255	69.40%	72.55%	26.27%
ANAM	245	77.60%	49.80%	38.00%	253	77.87%	75.49%	24.11%	250	79.60%	66.80%	33.20%	247	86.64%	93.12%	6.88%	292	84.60%	69.18%	30.82%
Hidrogistica	34	91.20%	29.40%	64.70%	35	88.57%	20.00%	77.14%	33	84.85%	60.61%	36.36%	34	82.35%	70.59%	26.47%	59	79.70%	35.59%	62.71%
Aguas del Maipo	1	0.00%	0.00%	0.00%	2	0.00%	0.00%	0.00%	2	0.00%	0.00%	0.00%	2	0.00%	0.00%	0.00%	2	79.70%	0.00%	100.00%
Total General	2,117	84.00%	70.50%	19.10%	2,137	85.63%	69.30%	28.73%	1,729	85.66%	83.23%	14.98%	1,725	85.80%	84.75%	13.51%	2,083	86.60%	76.90%	22.40%

NOTE: As of 2020, ESSAL is not part of the Group.

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Training

Position	2020						2021						2022					
	Number of People Trained			Number of training hours			Number of People Trained			Number of training hours			Number of People Trained			Number of training hours		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
i. Senior Management	7	2	9	84	12	95	8	1	9	110	6	116	24	8	32	1,869	993	2,862
ii. Management	65	13	78	1481	201	1,681	60	11	71	4,457	1,535	5,992	28	10	38	3,164	1,155	4,319
iii. Leadership	88	27	115	2754	936	3,689	90	34	124	4,050	2,086	6136	86	23	109	5,927	3,598	9,525
iv. Operator	514	10	524	10,530	120	10,650	360	7	367	23,925	49	23,974	353	5	358	7,849	110	7,959
ix. other technicians	321	92	413	14,877	4,687	19,564	272	80	352	6,356	3,044	9,400	227	24	251	9,096	1,340	10,436
v. sales force	0	0	0	0	0	0	0	0	0	0	0	0	467	183	650	15,354	8,809	24,163
vi. Administrative	25	35	60	2275	3,973	6,247	24	33	57	949	991	1,940	21	25	46	906	806	1,712
vii. Auxiliary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0
viii. other professionals	399	234	633	25,562	14,877	40,439	389	227	616	16,674	9,582	26,256	376	168	544	18,369	12,135	30,504

	No. of workers	No. hours of training	Average hours of training
Aguas Andinas	1,356	72,918,5	53,8
Aguas Cordillera	114	4,270,5	37,5
Agua Manquehue	12	282,5	23,5
ESSAL	0	0	0,0
Ecoriles	249	6,121,5	24,6
ANAM	259	7,020,5	27,1
Hidrogistica	37	866	23,4
Aguas del Maipo	1	0	0,0
	2,028	91,479,5	45

	2017				2018				2019				2020				2021				2022			
	Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo		Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo		Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo		Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo		Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo		Aguas Andinas, Aguas Cordillera y Aguas Manquehue		Ecoriles, Hidrogistica, ANAM y Aguas del Maipo	
	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total	Number of beneficiaries	% of beneficiaries with respect to the total
Quality	121	10.00%	44	10.00%	34	3.00%	9	2.00%	17	1.40%	4	0.77%	566	3.13%	116	2.12%	51	0.66%	0	0.00%	187	2.38%	1	0.66%
Various training	454	36.00%	95	22.00%	47	4.00%	20	4.00%	37	3.05%	3	0.58%	2,060	11.38%	487	8.91%	546	7.10%	152	15.37%	417	5.31%	86	5.12%
Soft skills	434	34.00%	110	25.00%	214	17.00%	11	2.00%	104	8.58%	0	0.00%	3,247	17.93%	1,154	21.12%	172	2.24%	26	2.63%	337	4.30%	207	12.32%
Languages	116	9.00%	33	8.00%	60	5.00%	18	4.00%	78	6.44%	5	0.96%	38	0.21%	1	0.02%	19	0.25%	0	0.00%	34	0.43%	0	0.00%
Occupational hazards	1,418	113.00%	10	2.00%	515	42.00%	55	11.00%	655	54.04%	2	0.39%	7,188	39.70%	2,188	40.04%	2,060	26.78%	99	10.01%	1,305	16.63%	230	13.69%
About company activities	505	40.00%	46	11.00%	4,156	336.00%	1,360	275.00%	2,144	176.90%	756	145.66%	717	3.96%	63	1.15%	4,078	53.01%	633	64.00%	4,649	59.25%	1,022	60.83%
Environment	72	6.00%	6	1.00%	339	27.00%	4	1.00%	63	5.20%	6	1.16%	2,707	14.95%	1,048	19.18%	528	6.86%	50	5.06%	782	9.97%	127	7.56%
Other	458	36.00%	193	44.00%	1,272	103.00%	390	79.00%	235	19.39%	12	2.31%	1,445	7.98%	408	7.47%	65	0.84%	3	0.30%	134	1.71%	7	0.42%
Coaching/ mentoring program	0	0.00%	0	0.00%	0	0.00%	0	0.00%	5	0.41%	0	0.00%	140	0.77%	0	0.00%	174	2.26%	26	2.63%	1	0.01%	0	0.00%
Total	3,578		537		6,637		1,867		3,338		788		18,108		5,465		7,693		989		7,846		1,680	1

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Health and safety

GRI 2-8 ODS 8

Own workers	2018		2019		2020		2021		2022	
	Man	Women	Man	Women	Man	Women	Man	Women	Man	Women
Lost Time Accidents (CTP)	11	1	22	1	12	1	12	3	15	5
Fatal accidents	0	0	0	0	0	0	0	0	0	0
Days lost due to accident	167	3	303	8	118	4	97	33	214	88
Days lost due to occupational disease	0	0	0	0	0	0	0	0	0	151
Days of absence due to another type of disability	0	0	0	0	0	0	0	0	0	0
Frequency of occupational diseases	0	0	0	0	0	0	0	0	0	0
Endowment (annual average)	2,084		1,729		1,739		1,731		1,977	
Hours worked (HH)	4,253,012		3,422,531		3,530,026		3,427,455		4,268,871	

Own workers	2018		2019	2020	2021	2022
	Man	Women	Total	Total	Total	Total
Accident Frequency Rate (TF)	2.59	0.24	6.72	3.86	4.38	4.69
Incidence rate of occupational diseases (IT)	0	0	0.0	0.0	0.0	0.0
Lost days rate (TDP) (TG)	0.04	0.001	0.09	0.04	0.04	0.07
Work absenteeism (days)*	167	3	311	122	130	302

Company	2017	2018	2019	2020	2021	2022
Aguas Andinas	0.72	0.55	1.29	0.74	1.03	0.86
Aguas Cordillera	0.00	2.40	4.05	1.70	0.00	2.54
Aguas Manquehue	0.00	0.00	0.00	0.00	0.00	7.69
Anam	0.44	0.43	1.20	0.39	1.18	0.37
Ecoriles	0.00	0.00	0.00	0.44	0.42	1.58
G&S	0.00	0.00	2.93	5.83	0.00	0.00
Aguas del Maipo	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.63	0.58	1.33	0.80	0.92	1.01

Company	2017	2018	2019	2020	2021	2022
Aguas Andinas	16.01	4.57	11.41	9.02	9.7	11.46
Aguas Cordillera	0.00	37.50	85.08	9.36	7.55	6.78
Aguas Manquehue	0.00	0.00	0.00	0	0	15.38
Anam	3.06	0.85	24.08	0	5.91	21.3
Ecoriles	0.00	0.00	0	0.88	0.84	35.14
G&S	0.00	0.00	64.39	32.04	0	0
Aguas del Maipo	0.00	0.00	0.00	0	0	0
TOTAL	15.19	8.16	17.99	7.19	7.51	15.28

Contract workers	2018		2019		2020		2021		2022	
	Man	Women	Man	Women	Man	Women	Man	Women	Man	Women
Lost Time Accidents (CTP)	37	0	38	0	50	0	110	0	93	0
Fatal accidents	0	0	1	0	0	0	0	0	0	0
Days lost due to accident	412	0	246	0	527	0	890	0	653	0
Days lost due to occupational disease	0	0	0	0	0	0	0	0	0	0
Days of absence due to another type of disability	0	0	0	0	0	0	0	0	0	0
Frequency of Occupational Diseases	0	0	0	0	0	0	0	0	0	0
Endowment (annual average)	1,979		1,969		2,568		4,231		4,441	
Hours Worked (HH)	4,330,826		4,265,290		4,664,988		8,384,631		9,756,380	

Contractor Workers	2018		2019	2020	2021	2022
	Man	Women	Total	Total	Total	Total
Accident Frequency Rate (TF)	8.54	0	8.91	10.72	12.90	11.25
Incidence rate of occupational diseases (IT)	0	0	0	0	0	0
Lost days rate (TDP) (TG)	0.10	0	0.06	0.10	0.11	0.08
Work absenteeism (days)*	412	0	246	527	890	653

BACKGROUND	FORMULAS
Frequency Index (IF)	IF:N0Accidents * 1,000,000 real HH worked
Severity Index (GI)	IG: Lost days * 1,000 real HH worked
Accident rate (TA)	So0Accidents * 100 Workers Avg.
Lost days rate (TDP)	Ts: Lost Days * 100 Avg. Workers

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# Human rights

● GRI 2-24

## Security personnel trained in Human Rights policies or procedures

In the company, a Practical Guide to Integrity and Compliance was delivered to all workers, which seeks to be a didactic and simple guidance document regarding issues such as ethics, anti-corruption and Human Rights. In addition to this activity, with respect to security personnel, the company complies with Chilean regulations on this matter.

## Operations subject to reviews or impact assessments on Human Rights

● ODS 16

Regarding the training of employees in Human Rights policies or procedures, the due diligence process considered as part of the National Action Plan for Human Rights and Companies (PAN), began with a sensitization session carried out with the executive team of Aguas Andinas, considering Chairman of the Board, General Manager and the Directors of each of the areas of the company. This sensitization included the standardization of fundamental concepts and definitions regarding the Guiding Principles on Business and Human Rights, a description of the human rights context, and international guidelines on the matter.

During 2021, the update of the due diligence process in Human Rights developed in 2018 began.



● ODS 16

## Operations subject to reviews or impact assessments on Human Rights

During 2022, Aguas Andinas, and its sanitation subsidiaries Aguas Cordillera and Aguas Manquehue updated, with the support of an external consultant (Centro Vincular de la Pontificia Universidad Católica de Valparaíso de Chile) the Human Rights Due Diligence process carried out during 2018, to review the company's risks and their impact on these matters, in order to continue improving, identifying progress and challenges in their management and implementation.

The identification and evaluation of risks was carried out based on the Grupo Aguas comprehensive risk management methodology.

In this survey, 44 risks of impact on Human Rights were identified in 16 processes or operations. Since some of these processes are associated with more than one risk, the evaluations were carried out from different perspectives.

The 16 processes evaluated were the following:

- Surface collection
- Underground collection
- Commercial cycle
- Purchases and contracts
- Drinking water distribution
- Sanitation
- Biosolids management
- People management
- Underground production
- Protection of information assets
- Collection
- Occupational safety
- Environment
- Communication
- Relationship with the community
- Compliance (complaints channel)

Regarding the Action or Mitigation Plans raised in the due diligence process in the field of Human Rights, these were classified into 6 pillars evaluated in said matter:

1. Guidelines
2. Identification and Evaluation of Impact and Risks
3. Impact and Risk Management
4. Human Rights Management Monitoring
5. Communication
6. Repair

For each of these points, both the strengths of the company and the action plans of which several are already executed were raised. Among the remedial measures taken by the company are the following: "Trafficking in persons" was explicitly incorporated into the Human Rights Policy.

- The Human Rights Policy continues to be part of the Training and Communication Plan of the Compliance area.

- Monitoring of indicators related to the management of human rights is carried out.

- Human Rights management and compliance with the Human Rights Policy are reported to the Board of Directors and Senior Management (CODIR).

- The Compliance area confidentially and anonymously manages the complaints made by workers, executives and directors of the Company, as well as any shareholder, client, supplier or third parties in general, accessed confidentially and anonymously.

- The objective of the Customer Counsel is the defense and protection of the rights of clients, a body whose intervention will take place in second instance.

- Construction of Pirque mega-tanks, the Cerro Negro-Lo Mena wells and other infrastructure

works to increase the autonomy of Santiago in the event of extreme turbidity events.

- Control laboratories in all production plants, where samples from the different stages of the process are analyzed.

- Implementation of a business continuity management system based on the ISO22301 standard.

- Incident and Emergency Management Plan (PGIE).

- Drought Plan, which involves the aforementioned investments and awareness campaigns, in addition to coordination with authorities and other relevant actors (such as the canalists of the first section of the Maipo River) to comprehensively address water scarcity.

- Payment facilities for delinquent clients with debt forgiveness.

- Management of solutions for sectors that do not have drinking water or sewage services.

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Communities

GRI 413-2 ODS 3

The free line Aló Vecino 800 38 03 03, operated by the Aguas Andinas Contact Center, is the mechanism used by the communities near in Santiago Biofactories and the El Rutil Biosolids Management Center (CGB) to record the perception of bad odors associated with the company's processes.

The procedure considers that the company carry out field visits that allow it to determine the intensity, origin and source of the emissions, in order to be in a position to determine if they are its own responsibility or that of third parties.

In this sense, during 2020 resident communities around La Farfana, in Maipú, maintained a constant flow of calls to claim due to bad odors.

Center	2018	2019	2020	2021	2022
La Farfana	26	210	378	43	85
Mapocho-Trebal	9	13	6	3	4
El Rutil	67	45	10	19	16
Annual total calls	102	268	394	65	105

During 2022, 63% of the calls correspond to events associated with Aguas Andinas facilities.



Good Neighbor Program

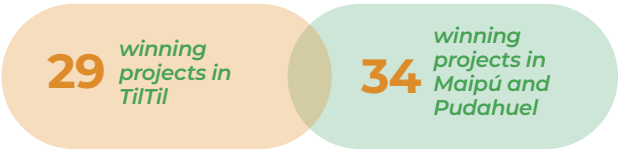
Constant work with the communities located near the Biofactories through an annual plan of activities and projects that were initially intended to support initiatives such as access to and care for water, sustainable energy, and neighborhood safety, with this in mind. In order to improve their quality of life, however, during 2021 this plan became more flexible due to the pandemic, addressing the most urgent needs of the neighbors, vaccination against influenza and boxes of merchandise.

Numbers: 950 people vaccinated against influenza

1,154 children and young people benefited from school supplies

Social Development Funds

Committed to promoting the local development of the communities, Aguas Andinas allocated \$100 million to finance projects in four communes of the Metropolitan Region: Maipú, Pudahuel and Tiltil.



Health operations with neighbors on the ground in alliance with Techo

Aguas Andinas, in collaboration with Techo Chile, carried out health operations in areas identified as having the greatest primary health care needs, since, due to the pandemic, many neighbors postponed medical care.

The activity considered a team of doctors, nurses and midwives:

Attentions: 508 people

Communes Benefited: Puente Alto and San Bernardo

Impacted Neighborhood Councils: 14

Referrals of patients to CESFAM: 73

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## Energy ● GRI 302-1, 302-2, ODS 7,13

### Internal energy consumption (gigajoules Gj)

Power source	2018	2019	2020	2021	2022
non-renewable fuel	61,606	65,236	55,513	58,323	46,650
biofuel	1,390,675	1,436,596	1,436,262	1,428,085	1,391,079
Electricity	1,013,827	1,109,334	1,127,331	1,210,517	1,289,032
total energy consumption	2,466,107	2,611,166	2,619,105	2,696,924	2,726,762
sale of energy	289,425	245,367	200,775	133,424	288,884

### Fuel consumption (gigajoules GJ)

Power source		2018	2019	2020	2021	2022
Non-renewable fuel	Gas-oil (electric generation)	12,975	9,983	12,222	12,412	12,825
	Gas-oil (mobile sources)	45,418	52,796	41,949	43,555	31,689
	Gasoline (mobile sources)	3,213	2,457	1,342	2,355	2,135
	Total	61,606	65,236	55,513	58,323	46,650
Renewable	Biofuels (biogas)	306,759	1,436,596	1,436,262	1,428,085	1,391,079
	Others	0	0	0	0	0
	Total	306,759	1,436,596	1,436,262	1,428,085	1,391,079
Total fuel consumption		368,365	1,501,832	1,491,775	1,486,407	1,437,729

### Biogas produced in m³

Destination	2018				2019				2020				2021				2022					
	Biogas Metrogas		Trebale-Mapocho		Farfana		Trebale-Mapocho		Farfana		Trebale-Mapocho		Farfana		Trebale-Mapocho		Farfana		Trebale-Mapocho		Talagante	
Biogas engines cogeneration	12,844,284	37%	0	0%	10,202,114	30%	0	0%	8,463,856	26%	0	0%	5,835,516	20%	0	0%	13,131,075	42%	0	0%	0%	0%
Biogas boilers	0	0%	24,237,265	79%	0	0%	25,635,690	84%	0	0%	26,941,009	83%	0	0%	25,448,936	74%	0	0%	22,577,075	73%	0%	0%
Biogas torches	5,910,975	17%	2,274,615	7%	5,101,057	15%	4,064,076	13%	4,722,429	14%	3,895,086	12%	4,265,332	14%	4,886,720	14%	268,322	40%	4,532,517	14%	4,537,136	15%
Total	15,999,377	46%	3,988,470	13%	18,703,875	55%	736,055	2%	19,423,637	60%	1,622,952	5%	19,527,945	66%	4,277,682	12%	402,482	60%	13,623,735	44%	3,897,587	13%
Total biofactories	15,999,377	100%	30,500,350	100%	34,007,046	100%	30,435,824	100%	32,609,922	100%	32,459,047	100%	29,628,793	100%	34,613,337	100%	670,804	100%	31,287,326	100%	31,011,799	100%
Total biofactories	65,254,986				64,442,870				65,068,969				64,912,934				63,230,866					

### Electric Power Consumption

Electricom energy consumption per activity	Units of consumption	2018	2019	2020	2021	2022
Drinking water production	kWh/year	60,274,635	71,462,714	78,880,964	83,568,952	99,203,595
	GJ/year	216,987	257,266	283,971	300,848	357,133
Buildings	kWh/year	71,211,901	84,867,208	78,078,970	82,662,133	86,519,547
	GJ/year	256,361	305,522	281,084	297,584	311,470
Sewage treatment	kWh/year	3,260,449	3,453,594	4,057,685	3,702,371	1,780,378
	GJ/year	11,738	12,433	14,608	13,328	6,409
Collection	kWh/year	2,035,756	1,872,205	1,854,580	2,069,702	3,557,600
	GJ/year	7,329	6,740	6,676	7,451	12,807
Sewage treatment	kWh/year	144,837,986	146,492,511	150,275,245	164,251,482	167,003,462
	GJ/year	521,413	527,373	540,991	591,305	601,212
Total	kWh/year	281,620,727	308,148,233	313,147,444	336,254,640	358,064,582
	GJ/year	1,013,827	1,109,334	1,127,331	1,210,517	1,289,032

### Self-generated electrical energy

Energy (kWh)	2018	2019	2020	2021	2022
	54,513,162	57,185,082	59,858,951	57,218,144	47,031,993

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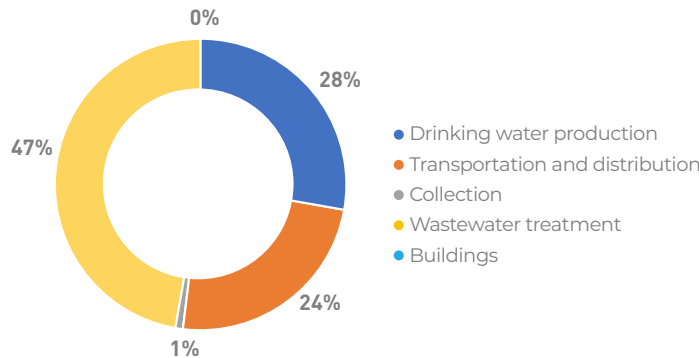


## Energy sources

Unit (GJ)	2020	2021	2022
Renewable energy			1,851,927
Non-renewable energy			901,525
% of energy (electricity and fuel)	2020	2021	2022
Purchased energy			87%
Self-generated energy			13%
Self-generated energy (kWh)	57,000,000	54,000,000	47,031,993
Purchased renewable energy (kWh)	80,000,000	174,000,000	203,391,575
Total Energy consumed (kWh)	313,147,444	336,254,640	358,064,582
% Renewable electrical energy consumed	44%	68%	70%

Issue	Parameter	Unit	2022
Energy management	Percentage of electricity from the grid	Gigajoules (GJ), percent (%)	87%

### Energy consumption



## Energy intensity

GRI 302-3 ODS 7,13

	Energy intensity Process (kWh/m3) 2019							
	Mapocho-Trebal	La Farfana	Purification Locations	AP Surface Catchment	Consumption AP Treatment	Consumption Elevation AP	AP Underground Collection	Consumption Elevation AS
Total energy consumption (kWh)	62,015,686	69,211,407	15,265,420	1,302,423	6,454,977	86,125,126	63,705,314	1,872,205
Treated water (m³)	227,109,432	271,612,631	32,012,854	696,567,655	635,200,871	242,189,338	153,050,563	32,802,273
Intensity (kWh/m³)	0.273	0.255	0.477	0.002	0.010	0.356	0.416	0.057

	Energy intensity Process (kWh/m3) 2020							
	Mapocho-Trebal	La Farfana	Purification Locations	AP Surface Catchment	Consumption AP Treatment	Consumption Elevation AP	AP Underground Collection	Consumption Elevation AS
Total energy consumption (kWh)	65,025,167	69,432,792	15,817,284	1,957,307	6,800,061	78,078,970	70,123,596	1,854,580
Treated water (m³)	221,952,702	251,856,342	33,897,098	653,805,468	606,235,092	233,456,221	163,867,938	30,109,116
Intensity (kWh/m³)	0.293	0.276	0.467	0.003	0.011	0.334	0.428	0.062

	Energy intensity Process (kWh/m3) 2021							
	Mapocho-Trebal	La Farfana	Purification Locations	AP Surface Catchment	Consumption AP Treatment	Consumption Elevation AP	AP Underground Collection	Consumption Elevation AS
Total energy consumption (kWh)	69,013,774	79,225,370	16,012,338	2,113,104	9,948,550	82,662,133	71,507,298	2,069,702
Treated water (m³)	228,383,652	246,504,584	33,577,528	650,857,382	616,299,449	230,339,831	163,906,959	30,980,204
Intensity (kWh/m³)	0.302	0.321	0.477	0.003	0.016	0.359	0.436	0.067

	Energy intensity Process (kWh/m3) 2022							
	Mapocho-Trebal	La Farfana	Purification Locations	AP Surface Catchment	Consumption AP Treatment	Consumption Elevation AP	AP Underground Collection	Consumption Elevation AS
Total energy consumption (kWh)	68,544,438	81,931,301	16,527,723	2,717,413	9,507,015	86,519,547	86,979,167	3,557,600
Treated water (m³)	204,784,231	251,637,086	34,772,802	615,156,014	600,474,844	247,123,246	182,822,209	80,829,846
Intensity (kWh/m³)	0.335	0.326	0.475	0.004	0.016	0.350	0.476	0.440

Energy intensity of the organization (kWh/m³)	2018	2019	2020	2021	2022
	0.268	0.276	0.296	0.323	0.340

The intensity in the consumption of electrical energy of Aguas Andinas is calculated between the energy consumption in kWh, in proportion to the cubic meters of treated sewage.

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Reduction of energy consumption

● GRI 302-4 ● ODS 7,13

		Saving of energy produced					
Initiative Name	Description	Unit of measurement	2018	2019	2020	2021	2022
Aguas Andinas; Stage 1	Underground catchment	gigajoules	0	0	0	0	5,846
Aguas Andinas; Stage 2	Sewage Lifting Plants	gigajoules	877	0	0	0	6,633
Aguas Andinas; stage 3	Potable Water Elevator Plants (Efficient Dispatch) PEAP San Antonio, PEAP PH Las Flores and Lo Gallo)	gigajoules	3,852	3,625	2,521	2,656	3,533
Co-generation	As of 2013, the electric Co-generation system at the Mapocho-Trebal Biofactory came into operation, whose purpose is to produce part of the energy consumed through the biogas generated in the anaerobic digestion process. Only self-consumption will be considered.	gigajoules	176,543	182,988	215,490	195,902	169,315
Aguas Andinas Contractors	In the Biofactories, a series of improvements were implemented in the processes that allowed the indicated savings.	gigajoules	33,640	14,494	0	0	0
Others (indicate project name)	Talagante Sewage Treatment Plant	gigajoules	0	681	474	0	0
Others (indicate project name)	Potale Water Re-elevation Plants	gigajoules	0	0	5,948	0	7,796
Others (indicate project name)	AS Treatment Plants	gigajoules	0	0	1,400	0	197
TOTAL		gigajoules	214,913	201,788	225,833	198,559	175,824

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## Water

### Compliance with drinking water supply quality

Category	Aguas Andinas					Aguas Cordillera					Aguas Manquehue				
	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Bacteriology	100%	100%	98.68%	100%	99.85%	100%	100%	100.00%	100%	100%	100%	100%	100.00%	100%	100%
Turbidity	100%	98.25%	100%	84.90%	100%	100%	100.00%	96%	92.00%	91.9%	100%	100.00%	100%	100.00%	100%
residual free chlorine	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	98%	100%	100%	100%
critical parameters	97.81%	100%	100%	100%	100%	100.00%	96%	99%	92%	100%	100.00%	98%	100%	100%	100%
Non-critical parameters	100%	97.81%	100%	100%	99.91%	100%	100.00%	100%	100%	100%	95%	100.00%	100%	100%	100%
Summary	99.39%	99.21%	99.47%	96.98%	99.95%	100.00%	99.17%	98.89%	96.80%	98.39%	99.00%	99.33%	100.00%	100.00%	100.00%

	2018	2019	2020	2021	2022
Group average	99,46%	99,24%	99,45%	97,93%	99,45%

### Non-compliance in wastewater discharges Aguas Andinas and affiliates Metropolitan Region ● GRI 2-27 ● ODS 6

Parameter	2018 Quantity	2018 Amount with fines paid	2019 Quantity	2019 Amount with fines paid	2020 Quantity	2020 Amount with fines paid	2021 Quantity	2021 Amount with fines paid	2022 Amount with fines paid	2022 Amount without penalties	2022 Total Quantity
Fecal coliforms	13		9		11		8			1	1
Free chlorine	0		0		4		0				
BOD5	9		8		4		11			2	2
DBOC5	2		3		0		0				
Total Kjeldahl Nitrogen	184		317		15		5			15	15
Total Suspended Solids	0		2		4		1			2	2

### Non-compliance with environmental legislation and regulations

The Aguas Group, as a provider of public sanitation services, aims to permanently guarantee and control the quality of the drinking water it supplies to its customers in accordance with current regulations. To do this, it carries out monitoring and analysis, the results of which are sent monthly to the Superintendency of Sanitation Services in a report that summarizes the results obtained, and the same occurs with the Sanitary Authority, the SEREMI de Salud.

In the supply of drinking water, the requirements of Nch409 are complied with in its parts 1 and 2, which include the quality and sampling requirements respectively, and in terms of discharges into the channels of water from biofactories and of sewage treatment plants, the current regulations are DSgo.

The specific events of non-compliance with drinking water quality, which were restored to normal in a maximum of 24 hours, once the information was collected, are described below by parameter:

#### Aguas Andinas

May: (1) Fluor - Failure corresponded to defects in check valves at injection points and similar to a leak in the lower part of the impulsion that generated a siphon effect, extracting product from the skid and accumulating in the impulsion of the system over dosing. There is no online analyzer that could have warned of this abnormality. In all cases where there is no online analyzer, on-site sampling is taken as a general rule every 48 hours. (3.9mg/l).

June: (1) Fluor - Pomaire system 1 well flow meter failure, well is stopped but meter continues to register value erratically, which causes the fluoride dosing pump to work incorrectly, which is why it was overdosed

December: (1) Coliforms - Total Coliform deviation is identified. It was inspected in the field, identifying cross-contamination as the root cause in the sampling due to the existence of nearby vegetation, cleaning was carried out, the subsequent results validate the effectiveness of the measure.

#### Aguas Cordillera

June: (1) Turbidity -There are 2 Turbidity values over 10 UNT within 24 hours. Due to the movement of valves carried out by Distribution, in order to test the programmed cut that was carried out in the sector.

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Water discharges according to their quality and destination ● GRI 303-4

Waste	2018			2019			2020		2021		2022	
	Aguas Andinas and regulated subsidiaries Metropolitan Region m³	ESSAL m³	Ecoriles m³	Aguas Andinas and regulated subsidiaries Metropolitan Region m³	ESSAL m³	Ecoriles m³	Aguas Andinas and regulated subsidiaries Metropolitan Region m³	Ecoriles m³	Aguas Andinas and regulated subsidiaries Metropolitan Region m³	Ecoriles m³	Aguas Andinas and regulated subsidiaries Metropolitan Region m³	Ecoriles m³
planned	570,292,598	65,016,486	17,371,163	530,635,433	67,634,054	26,147,643	504,724,636	27,222,562	514,185,032	22,730,484	481,209,189	24,278,632
not planned	5,546,632	3,985,590	0	2,863,475	5,346,072	0	13,617,952	0	4,740,606	0	2,350,004	0
Total	575,839,230	69,002,076	17,371,163	533,498,908	72,980,126	26,147,643	518,342,588	27,222,562	518,925,638	22,730,484	483,559,193	24,278,632

Planned and unplanned releases

Waste	Planned and unplanned discharges 2019						Planned and unplanned discharges 2020					
	Quantity (m³)	Planned/ unplanned	Destination	Treatment Method	Water quality	Parameter used	Quantity (m³)	Planned/ unplanned	Destination	Treatment Method	Water quality	Parameter used
Mapocho-Trebal	225,252,919	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90	219,589,018	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90
Mapocho-Trebal	1,763,850	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season	9,449,878	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season
La Farfana	277,827,022	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90	255,207,337	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90
La Farfana	1,090,543	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season	3,802,088	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season
La Farfana	37,179,734	Planned	Channeler	Muds activated	Treated water in sewage plants	DS90	39,776,293	Planned	Channeler	Muds activated	Treated water in sewage plants	DS90
Locations	27,555,492	Planned	Destination varies by location	Varies according to plant	Treated water in sewage plants	DS90	29,928,281	Planned	Destination varies by location	Varies according to plant	Treated water in sewage plants	DS90
Locations	9,082	Unplanned	Destination varies by location	No treatment	Raw water	By-pass in rainy season	365,987	Unplanned	Destination varies by location	No treatment	Raw water	By-pass in rainy season

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Continued Planned and unplanned discharges

Planned and unplanned discharges 2021							Planned and unplanned discharges 2022					
Waste	Quantity (m³)	Planned /Unplanned	Destination	No treatment method	Water quality	Parameter used	Quantity (m³)	Planned /Unplanned	Destination	No treatment method	Water quality	Parameter used
Mapocho-Trebal	231,211,452	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90	201,684,480	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90
Mapocho-Trebal	2,276,471	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season	1,379,278	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season
La Farfana	251,918,680	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90	247,893,902	Planned	Mapocho River	Muds activated	Treated water in sewage plants	DS90
La Farfana	2,347,449	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season	683,710	Unplanned	Mapocho River	No treatment	Raw water	By-pass in rainy season
La Farfana	41,580,604	Planned	Channeler	Muds activated	Treated water in sewage plants	DS90	39,107,814	Planned	Channeler	Muds activated	Treated water in sewage plants	DS90
Locations	31,054,900	Planned	Destination varies by location	Varies according to plant	Treated water in sewage plants	DS90	31,630,806	Planned	Destination varies by location	Varies according to plant	Treated water in sewage plants	DS90
Locations	116,686	Unplanned	Destination varies by location	No treatment	Raw water	By-pass in rainy season	287,016	Unplanned	Destination varies by location	No treatment	Raw water	By-pass in rainy season

Fines

Authority	Company	Amount (UTA)	Reason
SISS	Aguas Andinas S.A.	40	AS collector failure (San Bernardo)
SISS	Aguas Andinas S.A.	125	Drinking water quality (low pressure)
SISS	Aguas Andinas S.A.	56	Service quality (AP samples with Fluoride and turbidity above standard)
SISS	Aguas Andinas S.A.	23	Unscheduled outages
SISS	Aguas Andinas S.A.	55	AS spill inside the Mapocho-Trebal WWTP
SISS	Aguas Andinas S.A.	102	Non-compliance PD 2018 in Santiago and Malloco
SISS	Aguas Andinas S.A.	86	Non-compliance with CF parameter in 5 WWTPs in Santiago
SISS	Aguas Andinas S.A.	76	Low pressures in the network, period January-December 2019. Buin, Paine, Lidenros, Alto Jahuel, Calera de Tango, El Monte, Gran Santiago sectors
SISS	Aguas Andinas S.A.	45	Non-compliance with NTK levels in effluent from WWTP La Farfana Semester I 2020.
SISS	Aguas Andinas S.A.	40	Failure to comply with various PA parameters in the Pirque, Maipo Laguna Negra, Las Vertientes el Canelo and Quilicura sectors.
SISS	Aguas Manquehue S.A.	4	Low pressure in the network, in a single PCP

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## Waste

### Hazardous waste destined for disposal

Company	Breakdown by disposal method	2017	2018	2019	2020	2021	2022
Aguas Andinas, Aguas Cordillera and Aguas Manquehue	Transfer to a security landfill	147	93	524	225	176	183
	Oil recycling	0	0	29	28	39	25
ANAM	Security padding	13	16	19	18	13	20
Total		160	109	572	272	228	228

### Waste by type of disposal regulated companies of the Metropolitan Region (Tons)

Provision	2017	2018	2019	2020	2021	2022
Reused bisolds (agriculture)	113,502	159,479	217,650	216,083	202,389	218,613
Non-hazardous final disposition	225,545	178,623	98,401	91,645	121,606	117,102
Reused Oils	13	19	29	28	39	25
Hazardous final disposition	147	93	524	225	176	183
Surplus from Construction and Works (environmental liabilities)	0	0	274,787	242,695	150,451	99,510
Residential and similar waste	0	0	325	1,239	2,119	S/I
Total	339,207	338,214	591,716	551,915	476,780	435,433

### Waste destination (Tons)

Destination	Unit	2020	2021	2022	Observation
Total waste recycled/reused	Metric tons	216,030	202,472	218,800	Sludge for use in agriculture; recycling
Total waste removed	Metric tons	0	0	0	
Landfill	Metric tons	26,896	24,952	22,982	Pretreatment residues in the sewage treatment process; Filtering/adsorbent medium from drinking water treatment stages mainly
Waste incinerated with energy recovery	Metric tons	0	0	0	
Waste incinerated without energy recovery	Metric tons	0	0	0	
Waste otherwise disposed of, specify:	Metric tons	308,095	253,559	193,630	Sludge from the treatment of drinking water and sewage that is sent to El Rutal; construction surpluses
Waste with unknown disposal method	Metric tons	0	0	0	

### Destination Biosolids

Destination (tonnes)	2017	2018	2019	2020	2021	2022
Landfill	89,495	35,543	0	0	0	0
CGIB El Rutal	108,545	108,255	75,059	55,026	97,159	88,041
Agricultural Reuse	113,502	159,479	217,650	216,083	202,389	218,613
Co-digestion	0	7,270	23,179	24,928	24,825	24,231

### Transportation of hazardous waste

Transport (tons)	2017	2018	2019	2020	2021	2022
Transported Hazardous Waste	160	128	572	272	228	228
Imported Hazardous Waste	0	0	0	0	0	0
Exported Hazardous Waste	0	0	0	0	0	0
Treated Hazardous Waste	160	128	572	272	228	228
Percentage of hazardous waste transported to other countries	0	0	0	0	0	0

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## Emissions

● GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7 ● ODS 13

### Greenhouse Gas Emissions (GHG) by Scope (tCO<sub>2</sub>e)

	2018	2019	2020	2021	2022
Direct emissions (Scope 1)	65,197	61,961	59,716	61,127	67,631
Indirect emissions (Scope 2) - Market based	80,772	85,393	57,256	55,968	50,369
Indirect emissions (Scope 2) - Location based	99,395	106,175	102,899	114,501	107,634
Other indirect emissions (Scope 3)	135,870	119,200	104,959	107,747	89,881
Total	281,840	266,554	221,931	224,842	207,882

### GHG emissions by process

GHG emissions by process	Direct emissions (Scope 1) tCO <sub>2</sub> e					Indirect emissions (Scope 2) tCO <sub>2</sub> e					Indirect emissions (Scope 3) tCO <sub>2</sub> e				
	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Potabilization and abatement of metals	194	358	786	569	751	24,281	2,165	21,563	23,120	14,527	8,757	8,287	11,097	11,077	12,242
Transportation and distribution of drinking water	709	567	813	801	786	16,963	45,779	23,124	27,413	14,952	2,275	2,698	4	4	4
Sewage collection	290	499	497	565	163	825	727	727	833	1,069	33	2	1	2	2
Sewage treatment	60,366	59,338	52,128	53,391	64,664	37,481	35,321	10,756	3,771	19,782	127,825	107,916	93,789	96,619	77,449
Non-productive buildings	1	1,819	1,562	1,464	1,266	1,221	1,401	1,085	831	38	-	515	67	45	184
Total	61,561	62,581	55,787	56,790	67,631	80,772	85,393	57,256	55,968	50,369	138,890	119,417	104,959	107,747	89,881

### Main methodological change

In 2021, the Suezprints tool was updated, adopting the IPCC guidelines for water treatment instead of using our own factors to calculate direct emissions from processes in the Group. In particular, the recommended N<sub>2</sub>O factors for the water line are currently considered, in addition to o N<sub>2</sub>O emissions for the sludge line.

Regarding CH<sub>4</sub> emissions, a methodology based on the IPCC criteria for mass balances is used, which was reviewed and adjusted to the integral water cycle. Thus, the CH<sub>4</sub> emissions from the water line depend on the BOD<sub>5</sub> load at the inlet (kg/year) and the BOD<sub>5</sub> load of sludge generated (kg/year). Since this last

data is unknown, in the year the values recommended by the IPCC were taken for plants with anaerobic digestion (1 kg BOD<sub>5</sub>/kg sludge) and without anaerobic digestion (0.8 kg BOD<sub>5</sub>/kg sludge).

For the sludge line, only CH<sub>4</sub> emissions are considered in the anaerobic digestion stage, with an emission factor of 2 g CH<sub>4</sub>/Kg sludge which, according to the IPCC, takes biogas recovery into account, as is the case of the biofactories of Aguas Andinas and the Talagante WWTP. Previously, waterline emissions depended on COD and NTK removal (emission factors were expressed in emissions per unit mass removed) and now they depend on the input BOD and

NTK (emission factors are expressed in emissions per unit of influent mass). On the other hand, for the emissions from the sludge line, only emissions from anaerobic digestion are considered, also based on the dry mass.

Additionally, in the calculation tool, CH<sub>4</sub> emissions from BOD discharge to water receiving bodies were incorporated, an aspect not previously included, and scope 2 emissions for the years 2018-2020 were recalculated, due to the fact that, at the time of the report, these had not yet been published by the National Energy Commission.

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## Emissions of substances that deplete the ozone layer (ods)

GRI 305-6

During 2022, 12 refrigerant gas bottles were used.

Of these, 7 correspond to R-22 cylinders used in the Aguas Andinas corporate building. Each cylinder has an approximate weight of 13.6 kilos, using a conversion factor of 0.055 PAO potential units for each unit of R-22, an amount of 5.236 kg of equivalent CFC-11 is obtained.

8 R-410A cylinders were also used. Each cylinder weighs 11.3 kilos, with a conversion factor of zero PAO potential units for each unit of R-410A, an equivalent amount of zero CFC-11 is obtained.

Finally, they used 2 cylinders of R-407C, using a conversion factor of zero PAO potential units for each unit of R-407C, an amount of zero kg of equivalent CFC-11 is obtained.

Totaling the company 5,236 kg of CFC-11 equivalent.

### GHG emissions by sector (tCO2e/year)

Sectors	2018	2019	2020	2021	2022
Energy	88,260	93,035	65,203	63,791	57,922
Transport	10,277	4,609	4,151	4,133	4,075
Reagents and supplies	25,130	22,550	21,643	25,196	26,009
Fugitive emissions	-	274	249	283	401
Sludge Lines	27,073	19,851	16,076	21,254	11,729
Water lines	130,483	127,073	110,681	105,848	107,747
Grand Total	281,224	267,391	218,002	220,505	207,882

### GHG emissions intensity of the wastewater treatment process

	2018	2019	2020	2021	2022
tCO2e/million de m <sup>3</sup>	419	380	316	311	330

### Emissions avoided and reduced (tCO2e/year)

	2018	2019	2020	2021	2022
Avoided	19,882	17,928	15,358	14,168	24,589
Reduced	45,777	49,962	84,263	98,648	90,073

The reduced and avoided emissions in the company are due to the use of biogas, both in internal and external operations. Internally it is used to heat sludge and use cogenerated energy (reduced emissions). Externally it is used for the sale of biogas and electricity (avoided emissions).

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Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions

Actual data, Hours of Operation	TonNOx					TonSOx					TonCOV					TonMP				
Origin	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Farfana	3.64	3.77	2.71	1.99	4.07	1.89	0.76	1.01	1.62	1.018	0.09	0.24	0.23	0.12	0.20	0.34	0.31	0.22	0.25	0.611
Trebal-Mapocho	1.62	2.8	2.54	3.12	0.87	0.07	1.18	2.27	2.76	0.000	0	0	0	0.00	sin información	1.7	0.37	0.57	1.34	0.149
Talagante	No information	No information	No information	No information	0.14	No information	No information	No information	No information	0.007	No information	No information	No information	No information	No information	No information	No information	No information	No information	0.009
Total	5.26	6.57	5.25	5.11	5.09	1.96	1.94	3.28	4.38	1.03	0.09	0.24	0.23	0.12	0.20	2.04	0.68	0.79	1.59	0.77

Environmental services subsidiaries do not report this information.  
PTAS Talagante will start reporting information from year 2022.

24H/365 days data	Ton NOx					Ton SOx					Ton COV					Ton MP				
Origin	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Farfana	8.76	9.6	8.76	7.88	10.51	4.99	1.53	2.71	5.26	2.628	0.25	0.5	0.52	0.53	0.53	0.79	0.904	0.657	1.45	1.58
Trebal-Mapocho	3.5	6.13	4.38	5.26	0.88	0.19	2.19	4.03	4.73	0.000	0	0	0	0.00	sin información	2.3	0.62	1.05	2.28	0.15
Talagante	No information	No information	No information	No information	0.18	No information	No information	No information	No information	0.350	No information	No information	No information	No information	No information	No information	No information	No information	No information	0.35
Total	12.26	15.73	13.14	13.14	11.57	5.19	3.72	6.74	9.99	2.98	0.25	0.5	0.52	0.53	0.53	3.09	1.524	1.707	3.73	2.07

Note: The perimeter is those facilities that emit these gases Farfana, Mapocho Trebal and Talagante.

PTAS Talagante will start reporting information from year 2022.  
During 2020 one of the sources had a failure which prevented the scheduled monitoring, so the way used to estimate their emissions is by averaging the emissions (kg/h) of the remaining sources that are of the same characteristics.

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Section 2: Quantitative Indicators  
A) Directory

Director Name	Appointment Date	Date of last re-election, or termination (if applicable)	Birth date	Committees in which he participated during 2022	Remuneration received by the Directors' Committee in 2021 \$CLP	Remuneration received by the Sustainability Committee in 2021 \$CLP	Committees in which he participated during 2022	Remuneration received by the Directors' Committee in 2022 \$CLP	Remuneration received by the Sustainability Committee in 2022 \$CLP
Directory valid until September 28th, 2022									
Claudio Muñoz Zúñiga	April 2019	September 28th, 2022 (cessation)	01.02.1963	Sustainability Committee		2,399,115	Sustainability Committee		1,981,457
Rodrigo Manubens Moltedo	July 2011	September 28th, 2022 (re-election)	23.09.1958	Directors and Sustainability Committee	18,567,543	2,399,115	Directors and Sustainability Committee	13,895,398	1,981,457
Giorgianna Cúneo Queirolo	April 2019	September 28th, 2022 (re-election)	22.04.1970	Sustainability Committee		1,811,220	Sustainability Committee		1,981,457
Narciso Berberana Sáenz	April 2019	September 28th, 2022 (cessation)	07.01.1968	Directors Committee			Directors Committee		
Luis Mayol Bouchon	April 2019	June 23th, 2021 (cessation)	27.11.1952	Directors Committee	7,948,040				
Loreto Silva Rojas	April 2016	September 28th, 2022 (cessation)	29.06.1964						
Mauricio Rojas Mullor	April 2019	September 28th, 2022 (cessation)	28.06.1950	Directors Committee	15,035,080		Directors Committee	2,823,833	
Jorge Manent Codina	April 2019	September 28th, 2022 (re-election)	11.02.1984						
Jaime Arellano Quintana	March 2022	September 28th, 2022 (re-election)	05.03.1966				Directors Committee	11,071,565	
Tomás Uauy Cuneo	April 2019	September 28th, 2022 (re-election)	21.03.1990						
Sonia Tschorne Berestesky	April 2016	September 28th, 2022 (cessation)	13.04.1960						
Gonzalo Rojas Vildósola	April 2019	September 28th, 2022 (cessation)	04.07.1959	Directors Committee	8,963,482		Directors Committee	7,348,363	
Cosme Sagnier Guimón	April 2019	September 28, 2022 (cessation)	03.07.1971						
Fernando Samaniego Sangroniz	August 2013	September 28, 2022 (re-election)	12.02.1965	Directors Committee	10,133,852		Directors Committee	8,025,093	
Victor Selman Biester	March 2022	September 28th, 2022 (re-election)	02.06.1960	Directors Committee			Directors Committee	5,779,567	
Ignacio Escudero García	March 2022	September 28th, 2022 (cessation)	03.03.1965						

Sustainability Committee met until September 2022, dissolving by agreement of the Board of Directors in September 2022\*

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Director Name	Appointment Date	Date of last re-election, or termination (if applicable)	Birth date	Committees in which he participated during 2021	Remuneration received by the Directors' Committee in 2021 \$CLP	Remuneration received by the Sustainability Committee in 2021 \$CLP	Committees in which he participated during 2022	Remuneration received by the Directors Committee in 2022 \$CLP	Remuneration received by the Sustainability Committee in 2022 \$CLP
Directory valid until September 28, 2022									
Felipe Larrain Aspillaga	September 2022	September 28th, 2022	12.02.1954						
Rodrigo Manubens Moltedo	July 2011	September 28th, 2022 (re-election)	23.09.1958	Directors and Sustainability Committee				5,399,778	
Gustavo Miques	September 2022	September 28th, 2022	23.04.1967						
Fernando Samaniego Sangroniz	August 2013	September 28th, 2022 (re-election)	12.02.1965	Directors Committee				4,707,771	
María Florencia Esquerre Riquelme	September 2022	September 28th, 2022	30.10.1985						
Giorgianna Cuneo Queirolo	April 2019	September 28th, 2022 (re-election)	22.04.1970	Sustainability Committee					
Jaime Arellano Quintana	September 2022	September 28th, 2022	05.03.1966	Directors Committee			Directors Committee	5,399,778	
Gustavo Alcalde Lemarie	September 2022	September 28th, 2022	07.02.1954						
Marisol Bravo Léniz	September 2022	September 28th, 2022	02.06.1960						
Víctor Hugo Selman Biester	September 2022	September 28th, 2022	02.06.1960	Directors Committee			Directors Committee	2,613,079	
Katia Trusich Ortiz	September 2022	September 28th, 2022	05.10.1971						
Bernardo Simian Soza	September 2022	September 28th, 2022	16.01.1974				Directors Committee	2,613,079	
Tomás Uauy Cuneo	April 2019	September 28th, 2022 (re-election)	21.03.1990						
Jorge Manent Codina	April 2019	September 28th, 2022 (re-election)	11.02.1984				Directors Committee		

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Contracted consultants for the Board of Directors or its Committees			
Advisory Entity Name	Type of services performed	Total amount of counseling \$	Unit
There are no relevant advisory services in terms of extra expenses for the Board of Directors during 2022, only the fees of the Secretary of the Board.	Secretary of the Board of Directors		\$CLP
Total (automatic addition)		33,013,984	\$CLP

Access to information about Board Members	
Item	Si/No y describir si es el caso
The minutes and documents kept in view for each Board meeting	Yes. The Board of Directors has an information storage system in Dropbox, called "Virtual Folder", which contains all the information that is in view for each session, which is incorporated month by month, allowing each of the directors to access securely to said records, and facilitates the review of session minutes of the last 3 years. For their part, said background information is incorporated into the Virtual Folder at least 5 days prior to the respective Board meeting, so that they are available to each of the directors, and they can prepare for it. . It will be the responsibility of the General Manager to collect and make the aforementioned information available to the Chairman, with due anticipation that allows him to make it available to the directors in the indicated terms.
The minutes or document that synthesizes all the matters that will be dealt with in each session and the other background information that will be presented in the same	Yes. Once the corresponding Board meeting has concluded and at least 3 days prior to the next meeting, the Secretary of the Board of Directors will make available to the directors a draft of the minutes of the respective meeting for comments by sending them by email, and the directors to send their comments to the Secretary of the Board by the same means.
A whistleblowing system or channel that has been implemented.	Yes. In the Board of Directors meeting held on November 25th, 2015, the Board of Directors agreed to make a complaints channel available to its workers on the intranet site, through which those related to the Crime Prevention Model, the Code Ethics and the Labor and Sexual Harassment Protocol. Then, in a Board meeting held on June 29, 2016, it was agreed to enable access to the aforementioned Complaints Channel from the Company's website, to allow access to any person.
To the final text of the minutes of each meeting	Yes. The final text of the minutes of the meeting of each Board of Directors is made available to the directors when it is included in the Virtual Folder.

Determinations in Board meetings	
Item	Yes/No and describe if it is the case
Minimum number of regular meetings	They are held at least once a month, on dates determined by the Board of Directors itself.
Minimum average time spent in person and remotely on them	The Board of Directors has agreed to set attendance at a minimum of 9 Board meetings per year, 7 of which must be in person, unless due to safety, health or any other circumstances, said modality is prevented. The foregoing, in order to recognize the diversity of experiences and knowledge existing in the Board of Directors, according to the complexity of the matters to be dealt with. During 2022, the prioritization of remote assistance in response to the health contingency was maintained.
Advance notice to notify its members of these	The Board of Directors annually agrees on a calendar with the dates of ordinary sessions, which are scheduled in advance at the beginning of the year, without prejudice to remembering the next session at the end of each meeting.

Indicate the frequency with which the Board of Directors meets with the following areas and entities		
Area / Entity	Periodicity Directory	Unit
Risk management	Quarterly basis	Frequency
Internal audit	Quarterly basis	Frequency
Social Responsibility (or equivalent)	Quarterly basis	Frequency
External audit company for EEFF	Three times a year	Frequency

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# Annex 1: CMF indicators

The following indicators have been prepared based on regulation 461 of the Financial Market Commission (CMF)

 See more  
HERE

Rule 461 Indicator	Description Aguas Andinas SA	Source
<p>A description of the policy that has been implemented for the hiring by the Board of experts to advise it on accounting, tax, financial, legal or other matters.</p> <p>The policies that have been implemented for the hiring of consultancies (committees).</p>	<p>The company contemplates that the Board of Directors or the Directors' Committee may require the hiring of external advisors, whether national or foreign, in accounting, financial, legal, tax, environmental, human resources or other matters that they deem pertinent. The foregoing, for the proper fulfillment of their responsibilities.</p> <p>Said hiring must be carried out on the basis of an economic proposal in accordance with market prices, and the adviser must have recognized prestige in the national or international market and proven experience in the subject matter of the advice, in addition to complying with the highest standards. of service quality. The Board of Directors or the Directors' Committee must adopt an agreement in this regard, recording the observance of these requirements.</p>	
<p>If the Board of Directors in plenary or any of its members has made field visits during the year to the different dependencies and facilities of the entity, to learn about aspects such as:</p> <ul style="list-style-type: none"><li>• The status and operation of these dependencies and facilities.</li><li>• The main functions and concerns of those who work in them.</li><li>• The recommendations and improvements that, in the opinion of those responsible for these dependencies and facilities, it would be pertinent to carry out to improve their operation.</li><li>• In addition, you must inform if the general manager or other main executives participate in these activities.</li></ul>	<p>The company adopts as a policy that the Board of Directors make at least two visits each year to different offices or facilities of the company, as long as no extraordinary circumstances arise that prevent it. This, in order to know:</p> <ul style="list-style-type: none"><li>• The state and operation of these units and facilities.</li><li>• The main functions and concerns of those who work in them.</li><li>• The recommendations for improvements that would be pertinent to make in the opinion of those responsible for such units and facilities.</li></ul> <p>Likewise, the company admits the possibility of the general manager and other executives participating in the visits, as well as carrying out said practice through electronic means in the event that extraordinary circumstances arise that make it difficult to do so physically.</p> <p>The Board of Directors makes biannual visits according to the recommendation and proposal made by the general manager, considering the most relevant works and facilities. The latter is responsible for coordinating them, and must propose the dates defined for such purposes in the calendar of activities of the Board of Directors.</p> <p>The visits should consider, in addition to the inspection of the works themselves (which allow to know their status and operation), meetings with the people who work in those facilities, tasks or tasks, in order to facilitate their direct contact with the members of the Board of Directors and, consequently, to know their perspectives, opinions and concerns.</p>	<p>Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA</p>

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Rule 461 Indicator	Description Aguas Andinas SA	Source
The detection of those areas in which its members can be trained, strengthened and continue to improve, pointing out the subjects that are considered most relevant for the purposes of a continuous updating of knowledge.	The company has a formal continuous improvement procedure to detect and implement eventual improvements or strengthening measures in its organization and operation, considering the advice of an expert. In this sense, the Board of Directors decided to maintain the biennial evaluation process of itself, also considering its committees, in order to guarantee and evaluate the proper functioning of its corporate governance and detect aspects in which its members can be strengthened and continue to improve.	Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA.
The detection and reduction of organizational, social or cultural barriers that could be inhibiting the natural diversity of capacities, visions, characteristics and conditions that would have occurred in its composition if these barriers did not exist.	The aforementioned evaluation process, in conjunction with the Policy for the Nomination of Candidates to the Board of Directors, makes it possible to detect and reduce organizational, social or cultural barriers and to identify and reduce obstacles that prevent the natural diversity of capacities, visions, characteristics and conditions of the members. of the Directory.	Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA.
Minimum number of ordinary meetings, the minimum average time spent in person and remotely at the sessions.	The Board of Directors has agreed to set attendance at a minimum of nine Board meetings per year, seven of which must be in person, unless due to security, health or any other circumstances, said modality is prevented. The foregoing is equivalent to 75% of the total number of sessions and its purpose is to recognize the diversity of experiences and knowledge existing in the Board of Directors, according to the complexity of the matters to be dealt with.	Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA 16
The advance notice with which the summons must be sent and the necessary background information for the proper realization of these, recognizing the particular characteristics of the entity, as well as the diversity of experiences, conditions and knowledge existing in the Board of Directors, according to the complexity of the matters to treat.	The company considers it a practice to have an information system that allows each director to securely, remotely, permanently access the minutes or documents that summarize the matters that will be dealt with in each session and the other information that will be present, in order to be prepared. This system will allow each director to review the final text of the minutes of said session.	Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA.
If it expressly contemplates the change, if pertinent, of its form of internal organization and operation in contingency or crisis situations, with an operational continuity plan.	The Board of Directors has a procedure that contemplates the change in the form of organization and operation in contingency and crisis situations defined by its president, who must convene its constitution through the means of communication available, such as email, telephone , WhatsApp, text message, etc., indicating the place where the session will be held and the subjects that will be dealt with to face the crisis. They may also meet remotely through technological means, with one of the attending directors being able to act as secretary.	Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA.

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Rule 461 Indicator	Description Aguas Andinas SA	Source
<p>If you have an information system that allows each member to access, securely, remotely and permanently, to:</p> <ul style="list-style-type: none"><li>• The minutes and documents kept in view for each Board meeting or equivalent, indicating the temporal extension of the historical record of such minutes and documents.</li><li>• The minutes or document that synthesizes all the matters that will be dealt with in each session and the other information that will be presented in this one or additional ones necessary for its preparation, all of the above without prejudice to the legal obligations regarding the deadline for sending the content of the sessions. subpoenas.</li><li>• The final text of the minutes of each session, indicating the term after the respective session in which the minutes are available for consultation.</li></ul>	<p><b>a.</b> In relation to antecedents of analysis in the Board of Directors.</p> <p>The Board of Directors has an information storage system called "Virtual Folder", which contains all the information that is in view in each session, which are incorporated month by month, allowing each director to safely access said information. and facilitating the review of session minutes of the last three years. Said background is incorporated into the Virtual Folder at least five days before the respective Board meeting, so that they are available to each of the directors and they can prepare themselves. It is the responsibility of the general manager to collect and make the aforementioned information available to the president, with due anticipation that allows him to make it available to the directors in the indicated terms.</p> <p><b>b.</b> In relation to the minutes of the Board meeting.</p> <p>Once the corresponding Board meeting has concluded and at least three days prior to the next meeting, the Secretary of the Board of Directors makes available to the directors a draft of the minutes of the respective meeting for comments by sending them by email, and the directors to send their comments to the secretary of the Board by the same means. Likewise, the final text of the minutes of the meeting of each Board of Directors is made available to the directors when it is included in the Virtual Folder.</p>	<p>Compendium of Policies and Procedures on Corporate Governance Aguas Andinas S.</p>
<p>In the case of the Directors' Committee of article 50 bis of Law No. 18,046, or committee that fulfills equivalent or risk management functions, the periodicity with which the committee meets with the risk management, internal audit and social responsibility, or with the persons responsible for the equivalent functions, and with the external audit firm in charge of auditing the financial statements, indicating the main issues that are addressed in such meetings and indicating whether the general manager or other executives principals participate in them.</p>	<p>The company's policy is that the Board of Directors analyze quarterly, with the risk management unit, the following matters:</p> <p><b>a.</b> The proper functioning of the risk management process.</p> <p><b>b.</b> The risk matrix used by the unit, as well as the main sources of risks and methodologies for detecting new risks and the probability and impact of the occurrence of those most relevant.</p> <p><b>c.</b> The recommendations and improvements that, in the opinion of the unit, would be pertinent to make to better manage the entity's risks.</p> <p><b>d.</b> The contingency plans designed to react to the materialization of critical events, including the continuity of the Board of Directors in crisis situations.</p> <p>The general manager and other executives of the company may participate in such meetings. In addition, the risk unit must have at least one meeting a year with the Directors' Committee.</p>	<p>Compendium of Policies and Procedures on Corporate Governance Aguas Andinas SA.</p>
<p>If it has a procedure so that shareholders can be informed, in advance of the shareholders' meeting in which directors will be elected, about the diversity of capacities, conditions, experiences and visions that in the opinion of the Board of Directors it is advisable to have those who are part of this body, so that it is in a better position to ensure the corporate interest, as well as the experience, profession or trade of those who are candidates for the Board of Directors.</p>	<p>For the election of the members of the Board of Directors, the shareholders may propose in advance candidates for the position of director, who will be submitted to a vote by the Shareholders' Meeting.</p> <p>The general manager must inform the shareholders, through the means he deems pertinent and on his website, the list of candidates for director who, if applicable, have accepted his nomination and declared that they have no disqualifications to perform the position, with at least two days prior to the meeting. If it is not possible to inform the shareholders of said list in advance, it will suffice for it to be made available to the shareholders at the beginning of the Shareholders' Meeting.</p> <p>Candidates may be added to the list, even at the same meeting, if the person proposing them presents a document in which the candidates accept their nomination and declare that they have no disabilities to hold the position.</p>	<p>Website- Investor Relations- Directory</p>

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Rule 461 Indicator	Aguas Andinas S.A Description	Source
Regarding the procedures for the Board of Directors to review the salary structures of its main executives, the advice of a third party outside the entity is contemplated.	The Board of Directors does not have the support of third parties for these purposes, notwithstanding that the Human Resources area has procedures based on studies.	
Whether it has procedures for submitting the salary structures and compensation and indemnification policies of the chief executive officer and other key executives to the approval of the shareholders, in addition to the approval of the Board of Directors or one of its committees. In addition, whether disclosure of such structures and policies to the general public is considered.	At the moment, the company does not have a procedure of this type.	
State whether the entity adopts or adheres to codes of good corporate governance issued by national or foreign public or private bodies, specifying which ones and indicating which principles or practices of those codes are not adopted and the reasons why the entity took that decision. If applicable, indicate the URL where the report prepared by the entity that reports the adoption of the code of good corporate governance is available.	<p>In accordance with the provisions of NCG-CMF No. 461, in its Annual Report the company reports on the adoption or adherence to national or international codes of good corporate governance. Thus, in a Board meeting held on July 20, 2022, it was agreed to formally adhere to the OECD – G20 principles of corporate governance for the following reasons:</p> <ul style="list-style-type: none"><li>• They are the basis of a majority percentage of existing codes.</li><li>• Generates recommendations that, without being binding, help to have a roadmap applicable to different markets.</li><li>• They are a basic precedent used by the CMF in its historical regulation (NCG 341-385461).</li></ul> <p>Notwithstanding the foregoing, it should be noted that, in consideration of the corporate governance practices that Aguas Andinas had already implemented, there was a high level of compliance with the OECD - G20 corporate governance principles prior to the aforementioned agreement.</p> <p>(Link: <a href="https://www.oecd.org/daf/ca/corporategovernanceprinciples/37191543.pdf">https://www.oecd.org/daf/ca/corporategovernanceprinciples/37191543.pdf</a>)</p>	Compendium of Policies and Procedures on Corporate GovernanceAguas Andinas SA.
<p>If it has procedures to establish a succession plan that incorporates the identification among the entity's workers or other external parties of potential replacements for the general manager and other main executives.</p> <p>It must indicate whether this plan allows the timely replacement of the general manager and other main executives, and the transfer of their functions and relevant information in the event of their unforeseen absence, minimizing the impact that this would have on the organization.</p>	<p>The company has a procedure to facilitate the proper functioning of the company in the event of the replacement or loss of the general manager or main executives. Thus, in the event of the permanent absence of the general manager, the Board of Directors may contract the services of a head hunting company or another that provides similar services, or opt for the direct contracting of the replacement, having to consider in a special way the technical suitability, the level educational, experience and any other relevant factor about the person who will fill the vacancy.</p> <p>In the event of the definitive absence of a main executive, the general manager must procure the prompt hiring of a replacement, following the aforementioned criteria.</p> <p>To the extent possible, efforts will be made to ensure that every manager or senior executive who leaves their position submits a report of all pending issues that were under their care, indicating the status of each one, the associated risks, the people who are working in the issue and recommended next steps. In the case of the general manager, it will be delivered to the president of the Board of Directors, and in the case of the main executives, to the general manager.</p>	Compendium of Policies and Procedures on Corporate GovernanceAguas Andinas.

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# Director skills matrix

● GRI 2-17

	Name	Environmental	Social	Governance	Sanitation industry	Communication and marketing	Finance and risks
Regular directors	Felipe Larraín Aspillaga	✓		✓	✓		✓
	Gustavo Migue	✓			✓		✓
	Fernando Samaniego Sangroniz	✓		✓	✓		✓
	María Florencia Esquerre Riquelme			✓			✓
	Giorgianna Cuneo Queirolo	✓	✓			✓	
	Rodrigo Manubens Moltedo	✓	✓		✓		✓
	Jaime Arellano Quintana			✓	✓		
Alternate directors	Tomás Uauy Cuneo						✓
	Víctor Selman Biester			✓	✓		✓
	Jorge Manent Codina			✓			✓
	Gustavo Alcalde Lemarie			✓	✓		✓
	Katia Trusich Ortiz			✓	✓		✓
	Marisol Bravo Leniz		✓			✓	✓
	Bernardo Simian Soza			✓	✓		✓

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## NCG461-Code of Conduct & Ethics

### A) Numbers of complaints

Type of complaints	Number of admissible complaints	Number of unverified admissible complaints	Number of admissible complaints resolved	Number of complaints submitted to the Labor Department
Workplace Harassment	0	0	0	0
Fraud	0	0	0	
Conflicts of interest	0	0	0	
Sexual harassment	2	0	2	2
Money laundering and terrorist financing	0	0	0	
Discrimination, mistreatment, threats, violence or reprisals	0	0	0	
Health and safety risk	0	0	0	
Others	11	0	11	

## Political contributions

### GRI 415-1 Public policy

	CLP en 2020	CLP en 2021	CLP en 2022
Total monetary value of in-kind financial and political contributions made directly by the organization by country and recipient/beneficiary.	0	0	0
Total monetary value of in-kind financial and political contributions indirectly made by the organization by country and recipient/beneficiary.	0	0	0

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● GRI 201-1 ● ODS 8

*Economic value generated and distributed  
(in thousands of pesos)*

	2018	2019	2020	2021	2022	%
<b>Economic Value Created</b>	535,136,387	564,683,290	478,674,832	515,163,737	594,924,991	15.5%
<b>1. Income from ordinary activities</b>	530,404,680	544,683,867	478,773,563	506,459,633	575,465,445	13.6%
<b>2. Other Gains (Losses)</b>	(1,124,474)	14,232,177	(3,967,292)	3,629,839	(1,521,833)	(141.9%)
<b>3. Financial Income</b>	5,856,180	5,767,246	3,868,561	5,074,265	20,981,379	313.5%
<b>Distributed Economic Value</b>	469,723,193	497,956,636	449,992,101	449,979,801	547,804,575	21.7%
<b>1. Operating costs</b>	160,846,247	183,458,779	187,218,497	187,800,299	217,421,491	15.8%
<b>1.1 Consumption of raw materials and secondary materials</b>	39,229,232	46,147,628	43,542,356	53,622,709	79,574,233	48.4%
<b>1.2 Other expenses by nature</b>	121,617,015	137,311,151	143,676,141	134,177,590	137,847,257	2.7%
<b>2. Salaries and social benefits for employees</b>	59,153,387	59,771,461	55,045,719	55,077,943	66,369,413	20.5%
<b>3. Payment to Capital providers</b>	196,335,598	191,737,154	156,715,097	190,978,973	227,539,042	19.1%
<b>3.1 Financial Costs</b>	29,996,785	30,313,017	28,172,393	27,862,844	36,630,374	31.5%
<b>3.2 Payment of Dividends</b>	143,316,076	137,895,033	106,199,425	108,147,153	76,170,116	(29.6%)
<b>3.3 Results by readjustment units</b>	23,022,737	23,529,104	22,343,279	54,968,976	114,738,552	108.7%
<b>4. Payments to Governments</b>	52,646,650	61,525,549	49,835,368	15,359,586	35,561,594	131.5%
<b>5. Investments in the community (donations)</b>	741,311	1,463,693	1,177,420	763,000	913,035	19.7%
<b>Retained Economic Value</b>	<b>65,413,193</b>	<b>66,726,654</b>	<b>28,682,731</b>	<b>65,183,936</b>	<b>47,120,416</b>	<b>(27.7%)</b>

Adjusted values in accordance with the GRI requirement

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Financial Summary (in million of \$)

At December 31	2018	2019	2020	2021	2022
Drinking water income	208,807	212,039	195,788	205,176	231,961
Sewage intake	254,714	259,019	219,124	229,805	265,582
Other healthcare income	16,161	17,739	13,004	13,821	16,067
Other non-health income	50,724	55,887	50,858	57,657	61,854
Total income	530,405	544,684	478,774	506,460	575,465
EBITDA	309,664	299,990	235,332	262,818	290,762
Operational result	234,196	223,738	168,197	193,623	215,950
Utility of the exercise	136,057	141,737	98,692	100,645	85,249
Total assets	1,906,052	2,001,444	2,144,436	2,229,222	2,379,350
Short term liabilities	242,319	242,138	244,033	248,047	265,797
Long term liabilities	976,742	1,071,833	1,059,655	1,138,032	1,274,661
Minority interest	48,371	43,020	26	27	30
Equity attributable to the owners of the parent company	638,621	644,453	840,723	842,520	838,862

Operational background

At December 31	2018	2019	2020	2021	2022
Total drinking water customers	2,316,107	2,366,009	2,169,426	2,207,344	2,257,165
Total sewage collection clients	2,263,039	2,312,808	2,125,918	2,162,909	2,212,631
Total accrued water (millions of m3)	596.3	597.6	533.9	535.7	524.3
Accrued sewage collection (millions of m3)	572.0	572.1	511.3	514.2	503.7
Accrued sewage treatment and disposal (millions of m3)	497.7	498.1	440.6	443.6	435.9
Accrued sewerage interconnection (millions of m3)	128.2	128.5	124.7	124.3	120.2
Total drinking water coverage	100.0%	100.0%	100.0%	100.0%	100.0%
Total sewage collection coverage	98.8%	98.8%	98.8%	98.8%	98.8%
Total sewage treatment coverage	100.0%	100.0%	100.0%	100.0%	100.0%

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### Number of suppliers that individually represent at least 10% of the total purchases made in the period

Inmobiliaria y Constructora Nueva Pacífico Sur Ltda., represents 10.16% of the total purchases made in 2022.

#### Payment to Suppliers (\*)

	2020					2021					2022				
Range	Number of invoices paid	Total amount (million of pesos)	Total amount of interest for late payment of invoices (million of pesos)	Number of providers	Number of registered agreements	Number of invoices paid	Total amount (million of pesos)	Total amount of interest for late payment of invoices (million of pesos)	Number of providers	Number of registered agreements	Number of invoices paid	Total amount (million of pesos)	Total amount of interest for late payment of invoices (million of pesos)	Number of providers	Number of registered agreements
up to 30 days	21,627	173,508		1,312		21,794	218,665		1,196		26,023	276,697		1,490	
between 31 and 60 days	5,896	102,201		683		2,837	64,945		458		3,511	77,392		545	
more than 60 days	1,220	34,299		203		304	3,663		82		430	1,779		82	

(\*) Aguas Andinas, Aguas Cordillera and Aguas Manquehue

NOTE: Suppliers associated with all invoices received during 2022 are considered.

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## Roadmap 2021 - 2024

### 1. Resilience

● ODS 6, 9, 11, 12, 13, 15, 17

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Guarantee the supply of drinking water, through risk management and adaptation initiatives to the effects of climate change.	Guarantee the supply for the urban water cycle, with special emphasis on the current and future conditions of scarcity of the resource, and extreme events associated with climate change, through the development of projects that, with a medium and long-term perspective, contemplate water efficiency, promote alternative water sources, protect ecosystem services, advance nature-based solutions, and drive efficient consumer demand for water.	Implement a climate change adaptation strategy strengthening operational resilience.	1. Limit Non-Revenue Water (ANC) to 29% through the hydraulic efficiency plan.	30.30%	30.79%	During 2021, the indicator had a reduction from 30.55% in 2020 to 30.3% in 2021.	⊖
			2. Increase the autonomy capacity to 37 hours in the event of extreme turbidity.	34 hours	37 hours	During 2022, the Cerro Negro - Lo Mena wells will be put into operation, which will allow them to reach 37 hours of autonomy.	✓
			3. Increase security of supply in the face of water scarcity.	99%	99%	Security of supply is achieved through agreements with third parties and our own infrastructure.	✓
			4. Achieve over 92% efficiency in potable water production plants.	94.93%	94.98%	During 2020 the efficiency was 90.9%.	✓
		Protect and restore the biodiversity of ecosystems as a measure of adaptation to climate change.	1. Advance in solutions based on nature.	25%	3	During 2021, advice was carried out that identified gaps and opportunities for improvement to implement solutions based on nature.	✓
			2. Generate ecosystem monitoring in the priority sites defined by the company.	1 monitoring	5	1.- During 2021, 1 ecosystem monitoring was carried out for Laguna Ambiental La Farfana.	✓
			3. Strengthen public-private alliances that promote the conservation of biodiversity.	2 alliances	3	1.- Water Fund. 2.- Cordillera Parks.	✓
		Promote the reuse of water.	1. Achieve environmental approval for a reuse project.	20%	30%	The project is going through the stage of environmental evaluation, design and engineering, its materialization is scheduled for the next few years.	✓
			2. Implement an aquifer infiltration project.	20%	60%	The project is pre-designed and the folder to request formal authorizations is being prepared. The folder should enter the DGA during the first quarter of 2022.	✓
		Generate alliances to raise awareness about the responsible use of water.	1. Promote the implementation of progressive rates.	50%	In Review	During 2021, a technical and regulatory study was carried out aimed at analyzing tariff modification alternatives that encourage responsible consumption, including a modification to the concept of overconsumption, which could be easier for regulatory implementation, and options to maintain the structure. current rate and add a special charge, aimed at financing projects justified by drought.	✓
			2. Promote efficiency initiatives in irrigation of municipal green areas.	49 communes	1 APL	In October 2021, a letter addressed to all the mayors of the 49 communes of the Aguas Andinas concession area was sent by the General Manager, exposing the seriousness of the situation regarding the drought affecting the region.	✓
			3. Promote campaigns for the responsible use of water, aimed at the community.	1	1	During October, the massive campaign for the responsible use of water #Cadagotacuenta (every drop counts) was launched.	✓

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## 2. Circular economy

● ODS 6, 7, 9, 11, 12, 13, 15, 17

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Reduce emissions through decarbonization and the transformation of waste into value-added products.	To be leaders in climate action, contributing to the global goal of limiting global warming to 1.5°C with the implementation of the 2030 decarbonization plan, energy efficiency projects, a waste management plan and developing a carbon neutrality strategy.	Reduce and offset greenhouse gas emissions to limit the increase in temperature to 1.5°C-.	1. Reduce GHG emissions by 27% for scope 1 and 2 compared to the 2017-2018 average. Maintain or improve the reduction of scope 3 emissions compared to 2020.	224,842 tCO2e	207,882 tCO2e	During 2021 scope 1 and 2 emissions were 117,096 tCO2e, 0.1% more than in 2020. Scope 3 was 107,747 tCO2e, 3% more than in 2020. However, despite the increase in scopes, emissions of GHG generated in 2021 remain in line with the trajectory of limiting the temperature increase to 1.5°C as approved by SBT.	⊖
			2. Prepare a strategy to advance in carbon neutrality.	0%	0%	During 2022 it is expected to have a strategy aligned with the Science based target protocol launched at COP26.	✓
		Achieve energy sustainability, optimizing consumption in processes and increasing the consumption of renewable energy.	1. Get 80% of energy consumption to be of renewable origin.	68%	70%	During 2021, the consumption of renewable energy increased from 62% in 2020 to 68% in 2021.	✓
			2. Achieve that 80% of electricity consumption is under energy performance monitoring and improvement schemes.	50%	50%	In 2021, the Advanced Well Management project began (approx. 25% of the company's electricity consumption) whose objective is to achieve 100% monitoring and improve energy performance.	✓
			3. Increase the use of biogas for power generation.	55,818,404 kWh/year	47,031,993 kWh/year	During 2021, power generation increased by 0.1%	✓
		Achieve 0 waste disposal, favoring the reuse and recovery of waste.	1. Maintain at 0% the transfer of biosolids to sanitary landfills.	0%	0%	During the period, as in 2020, no biosolids were disposed of in the sanitary landfill.	✓
			2. Increase the use of biosolids in agricultural properties.	68%	218,613 ton	During 2021, 5% less biosolids were sent to agricultural properties compared to 2020.	⊖
			3. Transform more than 15 ktpa of biosolids into fertilizers.	0	> 10,000 ton	At the end of 2021, the necessary authorization was obtained to consider biosolids as fertilizers.	✓
			4. Valorize more than 35 ktpa tons of waste from other industries in biofactories.	33.11 ktpa	33.55 ktpa	During 2021 waste from other industries was valued.	✓

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3. Sustainable investments

ODS 1, 6, 8, 10, 11, 13, 16

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Implement a sustainable investment and financing strategy, generating positive social and environmental value.	Ensure efficient and optimized investment management, which allows the delivery of an excellent service through a responsible investment plan, oriented towards adaptation to climate change and which promotes green and social financing, positively impacting all groups. - Company interests, promoting the development of SMEs, disseminating our environmental, social and corporate governance sustainability practices.	Being a sustainable company	1. Increase disclosure and transparency in ESG matters.	80	80	Of the 99 practices, the evolution per year is: 2017: 50, 2018: 64, 2019: 76, 2020: 80	✔
			2. Maintain debt ratios in accordance with company standards (DFN/EBITDA ratio < 4x)	3.78 times	3.83	Representing an improvement of 1% compared to the previous year (3.82 times)	✔
		Establish an investment company with a positive social and environmental impact.	1. Allocate a minimum of 85% of our investments to climate change adaptation projects, with a positive social and environmental impact.	89%	85%	93% in 2020, this mainly due to the amounts associated with nitrates (mitigation of GHG emissions)	✔
		Purchasing management with ESG criteria.	1. Include ESG criteria for the selection and contracting of suppliers.	0%	1 contrato piloto	The organization currently has ESG criteria in the bidding and purchasing processes. During 2023, progress is expected in the selection of suppliers with ESG criteria	⊖
			2. Reach 60% of SME suppliers	57.86%	59.03%	In the period it increased from 53.25% in 2020 to 57.86% in 2021	✔
		Green and social financing for the growth of the company.	1. Ensure an optimal financial structure for the company, promoting green and social financing.	0	100%	During 2021 there were no issues of green and social bonds.	⊖

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## 4. Digitization and innovation

● ODS 8, 9, 11, 13, 17

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Advance in the digital transformation and in the safety of processes, improving the experience of customers and the community.	To be leaders in climate action, contributing to the global goal of limiting global warming to 1.5°C with the implementation of the 2030 decarbonization plan, energy efficiency projects, a waste management plan, and developing a carbon neutrality strategy.	Promote R+D+i and be a benchmark in Innovation in the water and environment sector.	1. Achieve recognition of the company's innovation initiatives during the period.	1	2	In 2021, the "City Sentinel" project was distinguished in the Best Project category of the Sustainability Committee of the British-Chilean Chamber with the XII Recognition of Environmental Innovation in Social Management.	✓
			2. Develop three R+D+i initiatives	5	10	1.- City Sentinel scaling: RM urban radio scaling. 2.- Aqueducts Project: >14 km of aqueducts inspected. 1 industrial valid prototype, another prototype under development. 3.- Dry biosolids Agricultural Services Project: Sales funnel and client portfolio. 4.- IA Project for processing video inspections- sewerage: >18 km of videos of sewerage inspections are analyzed, generating reports in NASSCO standard. 5.- Acoustic obstruction detection project: Validation of technology and review of AA criteria, diagnosis is made 25 km, equivalent to 424 sections of sewerage.	✓
		To be a leading company in an Industry 4.0 context.	1. Achieve 99.9% availability of remote controlled infrastructure.	99.50%	99.7%	As of December 2021, improvements were made to the contingency CCO to improve the availability and resilience of the infrastructure, going from 6 to 3.5 hours.	✓
			2. Implement telemetry in 100% of the wells.	17%	29.8%	As of December 2021, telemetry has been implemented in 40 wells.	✓
			3. Achieve digital communication for 100% of the facilities with remote control.	41%	63%	As of December 2021, 184 facilities have been migrated to TETRA digital communication.	✓
		Lead the digital connection with customers and improve the user experience.	1. Improve the customer experience on digital platforms.	50%	50%	During 2021, improvements have been made to digital platforms, particularly in the "Celeste" chat boot.	✓
			2. Facilitate access to information for interest groups.	62%	62%	In 2021, progress was made on the following axes: Redesign of the website and site for virtual visits.	✓
		Evolve in data management.	1. Automate 100% priority data management	42%	76%	During 2021, progress was made in data automation and management, corresponding to 71 regulatory reports.	✓

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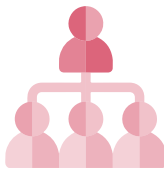
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## 5. New forms of leadership and work

● ODS 1, 3, 4, 5, 6, 8, 9, 10, 11

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Promote an organizational culture of collaboration, based on leadership and autonomous and diverse teams.	Promote a culture of leadership and new ways of working, providing opportunities for new profiles, promoting Smart Working, equal opportunities and guaranteeing the occupational health and safety of internal and external workers, ensuring their job satisfaction.	Attract and retain talent for the current and future needs of the organization.	1. Promote the incorporation of STEM profiles (science, technology, engineering and mathematics).	61%	67%	The indicator went from 59% in 2020 to 61% in 2021, increasing by 3%.	✓
			2. Annually recognize at least 5% of the workers.	83%	100%	During 2021, 73 people have been formally recognized and communicated to the rest of the Organization.	✓
		Promote new ways of working.	1. Establish teleworking for 80% of workers.	100%	80%	The workers who carry out activities in the corporate building have carried out tasks in the telework modality.	✓
			2. Implement new ways of working (Smart working).	100%	100%	New ways of working are implemented in the Corporate Building, according to the planned implementation scheme.	✓
		Implement equal opportunities by creating inclusive and diverse environments that promote the well-being of workers.	1. Increase the rate of workers with functional diversity to 1.5%.	1,4%	1,6%	In the period, the rate of workers with functional diversity is maintained compared to 2020.	✓
			2. Increase the rate of foreign workers to 6%.	6%	6,4%	The indicator went from 5.4% in 2020 to 6% in 2021,	✓
			3. Promote that 50% of the new incorporations of STEM profiles are women.	32%	31%	In 2021, 32% of the new additions to STEAM profiles were women.	✓
		Strengthen a new style of transformative leadership, driver of change, collaborative, challenging and inclusive.	1. Promote and enhance the development of workers with high potential.	97%	100%	97% of the High Potentials were evaluated through the Assessment Center	✓
			2. Conduct multi-directional evaluations of executives.	0%	0%	Evaluation scheduled for 2022	—
		Promote well-being and guarantee occupational health and safety.	1. Reduce the rate of frequency and seriousness of own and subcontracted workers	IF Own workers 4.38 IF Workers of contractor companies 12.9	Propios TI: 4.69 TG: 0.07 Subcon. TI: 11.25 TG: 0.08	1.- Reduce the frequency rate of own workers from 3.02 to 2024, in 2020 it reached 3.86. 2.- Obtain a Contractor frequency rate of less than 10 by 2024, in 2020 it reached 10.72	—

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## 6. Positive social value

● ODS 1, 3, 4, 6, 8, 9, 10, 11, 13, 16, 17

Commitment	Challenge	Objective	Goals for 2024	2021	2022	Observations 2021	Status
Generate an open and permanent relationship with stakeholders, through communication and active listening initiatives, contributing to the development of the communities.	Strengthen relationships of trust with the communities and collaborate with universal access to drinking water, promoting community dialogue, dissemination of climate action and water care, and supporting and water care, and supporting collaborative social investment initiatives.	Strengthen relationships of trust with the different stakeholders based on transparency, dialogue and collaboration.	1. Promote instances of dialogue with, at least 20 communes of Santiago.	100%	100%	In the Relationship Management action plan, there is open communication with the 49 mayors of the concession area and to date, more than 25 meetings have also been held with the different mayors and their management teams in dependencies, municipalities, land and offices of Aguas Andinas.	✓
			2. Promote environmental education in 450 schools in the Metropolitan Region.	0	100%	During 2021, as a result of the pandemic, the educational program for schools could not be carried out, due to their unwillingness to conduct face-to-face classes and even online. The 2022 plan contemplates its execution to reach the 450 schools contemplated by 2024.	—
		Lead and disseminate Aguas Andinas' environmental commitment and its active work to address global warming.	1. Invest in initiatives that promote responsible water use.	3 actions	4 initiatives	During 2021, work was done on the following actions: 1.- A proposal was made with 10 actions that promote the responsible use of water and it was delivered to the Municipality of Santiago for dissemination. 2.- 2 online courses were carried out for residents of Melipilla, TilTil, Maipú, Padre Hurtado and La Florida, on Optimization, Water Reuse, Responsible Management and Oil Recycling. 3.- Talks were held to raise awareness about the effects of drought and responsible use of drinking water for municipal officials from Vitacura and Lo Barnechea.	✓
			2. Involve the community in the responsible use of water with educational visits to Aguas Andinas facilities.	0%	100%	As a result of the pandemic, the program of guided visits to the plants could not be carried out. Its implementation during the current year is contemplated in the current relationship plan.	—
		Collaborate in the access to drinking water and sanitation in both urban and rural sectors, proposing innovative and sustainable solutions.	1. To allocate an annual fund for sanitary connections in families in vulnerable situations.	\$30 million	\$50 million	The program was developed as a pilot plan with 4 cases during 2021 with a social investment of \$30 million and an additional social fund was contemplated to develop during 2022.	✓
			2. Support innovative solutions to solve urban and rural drinking water connection problems.	2 projects	1 projects	During 2021, progress was made in exploring technical and operational alternatives with the sub-directorate of rural sanitation services, additionally, the detailed engineering of an interconnection was developed and a new detailed engineering project began.	✓
		Contribute to projects of shared value and community benefit.	1. Implement at least one project to open company facilities for the benefit of the communities.	1 projects	1 projects	In the second half of 2021, a loan agreement was signed with the Villa Estación Neighborhood Council in San José de Maipo, for the development by the residents of a plaza in an area arranged by the company and adjacent to the plant of treatment of San José de Maipo. Along with this, an agreement was signed with the Neighborhood Council of Codigua, Melipilla and Cerro Negro in La Pintana, to generate green area projects for residents of the sector.	✓
			2. To contribute annually with resources to maintain a "Participative Pavement" fund.	0%	0%	Evaluation proposed until June 2022.	—

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# Statement of Responsibility

The directors of Aguas Andinas SA and the general manager signing this declaration are responsible, under oath, for the veracity of the information provided in this Integrated Report, a document that considers the contents of the Annual Report, in accordance with the provisions of the General Regulation No. 30 of the Commission for the Financial Market.

**Felipe Larraín Aspillaga**  
Chairman  
RUT 6,922,002-9

**Gustavo Migue**  
Director  
RUT 27,844,865-7

**Fernando Samaniego Sangroniz**  
Director  
RUT 6,374,438-7

**María Florencia Esquerre Riquelme**  
Director  
RUT 16,239,812-1

**Giorgianna Cúneo Queirolo**  
Director  
Rut: 9,667,948-3

**Rodrigo Manubens Moltedo**  
Independent Director  
RUT 6,575,050-3

**Jaime Arellano Quintana**  
Director  
RUT 6,941,061-8

**Marta Colet Gonzalo**  
Chief Executive Officer  
RUT 22,390,117-4

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<b>205</b>	Aguas Cordillera S.A. and Subsidiaries.
<b>218</b>	Aguas del Maipo S.A.
<b>228</b>	Análisis Ambientales S.A.
<b>239</b>	Ecoriles S.A.
<b>249</b>	Hidrogística S.A.





# Aguas Andinas S.A. and Subsidiaries

## General Background

**Name:** Aguas Andinas S.A.  
**Entity type :** Open joint stock company  
**Legal address:** Presidente Balmaceda Avenue No 1398, Santiago Chile  
**Phone:** (56-2) 569 2500  
**Fax:** (56-2) 569 2777  
**Unique tax role (id number) :** 61.808.000-5  
**Postal code :** 1537 Santiago  
**Turn :** Capture, purification, distribution of drinking water and disposal of wastewater.  
**Subscribed and paid capital :** ThCh\$155,567,354  
**External auditors:** Ernst & Young  
**(id number):** 61.808.000-5

## Legal Constitution of the Company

Aguas Andinas SA was incorporated as a corporation by public deed on May 31th, 1989 in Santiago, before the Notary Public Mr. Raúl Undurraga Laso. An extract of the statutes was published in the Official Gazette on June 10th, 1989, being registered in the Commercial Registry on page 13,891, No 7,040 of the year 1989 of the Real Estate Registrar of Santiago.

### Legal aspects.

The Company is registered in the Securities Registry of the Superintendency of Securities and Insurance (hereinafter "Financial Market Commission") under No. 0346 by provision of Law No. 18,777. As a company in the sanitation sector, it is supervised by the Superintendence of Sanitation Services, in accordance with Law No. 18,902 and Law Decrees No. 382 and No. 70, both from 1988.

### Social object

The Company's corporate purpose is the provision of sanitation services that includes the construction and exploitation of public services intended to produce and distribute drinking water and collect and dispose of sewage, within the concession area distributed in Santiago, peripheral towns.

In order to provide a comprehensive service to customers, the Company has non-sanitation subsidiaries providing diversified services such as industrial waste treatment, material marketing and technical analysis.

## Directory

**President :** Felipe Larrain Aspillaga  
**Regular directors:** Fernando Samaniego Sangroniz  
Gustavo Miques Tabernaberry  
Maria Florencia Esquerre Riquelme  
Giorgianna Cuneo Queirolo  
Rodrigo Manubens Moltedo  
Jaime Arellano Quintana  
**CEO :** Martha Colet Gonzalo

**Parent participation percentage:** 50.10234% direct

### Proportion that represents the investment in the parent company's assets.

The investment in the company represents the proportion of 52.31%

### Commercial relationship with the parent company and subsidiaries of the parent company

During the business year ended December 31th, 2022, the Company maintained interconnection contracts for potable water and wastewater, leases, purchases, and sales of materials with its parent company, which are paid within a maximum period of 30 days. In the future it is expected to maintain similar commercial relations.

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Note 1- general information

Aguas Andinas SA (hereinafter the “Company”) and its Subsidiaries are part of the Aguas Andinas Group (hereinafter the “Group”). Its legal domicile is Avenida Presidente Balmaceda No. 1398, Santiago, Chile and its Unique Tax ID is 61.808.000-5.

Aguas Andinas SA was incorporated as a public limited company by public deed on May 31st, 1989 in Santiago, before the Notary Public Mr. Raúl Undurraga Laso. An extract of the statutes was published in the Official Gazette on June 10th, 1989, being registered in the Commercial Registry on page 13,981, No. 7,040 of 1989 of the Santiago Real Estate Registrar.

The Company's corporate purpose, in accordance with the second article of its Bylaws, is the provision of sanitation services, which includes the construction and operation of public services intended to produce and distribute drinking water and collect and dispose of sewage. Its current concession area is distributed in Santiago and peripheral towns.

The Company is the parent of two sanitation companies in Santiago (Aguas Cordillera SA and Aguas Manquehue SA). In order to provide a comprehensive service within its line of business, the Company has Subsidiaries providing environmental services such as the treatment of liquid industrial waste (EcoRiles SA), laboratory analysis (Análisis Ambientales SA), logistics operator, commercialization of materials and other services related to the sanitation sector (Hidrogística SA) and carry out activities associated with water use rights and energy projects derived from facilities and assets of sanitation companies (Aguas del Maipo SA).

The Company is registered in the Securities Registry of the Financial Market Commission under No. 346. The subsidiaries Aguas Cordillera SA and Aguas Manquehue SA are registered in the Special Register of Reporting Entities of the Financial Market Commission under No. 170 and No. 2, respectively. As companies in the sanitation sector, they are regulated by the Superintendency of Sanitation Services, in accordance with Law No. 18,902 of 1989 and Decrees with Force of Law No. 382 and No. 70, both of 1988.

For the purposes of preparing the consolidated financial statements, a group is understood to exist when the parent company has one or more Subsidiary entities, these being those over which the parent company has control, either directly or indirectly. The accounting policies applied in preparing the Group's consolidated financial statements are detailed in Note 2.2.

The direct controlling entity is Inversiones Aguas Metropolitanas SA (“IAM”) with 50.10234% ownership, a public limited company that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda. (“IAGSA”) that is controlled by Veolia Inversiones Andina SA, its controller is Agbar SLU, an entity based in Spain and one of the largest operators of sanitation services worldwide, which in turn is controlled by Veolia Environnement SA (France).

Note 2- Basis of preparation and accounting policies

2.1 Basis of preparation

These consolidated financial statements correspond to the consolidated statements of financial position as of December 31th, 2022 and 2021 and the consolidated statements of comprehensive income, changes in equity and cash flows for the periods ended December 31th, 2022 and 2021, which have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter “IASB”), and represent the comprehensive, explicit and unreserved adoption of the aforementioned IFRS .

The Group complies with the legal conditions of the environment in which it carries out its operations, particularly the sanitation Subsidiaries with respect to the regulations of the sanitation sector. The companies of the Group present normal operating conditions in each area in which they carry out their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of the administration determines their ability to continue. as a going concern, as established by the accounting standards under which these consolidated financial statements are issued.

Functional and presentation currency

The financial statements of each of the Companies that make up the Group are presented in the currency of the main economic environment in which said Companies operate (functional currency). For the purposes of the consolidated financial statements, the results and financial position of each Group Company are expressed in Chilean pesos (rounded to thousands of pesos), which is the functional currency of the Company and its Subsidiaries, and the presentation currency for the consolidated financial statements.

New accounting pronouncements

The standards and interpretations, as well as the improvements and modifications to IFRS, that have been issued, effective as of the date of these financial statements, are detailed below. The Company has applied these standards concluding that they did not significantly affect the financial statements.

Amendments	Mandatory application date
IFRS 3 Reference to the Conceptual Framework	January 1st, 2022
IAS 16 Property, plant and equipment: receipts before intended use	January 1st, 2022
IAS 37 Onerous contracts – cost of fulfilling a contract	January 1st, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual improvements to the standards 2018-2020	January 1st, 2022

The standards and interpretations, as well as the improvements and modifications to IFRS, that have been issued, but have not yet entered into force as of the date of these financial statements, are detailed below. The Company has not applied these standards in advance.

Standards and interpretations	Mandatory application date
IFRS 17 Insurance contracts	January 1st, 2023

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Amendments	Mandatory application date
IAS 1 Disclosure of accounting policies	January 1rst, 2023
IAS 8 Definition of accounting estimates	January 1rst, 2023
IAS 12 Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction	January 1rst, 2023
IAS 1 Classification of liabilities as current or non-current	January 1rst, 2024
IFRS 16 Lease liabilities related to sales with leaseback	January 1rst, 2024
IFRS 10 and IAS 28 Consolidated Financial Statements – sale or contribution of assets between an investor and its associate or joint venture	To be defined

The Company's Management estimates that the adoption of the Standards, Amendments and Interpretations, described above and that could apply to Aguas Andinas SA and Subsidiaries, are in the process of evaluation and it is estimated that to date they would not have a significant impact on the consolidated financial statements of the Group in the year of its first application.

The Administration is periodically evaluating these implications. Responsibility for the information and estimates made.

The information contained in these consolidated financial statements is the responsibility of the Company's Board of Directors, which declares that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors, in a session dated March 22nd, 2023, approved these consolidated financial statements.

The consolidated financial statements of Aguas Andinas SA and Subsidiaries for the year 2021 were approved by its Board of Directors in a meeting held on February 14th, 2022.

In preparing the consolidated financial statements, estimates have been used such as:

- Land revaluation
- Useful life of property, plant and equipment, and intangibles
- Valuation of assets and goodwill purchased (goodwill or lower value of investments)
- Losses due to impairment of assets
- Assumptions used in the actuarial calculation of benefits for termination of contracts of employees
- Assumptions used to calculate the fair value of financial instruments
- Income from supplies pending billing a Provisions for commitments acquired with third parties

Risks derived from current litigation despite the fact that these estimates and judgments were made based on the best information available on the date of issuance of these consolidated financial statements, it is possible that events that may occur in the future, such as what happened in this period with respect to the Covid-19, make it necessary to modify them (upwards or downwards) in future periods, which would be recorded prospectively, when the variation is known, recognizing the effects of said changes in the corresponding future consolidated financial statements.

## 2.2 Accounting policies

The main accounting policies adopted in the preparation of these consolidated financial statements are described below.

### A. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (its Subsidiaries). Subsidiaries are those entities over which the Group has the power to direct the relevant activities, has the right to variable returns from its participation and the ability to use that power to influence the amounts of investor returns. Subsidiaries are consolidated from the date control is transferred to the Group and are excluded from consolidation on the date control ceases.

In the consolidation process, all transactions, balances, losses and gains between Group entities are eliminated.

The Company and its Subsidiaries present uniformity in the policies used by the Group. The Subsidiaries included in the consolidated financial statements of Aguas Andinas SA are the following:

Id number	Company Name	Direct	Indirect	Full 2022	Direct	Indirect	Total 2021
		%	%	%	%	%	%
96,809,310-K	Aguas Cordillera S.A.	99.99003	-	99.99003	99.99003	-	99.99003
89,221,000-4	Aguas Manquehue S.A.	0.00043	99.99957	100	0.00043	99.99957	100.00000
96,945,210-3	EcoRiles S.A.	99.03846	0.96154	100	99.03846	0.96154	100.00000
96,828,120-8	Hidrogistica S.A.	97.84783	2.15217	100	97.84783	2.15217	100.00000
96,967,550-1	Análisis Ambientales S.A.	99	1	100	99	1	100.00000
76,190,084-6	Aguas del Maipo S.A.	82.64996	17.35004	100	82.64996	17.35004	100.00000

(\*) On October 13th, 2020, Aguas Andinas completed the sale of its direct and indirect interest (through Iberaguas Ltda.)

### B. Operating segments

IFRS 8 establishes the standards for reporting regarding operating segments and disclosures related to products and services. Operating segments are defined as components of an entity for which there is separate financial information, which is regularly reviewed by Management for decision-making on the resources that should be allocated to the segments and to evaluate their performance.

The Group manages and measures the performance of its operations by business segment. Internally reported operating segments are as follows:

- Operations related to the sanitationbusiness (Water).
- Operations not related to the sanitation business (Non-Water).

### C. Intangible assets other than goodwill

The Company recognizes an identifiable intangible asset when it can demonstrate that it is probable that the future economic benefits attributed to it will flow to the entity and the cost can be measured reliably.

#### i. Separately acquired intangible assets:

Intangible assets acquired separately are stated at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and the amortization method are reviewed at the close of each statement of position, accounting for the effect of any change in the estimate prospectively.

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**ii. Amortization method for intangibles:**

Intangibles with a defined useful life

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

**Software**

The estimated useful life for the software is 4 years. For those other assets with a defined useful life, the useful life period in which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

Intangibles with an indefinite useful life

Intangibles with an indefinite useful life correspond mainly to water rights and easements, which were obtained indefinitely, as established in the acquisition contracts and the rights obtained from the General Directorate of Water, under the Ministry of Public Works.

**Determination of useful life**

The factors that must be considered for the estimation of the useful life are, among others, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (obsolescence of products, changes in demand).
- Expected reactions from current or potential competitors.
- Natural, climatic factors and technological changes that affect the ability to generate benefits. The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

**D. Goodwill**

The goodwill (lesser value of investments or goodwill) generated in the business combination represents the excess of the acquisition cost over the Group's participation in the fair value of the assets and liabilities, including the identifiable contingent liabilities of a Subsidiary Company in the acquisition date.

The valuation of the assets and liabilities acquired is made provisionally on the date of takeover of the Company, reviewing it within a maximum period of one year from the date of acquisition. Until the fair value of the assets and liabilities is definitively determined, the excess between the acquisition price and the book value of the acquired Company is provisionally recorded as capital gain.

In the event that the final determination of the goodwill is made in the financial statements of the year following the acquisition of the participation, the items of the previous year that are presented for comparative purposes are modified to incorporate the value of the assets and liabilities acquired and of the definitive capital gain from the date of acquisition of the participation.

The goodwill that was generated prior to the date of our transition to IFRS, that is, January 1, 2008, is maintained for the net value recorded on that date, while the goodwill originated after is recorded using the acquisition method. .

**E. Property, plant and equipment**

The Company uses the cost method for the valuation of Property, Plant and Equipment, with the exception of land where the revaluation method is used. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Land revaluations are carried out regularly enough to ensure that the book value of the revalued asset does not differ significantly from fair value.

The revaluation surplus, net of the corresponding deferred taxes, is recognized in other comprehensive income within equity. However, in the event that a revaluation deficit of the same asset previously recognized as a loss is reversed, said increase is recognized in the income statement. A decrease in value is recorded in the income statement, except in the case that this decrease cancels out the existing surplus in the same asset that would have been recognized in adjustments for changes in value.

Subsequent costs are included in the initial asset value or recognized as a separate asset only when it is probable that future economic benefits associated with the fixed asset item will flow to the Group and the cost of the item can be reliably determined. . The value of the replaced component is derecognized. The rest of the repairs and maintenance are charged to the result of the period in which they are incurred.

**Depreciation method and estimated useful life for property, plant and equipment:**

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method throughout its technical useful life, which is based on studies prepared by independent experts (specialist external companies). The residual value and the useful life of the assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset is greater than its estimated recoverable amount, its value is immediately reduced to its recoverable amount (Note 33).

Useful lives

The useful lives considered for the purpose of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as information arises that allow us to consider that the useful life of any asset has changed.

The allocation of the total useful life for the assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Means of operation of the equipment
3. Intensity of use
4. Legal, regulatory or contractual limitations.

The useful life range (in years) by type of Assets is as follows:

Item	Minimum useful life (years)	Maximum useful life (years)
Buildings	25	80
Plant and equipment	5	50
Information technology equipment	4	4
Fixed installations and accessories	5	80
Motor vehicles	7	10
Leasehold Improvements	5	5
Other property, plant and equipment	5	80

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**Cost estimation policy for decommissioning, removal or rehabilitation of property, plant and equipment:**

Due to the nature of the assets that are built in the Company and given that there are no contractual obligations or other constructive requirements such as those mentioned by the IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable to the date of these consolidated financial statements.

**Property, plant and equipment sales policy**

The result from the sale of property, plant and equipment is calculated by comparing the income obtained with the book value and is recorded in the Consolidated Comprehensive Income Statement.

**F. Impairment of tangible and intangible assets except goodwill**

On each closing date of the consolidated Statement of Financial Position, the Group reviews the book values of its tangible and intangible assets with a defined useful life to determine if there are any indicators that said assets have suffered an impairment loss. If such indicators exist, the recoverable value of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Group estimates the recoverable value of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are subjected to annual impairment tests and when there are indicators that the asset could have suffered an impairment in value, before the end of said period.

The recoverable value is the greater of the fair value less costs to sell and the value in use. For the estimation of the value in use, the estimated future cash flows are discounted at their present value using a pre-tax discount rate that reflects both the current market conditions of the value of money over time, as well as the specific associated risks to asset.

When it is estimated that the recoverable value of an asset (or cash-generating unit) is less than its book value, the book value of that asset (or cash-generating unit) is adjusted to its recoverable value, immediately recognizing a loss for deterioration. When an impairment loss is reversed, the book value of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable value, provided that the adjusted book value does not exceed the book value that would have been determined had it not been determined. would have recognized any impairment loss for the asset (or the cash-generating unit) in prior years.

**G. Leases**

The Group evaluates its lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is considered to exist if the customer has i) the right to obtain substantially all the economic benefits from the use of an identified asset; and ii) right to direct the use of the asset.

When the Group acts as lessee, at the beginning of the lease (ie, on the date the underlying asset is available for use) it records in the statement of financial position a right-of-use asset and a lease liability.

The Group initially recognizes the right-of-use asset at cost, adjusted for any new measurement of the lease liability, less accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset has been impaired, the same criteria detailed in Note 2.2.F are applied.

The lease liability is initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

After the commencement date, the lease liability is increased to reflect the accrual of interest and is reduced by the lease payments made. In addition, the book value of the liability is remeasured if there is a modification in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts to be paid). . Interest expense is recognized as a financial cost in the result of the period.

Short-term leases, equal to or less than one year, or lease of low-value assets are excepted from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis throughout the year lease term.

When the Group acts as lessor, it classifies at the beginning of the agreement whether the lease is operating or financial, based on the essence of the transaction. Leases in which substantially all the risks and rewards of ownership of the underlying asset are transferred are classified as finance leases. The rest of the leases are classified as operating leases.

**H. Financial assets**

The acquisitions and disposals of financial instruments are recognized on the trade date, that is, the date on which the Group commits to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value through profit or loss
- Financial assets at fair value through comprehensive income
- Financial assets at amortized cost

The classification depends on the nature and purpose of the financial assets and is determined at the time of their initial recognition.

Aguas Andinas SA and its Subsidiaries invest in low-risk instruments that meet the classification standards established in their investment policies. Thus, investment mutual funds must have an AAfm / M1 classification (Instalments with very high protection against loss, associated with credit risks / instalments with the lowest sensitivity to changes in economic conditions). The fixed-term deposits and agreements, contracted are instruments with classification N-1 (Instruments with the highest capacity to pay principal and interest in the agreed terms and terms).

The issuing institutions of these instruments correspond to banking companies or bank subsidiaries, with an N-1 risk classification and their instruments have a risk classification of at least AA (with a very high capacity to pay principal and interest under the terms and conditions agreed terms, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or the economy).

**i. Effective interest rate method**

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense throughout the corresponding period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable during the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

**ii. Fair value through other comprehensive income**

For the classification of an asset with fair value with effect on the other comprehensive income, the principle must be met the sale of financial assets for which it is expected to recover the principal amount in a determined term in addition to interest if applicable.

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iii. Financial assets at fair value through profit or loss

Financial assets are presented at fair value through profit or loss when the financial asset is held for trading or is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are valued at fair value and any resulting gain or loss is recognized in profit or loss. The net gain or loss recognized in results includes any dividend or interest received on the financial asset.

The Company and its Subsidiaries hold shares of Sociedad Eléctrica Puntilla SA, which have been valued at their fair value on the acquisition date, as established in IFRS 9. Their subsequent measurement is carried out at cost because there is no market assets, according to the provisions of the same regulation.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade debtors, loans and other accounts receivable are non-derivative financial assets which have fixed or determinable payments and are not quoted in an active market and are classified as loans and accounts receivable. Loans and receivables are valued at amortized cost using the effective interest rate method, less any impairment loss, except for short-term receivables where recognition of interest would be immaterial.

Comercial debts and other counts under charge

Commercial receivables correspond to the amounts billed for consumption of drinking water, sewerage services, sewage treatment and other services and to the income accrued for consumption made between the date of the last reading (according to the established monthly calendar) and the date of Closing of the Financial Statement. These are recorded at the net value of the estimate of bad debts or those with a low probability of collection.

The policy for commercial debtors is subject to the credit policy, which establishes the payment conditions, as well as the different scenarios to be agreed upon for delinquent customers.

Impairment policy for trade debtors and other accounts receivable

The Company periodically evaluates the value losses that affect its financial assets. The amount is recorded in the uncollectible provisions account. The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated statement of comprehensive income under “other expenses”. When an account receivable is uncollectible, it is recorded against the provision account for accounts receivable based on the expected credit loss model as established in IFRS 9.

The estimates are based on recovery statistics, which indicate that after the eighth month of unpaid billing, the possibility of collection is marginal, in other words, the probability of recovering an invoiced value is minimal.

In Aguas Andinas SA and its subsidiaries Aguas Cordillera SA and Aguas Manquehue SA, the debt of customers with more than 8 balances is provisioned at 100%.

Additionally, debts for consumption transformed into payment agreements are provisioned for 100% of the agreed balance.

Notes receivable with overdue debt are provisioned 100%.

I. Inventories

Materials, spare parts and supplies are valued at their acquisition cost, which does not exceed net realizable value. The costing method corresponds to the weighted average cost. An estimate of deterioration is made annually for those materials that are damaged, that are partially or totally obsolete, or that have not been rotated in the last twelve months and their market price has fallen by more than 20%.

J. Payment of dividends

The Company's dividend policy and as established in article 79 of Law 18,046 that governs Public Limited Companies, is to distribute at least 30% of the net profits of each year. In the event that these dividends do not exist or are less than the minimum established in the Law, the respective provision will be made.

K. Foreign currency transactions

Assets and liabilities in foreign currencies are presented at the respective exchange rates in force at the end of each year, according to the following parities:

Currency	31-12-22	31-12-21
	\$	\$
American dollar	855.86	844.69
Euro	915.95	955.64
JPY	6.52	7.33
AUD	583.01	612.23

Foreign currency transactions are converted to the functional currency using the exchange rates prevailing on the dates of the transactions. Gains and losses in foreign currency resulting from the settlement of these transactions and from the translation at the closing exchange rates of monetary assets and liabilities denominated in foreign currency, are recognized in the consolidated statement of comprehensive income. The assets and liabilities arising from financial derivative contracts are excepted from the above. The differences in the fair value of these hedging contracts are charged to equity.

Exchange differences are recorded in the results of the period in which they are accrued.

L. Financial liabilities

Loans, obligations to the public and similar are initially recorded at fair value, net of costs incurred in the transaction. Subsequently, they are valued at amortized cost, using the effective interest rate, except for those operations for which hedging contracts have been signed, which are valued according to the following section.

M. Derivative financial instruments and hedge accounting

The use of derivative financial instruments by Aguas Andinas SA and Subsidiaries is based on the Group's financial risk management policies, which establish the guidelines for their use.

Derivatives are recorded at their fair value on the date of the statement of financial position. In the case of financial derivatives, if their value is positive they are recorded under the caption “Other Financial Assets” and if it is negative under the caption “Other Financial Liabilities”.

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Changes in fair value are recorded directly in results, except in the case that a derivative has been designated as a hedging instrument and all the conditions established by IFRS to apply hedge accounting are met.

**The treatment of hedging operations with derivative instruments is as follows:**

Fair value coverages. Changes in the market value of derivative financial instruments designated as hedging instruments, as well as hedged items, are recorded with a charge or credit to the financial results of the respective income accounts.

**Hedges of cash flows and net investment in foreign currency.** Changes in the fair value of these derivative financial instruments are recorded for the part that is effective, directly in an equity reserve called "cash flow hedge", while the ineffective part is recorded in results. The amount recognized in equity is not transferred to the income statement until the results of the hedged operations are recorded therein, or until the maturity date of said operations.

In the event of discontinuation of the hedge, the cumulative gain or loss as of that date in equity is maintained until the underlying hedged transaction is performed. At that time, the accumulated loss or gain in equity will be reversed on the income statement, affecting said operation.

At the end of each fiscal year, financial instruments are presented at their fair value. In the case of derivatives not traded in formal markets, the Group uses assumptions based on market conditions on said date for their valuation.

**Effectiveness.** A hedge is considered highly effective when the changes in the fair value or in the cash flows of the underlying directly attributable to the hedged risk are offset by the changes in the fair value or in the cash flows of the hedging instrument with an effectiveness in a range from 80% to 125%.

**Embedded derivative.** The Group also assesses the existence of derivatives embedded in contracts and financial instruments to determine whether their characteristics and risks are closely related to the main contract, provided that the set is not being accounted for at fair value. If they are not closely related, they are recorded separately, accounting for changes in value directly in the consolidated income statement.

**N. Provisions and contingent liabilities**

Provisions are recognized when the Group has a present obligation that is a consequence of past events, and for which it is probable that the Group will use resources to settle the obligation and for which it can make a reasonable estimate of the amount of the obligation.

The quantification of the provisions is carried out taking into account the best information available on the event and its consequences, and is re-estimated at each accounting close. The established provisions are used to face the specific risks for which they were originally recognized, proceeding to their total or partial review, when said risks disappear or decrease.

Contingent liabilities are all those possible obligations arising as a consequence of past events, whose future materialization and associated patrimonial damage are estimated to be of low probability. In accordance with IFRS, the Group does not recognize any provision for these concepts, although, as required by the same standard, they are detailed, if any, in Note 18.

**O. Employee benefits**

The obligation for the indemnity for years of service, which is estimated to be accrued by the workers who retire in Aguas Andinas SA, Aguas Cordillera SA, and Aguas Manquehue SA, is recorded at actuarial value, determined with the projected credit unit method. Actuarial gains and losses on indemnities derived from changes in the estimates of turnover rates, mortality, salary increases or discount rate, are determined in accordance with the provisions of IAS 19 in other comprehensive income, directly affecting Equity, which is subsequently reclassified to retained earnings.

**Aguas Andinas SA**

The indemnity for years of service in Aguas Andinas S.A. is governed by what is indicated in the Labor Code, except for the amount of indemnity for all events accumulated as of July 31st, 2002 and the dismissal payment of 1.45 salaries, excluding voluntary resignation, without limit of amount or years, for workers who are part of the current collective contracts and to whom, through their individual work contract, the same benefit was extended. The amount for any event accumulated to that date is readjusted quarterly according to the variation of the consumer price index. Likewise, the aforementioned collective agreement establishes that workers who retire at Aguas Andinas SA, and make their retirement effective within a period of 120 days from the date they reach the legal retirement age, the Company's employees will be eligible for the benefit detailed in the collective bargaining agreement, and continue to accrue this benefit after July 2002.

**Aguas Cordillera SA and Aguas Manquehue SA**

The compensation for years of service in Aguas Cordillera SA, and Aguas Manquehue SA, is governed by what is indicated in the Labor Code, except the amount of compensation for any event accumulated as of December 31st, 2002 and the payment for dismissal of 1 salary without limit of amount or years, for workers who are part of current collective contracts and who, through their individual work contract, were extended the same benefit. The amount for any event accumulated to that date is readjusted quarterly according to the variation of the consumer price index. Likewise, the aforementioned collective agreements establish that workers who retire at Aguas Cordillera SA and Aguas Manquehue SA continue to accrue this benefit after December 2002.

For the other Subsidiaries there are no benefits of this nature.

**P. Share-based payment reserve**

In accordance with the provisions of IFRS 2, Aguas Andinas has recognized an expense (personnel costs) corresponding to the benefits granted by the former controller Suez Groupe SAS (France) to the employees of all the subsidiaries in the world, in the form of payments based on shares, in consideration for the services rendered, a benefit that was subscribed by the employees of Aguas Andinas and subsidiaries in Chile. These services are valued at the fair value of the awarded instruments and the effects are described in note 23 of the Financial Statements.

Share purchase plans implemented by former controller Suez Groupe SAS (France) for employees of subsidiaries around the world allow employees to subscribe for Company shares at below market price. The fair value of the instruments awarded under employee share purchase plans is estimated on the award date based on the value of this discount granted to employees and the non-transferability period applicable to the subscribed share. As it is treated as a service provided by the employees to each subsidiary, in accordance with IFRS 2, Aguas Andinas and national subsidiaries recognize the cost of the agreement as an expense for the year, which is offset by a credit to equity.

**Q. Income tax and deferred taxes**

The income tax expense corresponds to the sum of the income tax payable and the variation in deferred tax assets and liabilities.

The income tax payable is determined based on the tax result of the period. The Group's income tax payable is calculated using the tax rates that have been approved, or that are in the final process of approval, on the closing date of the statement of financial position.

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Deferred taxes are recognized on the basis of the differences between the book values of the assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of the tax result and are accounted for in accordance with the liability method based on the balance sheet. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that there will be future tax benefits with which such differences can be offset. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the lower of the value or initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect tax results or financial results.

The book value of deferred tax assets is reviewed at the date of each statement of financial position and is reduced to the extent that it is no longer probable that sufficient tax results are available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect in the period in which the liability is settled or the asset is realized, based on the tax rates that have been approved, or are practically completed the approval process, at the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would occur due to the manner in which the Group expects, at the reporting date, to recover or settle the book value of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and these are related to the same entity and tax authority.

**R. Ordinary income**

**Revenue Recognition Policy**

The Company determined its recognition and measurement of revenue from ordinary activities, based on the principle that revenue is recognized for an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle must be applied based on a five-step model:

- (1) identification of the contract with the client;
- (2) identification of contract performance obligations;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to performance obligations; and
- (5) revenue recognition when (or as) performance obligations are satisfied.

**Revenue recognition policy for sales of goods**

Ordinary income from the sale of goods is recognized once the risk and significant benefits derived from ownership of the goods have been transferred, the Company does not maintain any relationship with the good sold, the amount of income can be reliably measured, it is probable that the company receives the economic benefits associated with the sale and the costs incurred in the operation are also reliably measurable.

**Revenue recognition policy for sales of services**

Income from the sale of services is measured at fair value. Billings are made based on actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates, so revenue is recognized when it is transferred to the customer and recovery is considered probable, associated costs and possible discounts for erroneous charges can be reliably estimated.

The service area of the sanitation Societies is divided into billing groups, which determines dates for readings and subsequent billing. This process is developed based on a monthly calendar, which means that at the end of each month there are unread consumptions and, therefore, not invoiced.

For the billing groups that have the information on the consumption base actually read, the corresponding rate will be applied.

In those cases in which the Company does not have all the consumption readings, the best estimate of the income pending billing will be made, this is based on physical data from the previous month valued at the current rate, considering both cases (billing or estimate) normal rate or excess consumption as appropriate.

The transfer of risks and benefits vary according to the business of the company. For Sanitation Services companies, the provision of services and all their associated charges are made according to actual consumption and a monthly provision is made for consumption made and not billed based on previous billing. For the subsidiaries Análisis Ambientales SA, EcoRiles SA, Hidrogística SA and Aguas del Maipo SA, the billing and eventual provision is made based on work carried out.

**Method for determining the status of termination of services**

The provision of sanitation services is verified through the measurement of consumption, in accordance with the provisions of the associated legal regulations, as for non-sanitation Subsidiaries once the services have been completed and/or the respective reports have been issued.

Income from agreements with developers is recorded as ordinary income to the extent that certain conditions stipulated in each contract are met, which ensure that the associated economic benefit will flow to the Company.

**S. Earnings per share**

Basic earnings per share is calculated as the quotient between the profit (loss) attributable to the holders of equity instruments of the Parent Company and the weighted average number of common shares outstanding.

The Group has not carried out any type of operation with a potential dilutive effect that implies a diluted earnings per share different from the basic earnings per share.

**T. Information on the environment**

Assets of an environmental nature are considered to be those that are used in a lasting manner in the activity of the Company and Subsidiaries, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future contamination. of the operations of Aguas Andinas SA and Subsidiaries.

These assets are valued at acquisition cost. The Company and Subsidiaries amortize said items following the straight-line method, based on the estimated remaining useful life of the different items.

**U. Consolidated statements of cash flows**

The statement of cash flows includes the cash movements made during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

Cash and cash equivalents: they represent inflows and outflows of cash and equivalent financial assets, understanding these as short-term highly liquid investments and low risk of changes in value (term less than 3 months from the date of contracting and without restrictions).

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**Operation activities:** they represent typical activities of the normal operation of the business of the Company and its Subsidiaries, as well as other activities not classified as investment or financing.

**Investment activities:** represent acquisition, disposal or disposal activities by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financial activities:** represent activities that produce changes in the amount and composition of net worth and liabilities that are not part of ordinary activities.

**V. Capitalized financing costs**

**Interest-bearing loan policy:**

Loan costs that are directly attributable to the acquisition, construction or production of assets that meet the conditions for their qualification are capitalized, forming part of the cost of said assets.

Interest cost capitalization policy:

Interest paid or accrued from debts that finance qualified assets are capitalized, as stipulated in IAS 23. The aforementioned IAS 23 establishes that when the Entity acquires debt in order to finance investments, the interest on that debt must be reduced from the expense interest and incorporated into the financed construction work, up to the total amount of such interest, applying the respective rate to the disbursements made as of the date of presentation of the financial statements.

**W. Non-current assets held for sale or distribution to owners**

The company classifies as non-current assets (or group of assets for disposal) held for sale, property, plant and equipment, intangibles, investments in associates, joint ventures and groups subject to divestment (group of assets that will be disposed of 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 completed during the period of twelve months after that 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.

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 financial statements as follows:

Assets on a single line called "Non-current assets or groups of assets for disposal classified as held for sale." The liabilities that are part of a group of assets for disposal classified as held for sale, will be presented in the statement of financial position separately from the other liabilities, that is, in the caption "Liabilities included in groups of assets for disposal". disposition classified as held for sale. These assets and liabilities will not be offset, nor will they be presented as a single amount.

In the statement of comprehensive income, the item "Gain (loss) from discontinued operations" presents a single amount that comprises the total result after taxes from discontinued operations and the gain or loss after taxes recognized by the measurement at fair value less costs to sell, or by the disposal of the assets or groups for their disposal that constitute the discontinued operation.

**X. Reclassifications**

For the year ended December 31st, 2022, certain reclassifications have been made to facilitate their comparison as of December 31st, 2021, according to the following detail:

Reclassifications	Increase / (Decrease) ThCh\$
Statement of comprehensive income by nature:	
Impairment gains and reversal of impairment losses (Impairment losses) determined in accordance with IFRS 9 on financial assets	15,694,733
Other expenses, by nature	(15,694,733)

**Note 3. Trade debtors and other accounts receivable and rights receivable**

The composition of trade receivables (current and non-current) as of December 31st, 2022 and 2021 is as follows:

	31-12-2022	31-12-2021
	M\$	M\$
Gross exposure trade receivables	161,859,008	134,434,882
Gross exposure notes receivable	1,136,765	1,397,238
Gross exposure other accounts receivable	4,858,930	3,995,027
Trade debtors and other current accounts receivable, gross	167,854,703	139,827,147
Estimates for accounts receivable risks	(45,077,376)	(38,721,361)
Trade debtors and other current accounts receivable, net	122,777,327	101,105,786
Gross exposure notes receivable	-	244,711
Gross exposure other accounts receivable	3,138,563	3,454,722
Rights receivable, non-current	3,138,563	3,699,433
Estimates for accounts receivable risks	(322,275)	(261,186)
Non-current rights receivable, net	2,816,288	3,438,247
Net exposure, risk concentrations	125,593,615	104,544,033

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In accordance with the Group's policy, debts for consumption transformed into payment agreements are provisioned in full. see Note 2.2. Letter H numeral iv. Impairment policy for trade and other receivables.

The main variation as of December 31, 2022 is shown in the item trade debtors (increase of ThCh\$27,424,126. compared to December 31, 2021), mainly due to the following factors:

(a) During the period 2022, an increase in trade debt is observed with respect to December 2021, in the following segments:

- Unmatured Commercial Debt less than or equal to 8 months for an amount of ThCh\$9,914,692.
- Agreed commercial debt (payment agreements with customers) ThCh\$12,151,767

These increases are mainly explained by the economic impacts of the COVID-19 pandemic and the application of Law No. 21,249 (Basic Services Law). See more information in the table "Credit Risk Movement" in this Note.

b) Higher invoicing associated with higher average tariffs, as a result of tariff indexations by polynomial (impact of the high CPI for the 2022 period) and the start-up of new investment works (La Farfana/Trebal-Mapocho nitrogen plants and Aguas Cordillera security reservoirs).

As a result of the application of Law No. 21,423 (February 11, 2022) that regulates the apportionment and payment of debts generated during the covid-19 pandemic and establishes subsidies, it has been determined that the impacts or effects as of December 31, 2022 have not been significant and do not require disclosure, given the low rate of compliance with payments to maintain the subsidy. See more information in Note 3 Risk Management, Letter i).

There are no customers with sales representing 10% or more of its consolidated revenues, as well as no significant restrictions on accounts receivable that require disclosure for the periods ended December 31, 2022 and 2021.

Movement in the allowance for doubtful accounts is as follows:

Movement in accounts receivable credit risk	31-12-2022	31-12-2021
	M\$	M\$
Opening balance at 01-01-2021	(38,982,547)	(33,733,524)
Increase in existing provisions	(13,830,357)	(15,694,733)
Other	7,413,253	10,445,710
Changes, total	(6,417,104)	(5,249,023)
Closing balance	(45,399,651)	(38,982,547)

The composition by age of the gross debt is presented below:

Age of gross debt	31-12-2022	31-12-2021
	M\$	M\$
less than three months	116,222,951	92,203,405
between three and six months	5,658,916	5,915,502
six to eight months	3,149,878	3,040,229
more than eight months	45,961,521	42,367,444
Totals	170,993,266	143,526,580

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt by age is presented:

Gross overdue debt	31-12-2022	31-12-2021
	M\$	M\$
less than three months	18,017,601	11,597,059
between three and six months	3,417,121	4,413,631
six to eight months	1,581,266	2,109,673
Totals	23,015,988	18,120,363

Past due debt is comprised of all those amounts where the counterparty failed to make a payment when contractually due. In accordance with the Company's policy, customers with balances aged less than 9 months are not provisioned.

As of December 31, 2022 and 2021, the analysis of the gross exposure of current trade debtors and current and non-current notes receivable for the repurchased and non-repurchased portfolio is as follows:

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December 31st 2022						
Trade Accounts Receivable Segment	Non Refinanced Portfolio		Refinanced Portfolio		Total Gross Portfolio	
	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount
	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$
Up to date	28,590	8,598,199	-	-	28,590	8,598,199
Between 1 and 30 days	1,161,996	84,212,013	36,163	131,184	1,198,159	84,343,197
Between 31 and 60 days	235,812	12,609,353	10,770	393,752	246,582	13,003,105
Between 61 and 90 days	89,587	6,477,997	15,312	857,461	104,899	7,335,458
Between 91 and 120 days	28,180	1,838,119	6,991	483,559	35,171	2,321,678
Between 121 and 150 days	17,777	1,342,967	5,795	424,188	23,572	1,767,155
Between 151 and 180 days	11,848	1,056,877	5,273	513,205	17,121	1,570,082
Between 181 and 210 days	8,901	954,134	4,791	565,785	13,692	1,519,919
Between 211 and 250 days	6,365	828,738	5,338	801,219	11,703	1,629,959
More than 251 days	65,106	5,161,674	76,171	35,745,349	141,277	40,907,021
Totals	1,654,162	123,080,072	166,604	39,915,702	1,820,766	162,995,773

Portfolio stratification as of December 31, 2021 is as follows:

December 31st 2021						
Trade Accounts Receivable Segment	Non Refinanced Portfolio		Refinanced Portfolio		Total Gross Portfolio	
	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount
	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$
Between 1 and 30 days	999,309	70,738,665	167	25,328	999,476	70,763,993
Between 31 and 60 days	175,413	8,283,849	839	72,888	176,252	8,356,737
Between 61 and 90 days	58,336	3,519,455	1,559	97,312	59,895	3,616,767
Between 91 and 120 days	32,526	2,250,749	1,756	126,931	34,282	2,377,680
Between 121 and 150 days	22,024	1,723,405	1,755	154,617	23,779	1,878,022
Between 151 and 180 days	14,701	1,451,795	1,821	212,476	16,522	1,664,271
Between 181 and 210 days	10,997	1,236,023	1,658	228,788	12,655	1,464,811
Between 211 and 250 days	7,337	1,149,123	2,696	428,987	10,033	1,578,110
More than 251 days	53,374	5,816,022	57,585	33,363,040	110,959	39,179,062
Totals	1,389,528	101,366,464	69,836	34,710,367	1,459,364	136,076,831

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Delinquent receivables in court collection	NON-SECURITIZED PORTFOLIO			
	Not Refinanced Portfolio 31-12-2022		Not Refinanced Portfolio 31-12-2021	
	N° of Customers	Portfolio Amount	N° of Customers	Portfolio Amount
		ThCh\$		ThCh\$
Delinquent Documents receivable	469	339,772	395	292,091
Documents receivable in court collection	5	365,399	5	327,532
Totals	474	705,171	400	619,623

As of December 31, 2022 and 2021, the credit risk analysis is as follows:

December 31st 2022				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
(5,483,948)	(39,915,703)	(45,399,651)	7,413,380	-

December 31st 2021				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
(4,272,180)	(34,710,367)	(38,982,547)	10,404,331	-

## Note 4. Related entity disclosures

### Balances and transactions with related entities

Transactions between the Company and its subsidiaries are on an arm's length basis. These transactions have been eliminated in the consolidation process and are not disclosed in this note.

### Accounts receivable from related entities

Accounts receivable from related entities are originated in Chile, the currency of the transactions is in Chilean pesos, the maturities are 30 days and they are not guaranteed.

Rut of Related Party	Name of Related Party	Nature of the Relationship	Nature of related party transactions	Term	Guarantee	31-12-22	31-12-21
						ThCh\$	ThCh\$
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebala Ltda.	Related to Controller	Laboratory Analysis and Sampling Services	30 days	No Guarantee	-	7,588
77,441,870-9	Veolia Soluciones Ambientales Chile S.A.	Related to Controller	Laboratory Analysis and Sampling Services	30 days	No Guarantee	142	10,208
77,441,870-9	Veolia Soluciones Ambientales Chile S.A.	Related to Controller	Discharge of wastewater	30 days	No Guarantee	-	2,194
65,113,732-2	Corporación Chilena de Investigación del Agua SpA.	Related to Controller	Lease	30 days	No Guarantee	6,999	3,098
87,803,800-2	Veolia SU Chile	Related to Controller	Laboratory Analysis and Sampling Services	30 days	No Guarantee	1,279	-
87,803,800-2	Veolia SU Chile	Related to Controller	Income from excess load	30 days	No Guarantee	14,612	-
Totales						23,032	23,088

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Accounts payable to related entities

Accounts payable to related entities are originated in Chile, the currency of the transactions is in pesos.

Rut of Related Party	Name of Related Party	Nature of the Relationship	Nature of related party transactions	Term	Guarantee	"31-12-2022 ChTh\$	"31-12-2021 ChTh\$
77,441,870-9	Veolia Soluciones Medioambientales Chile S.A.	Related to the Controller	CCO 2,0 Operational Control Center Upgrade Project, maintenance and support.	30 days	Contract performance bond for an Amount of UF 4,017	709,355	119,187
76,746,454-1	Biofactoría Andina Spa.	Related to the Controller	Plan for upgrading La Farfana treatment plant to a biofactory	30 days	Contract performance bond for an Amount of UF 1,048,050"	-	3,575,539
76,746,454-1	Biofactoría Andina Spa.	Related to the Controller	Nitrogen removal and biofactory adaptation plan for the Mapocho-Trebal treatment plant.	30 days	Contract performance bond for an Amount of UF 1,048,050"	2,474,572	9,072,418
65,113,732-2	Corporación Chilena de Investigación del Agua SpA.	Related to the Controller	Studies and Consultancy	30 days	No Guarantee	59,609	498,580
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to the Controller	Purchase of materials	60 days	No Guarantee	669,493	9,127
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to the Controller	Virtual platform	30 days	No Guarantee	95,059	1,912
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to the Controller	Specialized customer service	30 days	No Guarantee	114,902	205,691
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to the Controller	Process reengineering and implementation of new information systems for customer service.	30 days	Contract performance bond for an Amount of ChTh\$ 845,149	-	163,727
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to the Controller	Operation of the Biogas La Farfana purification plant, control and monitoring of electric energy costs.	30 days	No Guarantee	196,748	134,567
96,817,230-1	EPSA Eléctrica Puntilla S.A.	Director in Common	Water purchase	30 days	No Guarantee	461,216	16,440
70,009,410-3	Asociación Canalistas Sociedad del Canal del Maipo	Director in Common	Purchase of water, electric power and interconnections.	30 days	No Guarantee	24,283	11,494
A85788073	Aquatec Proyectos para el sector del agua S.A.	Related to the Controller	Monitoring control of dams, water supply.	30 days	No Guarantee	10,249	10,297
A03466604	Logistium, Servicios Logísticos S.A.	Related to the Controller	Operational Supplies	30 days	No Guarantee	186,617	-
Totales						5,002,103	13,818,979

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Transactions with related entities

Transactions with related entities are originated in Chile, the currency of the transactions is in Chilean pesos.  
The materiality criterion for reporting transactions between related companies is amounts greater than ThCh\$75,000 accumulated.

Rut of related party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of transactions with related parties	Type of Currency	44926	44561	
						ThCh\$	ThCh\$	
						Amount	Amount	Effect on Income (Debit and Credit)
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to Controller	CL	Purchase of materials	CLP	2,291,041	112,425	(66,394
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to Controller	CL	Maintenance of Siebel virtual platform, Aquacis, consulting, evolutionary maintenance and Aquacis licenses.	CLP	1,344,590	2,349,086	(1,637,664
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to Controller	CL	Charge for termination of Mapocho-Trebal contract.	CLP	-	5,698,475	5,698,475
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to Controller	CL	Cost overruns for the Mapocho-Trebal Wastewater Treatment Plant Expansion Project.	CLP	-	5,069,909	-
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to Controller	CL	Digester Rehabilitation	CLP	-	(729,635	-
76,078,231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to Controller	CL	Operation and maintenance services for Biogas Plant.	CLP	102,337	242,697	(220,485
77,441,870-9	Suez Medioambiente Chile S.A.	Related to Controller	CL	"CCO 2.0 Operational Control Center Upgrade and Traced Gas Leak Detection"	CLP	4,056,303	2,671,726	(859,941
96,817,230-1	EPSA Eléctrica Puntilla S.A.	Director in Common	CL	Purchase of water and electric power	CLP	4,627,713	3,811,187	(3,202,678
76,746,454-1	Suez Biofactoría Andina spa.	Related to Controller	CL	Operation, maintenance and adaptation of the Biofactory treatment plant.	CLP	11,520,412	50,536,792	(20,553,578
76,746,454-1	Biofactoria Andina Spa.	Controller Related	CL	Termination of contract and other Nitrogen projects (*)	CLP	11,483,240	-	-
70,009,410-3	Asociación Canalistas Sociedad del Canal del Maipo	Common Director	CL	Purchase of water, electric power and canal administration.	CLP	6,868,550	2,270,974	(1,908,381
65,113,732-2	Corporación Chilena de Investigación del Agua	Controller Related	CL	Study on resilient urban water infrastructure management models resilient urban infrastructures in relation to hydrological and geological risks, sludge geological risks, sludge valorization.	CLP	337,394	753,781	(753,781
A85788073	Aquatec Proyectos para el sector del agua S.A.	Controller Related	CL	Control and monitoring of the operation of water supply dams in Santiago Embalse el Yeso, technical assistance and training.	CLP	138,135	-	-
A03466604	Logistium Servicios Logísticos S.A.	Controller Related	CL	Operating Supplies	CLP	1,343,176	-	-
77,274,820-5	Inversiones Aguas Metropolitanas S.A.	Controller	CL	Dividends paid	CLP	39,079,873	52,698,492	-

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Remuneration of Board and Board Committee

Remuneration paid to the directors of Aguas Andinas S.A. and Subsidiaries and Committee of Directors.

Wages paid	31-12-22	31-12-21
	ThCh\$	ThCh\$
Board of Directors	388,942	316,682
Directors' Committee	69,677	67,257
Totals	458,619	383,939

Correspond only to fees associated with their functions as defined and agreed at the Ordinary Shareholders' Meeting.

Detail of related entities and transactions with related entities between Directors and Executives.

The Management of the Company is not aware of the existence of transactions between related parties and directors and/or executives, other than their per diems and remuneration.

STATEMENTS OF FINANCIAL POSITION	2022	2021
ASSETS		
Current assets	324,838,124	283,854,689
Non-current assets	2,054,511,436	1,945,366,921
Total Assets	2,379,349,560	2,229,221,610
LIABILITIES		
Current liabilities	265,797,147	248,642,211
Non-current liabilities	1,274,661,314	1,138,031,686
Equity	838,861,526	842,520,215
Minority interest	29,573	27,498
Total Liabilities and Equity	2,379,349,560	2,229,221,610
Comprehensive income statement		
Ordinary income	575,465,445	506,459,633
Operating cost	(345,685,272)	(297,141,669)
Financial income	(131,755,492)	(76,943,650)
Other different from the operation	(15,352,190)	(12,064,894)
Income tax	2,578,383	(19,662,886)
Minority interest	2,140	2,005
Earnings attributable to owners of the controlling entity	85,248,734	100,644,529
Cash flow statement		
Cash flows provided by (used in) from operating activities	242,903,240	231,199,221
Cash flows provided by (used in) investing activities	(165,900,708)	(157,685,839)
Cash flows provided by (used in) financing activities	(61,180,505)	(84,945,654)
Net increase (decrease) in cash and cash equivalents	15,822,027	(11,432,272)
Cash and cash equivalents at beginning of period	163,513,314	174,945,586
Cash and cash equivalents at the end of the period	179,335,341	163,513,314
Statement of changes in equity		
Issued capital	155,567,354	155,567,354
Retained earnings (loss)	362,648,832	361,776,346
Share premiums	164,064,038	164,064,038
Other equity investments	(5,965,550)	(5,965,550)
Other reserves	162,546,852	167,078,027
Non-controlling interests	29,573	27,498
Total equity	838,891,099	842,547,713

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# Aguas Cordillera S.A. and Subsidiaries

## General Background

### General Background

<b>Name:</b>	Aguas Cordillera S.A.
<b>Type of entity:</b>	Open corporation
<b>Legal address:</b>	Avenida Presidente Balmaceda N° 1398, Santiago Chile
<b>Telephone:</b>	(56-2) 569 2500
<b>Fax:</b>	(56-2) 569 2509
<b>Taxpayer Identification Number (RUT):</b>	: 96.809.310-K
<b>P.O. Box:</b>	1818 Santiago- centro
<b>Business:</b>	Capture, purification, distribution of potable water and sewage disposal.
<b>Subscribed and paid-in capital:</b>	ThCh\$ 153.608.183
<b>External auditors:</b>	Ernst & Young
<b>Taxpayer Identification Number (RUT):</b>	77.802.430-6

### Corporate Purpose

The corporate purpose of the Company and its subsidiary Aguas Manquehue S. A., as established in article two of its bylaws, is the provision of sanitation services, which includes the construction and operation of public utilities to produce and distribute potable water and collect and dispose of sewage. Its current concession area is distributed in the districts of Vitacura, Las Condes, Lo Barnechea, Colina and Lampa.

### Incorporation Documents

The Company was incorporated on April 22, 1996, by public deed granted at the Santiago Notary Office of Mr. René Benavente Cash. An extract of the bylaws was registered in the Commercial Registry of the Santiago Real Estate Registry of that year, on page 14,143, No. 8,258 and ratified on page 11,059, No. 8,996, both of 1996, published in the Official Gazette on May 4, 1996, and ratified on May 9, 1996.

The Company is registered in the Special Registry of Reporting Entities of the Superintendency of Securities and Insurance under No. 170. As a sanitation sector company, it is supervised by the Superintendency of Sanitation Services, in accordance with Law No. 18,902 and DFL No. 382 and No. 70, both of 1988.

## Board of Directors

<b>Chairman:</b>	Marta Colet Gonzalo
<b>Directors:</b>	Eugenio Rodríguez Mingo Iván Yarur Sairafi Camilo Larraín Sánchez Daniel Tugues Andrés
<b>Secretary :</b>	Eugenio Rodriguez Mingo
<b>Percentage of parent company shareholding:</b>	99.99003% direct.
<b>Proportion represented by the investment in the assets of the parent company.</b>	The investment in the company represents the proportion of 15.83%.
<b>Business relationship with the parent company and subsidiaries of the parent company.</b>	During the fiscal year ended December 31, 2022, the Company maintained contracts for potable water and sewage interconnection, leases, purchase and sales of materials with its parent company, which are to be paid within a maximum term of 30 days. Similar commercial relationships are expected to be maintained in the future.

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## Note 1. General information

Aguas Cordillera S.A. (hereinafter the "Company") and its subsidiary are part of the Aguas Andinas Group (hereinafter the "Group"). Its legal domicile is Avenida Presidente Balmaceda N°1398, Santiago, Chile and its taxpayer's identification number is 96.809.310-K.

Aguas Cordillera S.A. was incorporated as a corporation opened by public deed on April 22, 1996 in Santiago, Chile, before the Notary Public Mr. Rene Benavente Cash. An extract of the bylaws was published in the Official Gazette on May 4, 1996 and ratified on May 9 of the same year, being registered in the Commercial Registry on page 14,143, No. 8,258 and ratified on page 11,059, No. 8,996, both of 1996, at the Santiago Real Estate Registry.

The corporate purpose of the Company and its subsidiary Aguas Manquehue S.A., as established in the second article of its bylaws, is the provision of sanitation services, which includes the construction and operation of public utilities to produce and distribute potable water and collect and dispose of sewage. Its current area of

The company's current concession area is distributed in the districts of Vitacura, Las Condes, Lo Barnechea, Colina and Lampa.

Aguas Cordillera S.A. and its subsidiary Aguas Manquehue S.A. are registered in the Special Registry of Reporting Entities of the Financial Market Commission under No. 170 and No. 2, respectively. As sanitation sector companies, they are supervised by the Superintendency of Sanitation Services, in accordance with Law No. 18,902 and Decrees with Force of Law No. 382 and No. 70, both of 1988.

For the purpose of preparing the consolidated financial statements, a group is understood to exist when the parent company has one or more subsidiaries over which the parent company has direct or indirect control. The accounting policies applied in the preparation of the Group's consolidated financial statements are detailed in Note 2.2.

The direct controlling entity is Inversiones Aguas Metropolitanas S.A. ("IAM") with a 50.10234% ownership, a corporation that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda. ("IAGSA") which is controlled by Veolia Inversiones Andina S.A., its parent company is Agbar S.L.U., an entity based in Spain and one of the largest operators of sanitation services worldwide, which in turn is controlled by Veolia Environnement S.A. (France).

## Note 2. Basis of preparation and accounting policies

### 2.1 Basis of preparation

These consolidated financial statements correspond to the statement of financial position as of December 31, 2021 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the full, explicit and unreserved adoption of the aforementioned IFRS.

The Group complies with the legal conditions of the environment in which it operates, particularly with regard to the regulations of the sanitation sector. Aguas Cordillera and its subsidiary present normal operating conditions in each area in which they develop their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of its management determines their ability to continue as an operating company, as established by the accounting standards under which these consolidated financial statements are issued.

### Functional and presentation currency

The financial statements of the Company and its Subsidiary are presented in the currency of the primary economic environment in which these companies operate (functional currency). For purposes of the consolidated financial statements, the results and financial position of each Group Company are expressed in Chilean pesos (rounded in thousands of pesos), which is the functional currency of the Company and its Subsidiary, and the presentation currency for the consolidated financial statements.

### New accounting pronouncements

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued, effective as of the date of these financial statements, are detailed below. The Company has applied these standards and concluded that they did not significantly affect the financial statements.

Ammendments	Date of mandatory application
IFRS 3 Reference to the Conceptual Framework	January 1st 2022
IAS 16 Property, plant and equipment: recoveries prior to intended use	January 1st 2022
IAS 37 Onerous contracts - cost of fulfilling a contract	January 1st 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to Standards 2018-2020	January 1st 2022

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued but are not yet in force at the date of these financial statements are detailed below. The Company has not adopted these standards in advance.

Regulations and interpretations	Date of mandatory application
IFRS 17 Insurance contracts	January 1st 2022

Ammendments	Date of mandatory application
IAS 1 Disclosure of Accounting Policies	January 1st 2023
IAS 8 Definition of accounting estimates	January 1st 2023
IAS 1 Classification of liabilities as current or non-current	January 1st 2024
IAS 12 Deferred Taxes related to assets and liabilities arising from a single transaction	January 1st 2023
IFRS 16 Lease liabilities relating to sale and leaseback sales	January 1st 2024
IFRS 10 and IAS 28 Consolidated Financial Statements - sale or contribution of assets between an investor and its associate or joint venture	To be determined

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The Management of the Company considers that the adoption of the Standards, Amendments and Interpretations described above, which may apply to Aguas Cordillera S.A. and its Subsidiary, are currently being evaluated and it is estimated that they would not have a significant impact on the consolidated financial statements of the Company in the year of their first application. The Management is periodically evaluating these implications.

Responsibility for the information and estimates made. The information contained in these consolidated financial statements is the responsibility of the Board of Directors of the Company, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors, at its meeting held on March 20, 2023, approved these consolidated financial statements.

The consolidated financial statements of Aguas Cordillera S.A. and subsidiary for the year 2020 were approved by its Board of Directors at a meeting held on February 11, 2022.

In the preparation of the consolidated financial statements, estimates have been used, such as:

- Useful life of property, plant and equipment and intangible assets.
- Impairment losses on assets.
- Assumptions used in the actuarial calculation of employee termination benefits.
- Assumptions used in the calculation of the fair value of financial instruments.
- Income from supplies pending invoicing.
- Provisions for commitments acquired with third parties.
- Risks arising from current litigation.

Although these estimates and judgments were made on the basis of the best information available at the date of issuance of these consolidated financial statements, it is possible that events that may occur in the future, such as what happened in this period concerning Covid-19, may make it necessary to modify them (upward or downward) in future periods, which would be recorded prospectively, at the time the variation is known, recognizing the effects of such changes in the corresponding future consolidated financial statements.

## 2.2 Accounting policies

The main accounting policies adopted in the preparation of these consolidated financial statements are described below.

### A. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are those entities over which the Group has the power to direct the relevant activities, is entitled to variable returns from its shareholding and has the ability to use that power to influence the amounts of the investor's returns. Subsidiaries are consolidated from the date on which control is transferred to the Group and are excluded from consolidation on the date on which control ceases.

Control is transferred to the Group and is excluded from consolidation on the date on which control ceases.

In the consolidation process all transactions, balance sheets, earnings and losses between the Group's entities are eliminated.

The Company and its Subsidiaries have uniformity in the policies used.

The subsidiaries included in the consolidated financial statements of Aguas Cordillera S.A. are as follows:

R.U.T.	Name of Company	Direct	Indirect	Total 2022	Direct	Indirect	Total 2020
		%	%	%	%	%	%
89,221,000-4	Aguas Manquehue S.A.	99.99957	0.00000	99.99957	99.99957	0.00000	99.99957
96,945,219-8	EcoRiles S.A.	0.96154	0.00000	0.96154	0.96154	0.00000	0.96154
96,828,120-8	Hidrogistica S.A.	2.15217	0.00000	2.15217	2.15217	0.00000	2.15217
96,967,550-1	Análisis Ambientales S.A.	1.00000	0.00000	1.00000	1.00000	0.00000	1.00000
76,190,084-6	Aguas del Maipo S.A.	8.37904	8.97100	17.35004	8.37904	8.97100	17.35004

Aguas Cordillera S.A. consolidates only with Aguas Manquehue S.A., in the other companies it has a direct and/or indirect non-controlling interest.

### B. Intangible assets other than goodwill

The Company recognizes an identifiable intangible asset when it can demonstrate that it is probable that the future economic benefits attributed to the asset will flow to the entity and the cost can be measured reliably.

#### i. Separately acquired intangible assets:

Intangible assets acquired separately are stated at cost minus accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for prospectively.

#### ii. Amortization method for intangible assets:

##### Intangible assets with finite useful lives

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

##### Software

The estimated useful life for software is 4 years. For other assets with a defined useful life, the useful life over which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

##### Intangible assets with indefinite useful life

Intangible assets with indefinite useful lives correspond mainly to water rights and easements, which were obtained on an indefinite basis, as established in the acquisition contracts and rights obtained from the General Water Directorate of the Ministry of Public Works.

##### Determination of useful life

Factors to be considered in estimating useful life include, but are not limited to, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural factors, climate and technological changes that affect the ability to generate profits.

The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

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C. Property, plant and equipment

The Company uses the cost method for the valuation of Property, Plant and Equipment, except for land, which is valued using the revaluation method. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as a separate asset, only when it is probable that future economic benefits associated with the items of property, plant and equipment will flow to the Group and the cost of the item can be reliably determined. The value of the replaced component is derecognized for accounting purposes. All other repairs and maintenance are charged to income for the year in which they are incurred.

Depreciation method and estimated useful life for property, plant and equipment:

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method over their technical useful lives, which is based on studies prepared by independent experts (external specialist companies). The residual value and useful life of assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount (Note 27).

Useful lives

The useful lives considered for purposes of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as new information becomes available that allows considering that the useful life of an asset has been modified.

The allocation of the total useful life for assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Operating environment of the equipment.
3. Intensity of use.
4. Legal, regulatory or contractual limitations.

The range of useful life (in years) by type of assets is as follows:

Item	Service life (years) minimum	Service life (years) maximum
Buildings	25	80
Plant and equipment	5	50
Information technology equipment	4	4
Fixtures and fittings	5	80
Motor vehicles	7	10
Leasehold improvements	5	5
Other property, plant and equipment	5	80

Policy for estimating costs for dismantling, removal or rehabilitation of property, plant and equipment:

Due to the nature of the assets being constructed in the Company and given that there are no contractual obligations or other constructive requirement as mentioned by IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable at the date of these consolidated financial statements.

Policy for sales of property plant and equipment.

The income from the sale of property plant and equipment, are calculated by comparing the proceeds obtained with the carrying value and are recorded in the Consolidated Statement of Comprehensive Income.

D. Impairment of tangible and intangible assets except for goodwill

At each balance sheet date, the Company and its Subsidiary reviews the carrying amounts of its tangible and intangible assets with definite useful lives to determine whether there are indicators that such assets have suffered an impairment loss. If such indicators exist, the recoverable amount of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment and when there are indicators that the asset may be impaired before the end of that period.

The recoverable amount is the higher of fair value minus costs to sell and value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a before tax discount rate that reflects both the current market conditions of the time value of money, as well as the specific risks associated with the asset.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of that asset (or cash-generating unit) is adjusted to its recoverable amount by immediately recognizing an impairment loss in income. When an impairment loss is reversed, the carrying amount of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable amount, provided that the adjusted carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

E. Leases

Aguas Cordillera and its subsidiary evaluate their lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is deemed to exist if the customer has i) the right to obtain substantially all of the economic benefits from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Company and its Subsidiary act as lessee, at the inception of the lease (i.e. on the date the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The Company and its Subsidiary initially recognize the right-of-use asset at cost, adjusted by any remeasurement of the lease liability, minus accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset is impaired, the same criteria detailed in Note 2.D.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

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After the commencement date, the lease liability is increased to reflect the accrual of interest and reduced by lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts payable). Interest expense is recognized as a finance cost in profit or loss for the period.

Short-term leases, equal to or less than one year, or leases of low-value assets are exempt from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis over the term of the lease.

When the company acts as lessor, it classifies at the inception of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which substantially all the risks and rewards incidental to ownership of the underlying asset are transferred are classified as finance leases. All other leases are classified as operating leases.

F. Financial assets

Acquisitions and disposals of financial instruments are recognized on the trade date, i.e. the date on which the Company undertakes to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value with changes in income.
- Financial assets at fair value with changes in comprehensive income.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Aguas Cordillera S.A. and Subsidiary invest in low-risk securities that meet the classification standards established in its investment policies. Thus, mutual investment funds must have an AAfm / M1 rating (Shares with very high protection against loss, associated with credit risks / shares with the lowest sensitivity to changes in economic conditions).

The time deposits and covenants contracted are N-1 rated instruments (instruments with the highest capacity to pay principal and interest on the agreed terms and maturities).

The issuing institutions of these instruments correspond to banking companies or subsidiaries of banks with an N-1 risk rating and their instruments have a risk rating of at least AA (with a very high capacity to pay principal and interest on the agreed terms and maturities, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or in the economy).

i. Effective interest rate method

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense over the entire period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

ii. Fair value with changes in other comprehensive income

For the classification of an asset at fair value through other comprehensive income, the sale of financial assets for which the principal amount plus interest, if applicable, is expected to be recovered within a specified period of time must be complied with as a principle.

iii. Financial assets at fair value through profit or loss

Financial assets are presented at fair value through profit or loss when the financial asset is held for trading or is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value and any resulting gain or loss is recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest received on the financial asset.

The subsidiary Aguas Manquehue S.A. holds shares of Sociedad Eléctrica Puntilla S.A., which have been valued at fair value at the date of acquisition, as established in IFRS 9. They are subsequently measured at cost since there is no active market, according to the same standard.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade, loans and other receivables are non-derivative financial assets which have fixed or determinable payments and are not traded in an active market and are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest rate method, minus any impairment losses, except for short-term receivables where the recognition of interest would be immaterial.

Trade and other accounts receivable

Trade debtors correspond to amounts billed for potable water, sewage, sewage treatment and other services and to income accrued for consumption between the date of the last meter reading (according to the established monthly calendar) and the closing date of the Financial Statement. These are recorded net of the estimate of uncollectible accounts receivable or of low probability of collection.

The trade debtors policy is subject to the credit policy, which establishes the payment conditions, as well as the different scenarios to be agreed for delinquent customers.

Impairment policy for trade and other accounts receivable

The Company periodically evaluates impairment losses affecting its financial assets. The amount is recorded in the uncollectible provision account. The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated statement of comprehensive income within "other expenses". When a receivable is uncollectible, it is recorded against the provision account for accounts receivable based on the expected credit loss model as established in IFRS 9.

The estimates are based on recovery statistics, which indicate that after the eighth month of unpaid invoices, the possibility of collection is marginal, in other words, the probability of recovering an invoiced value is minimal.

In Aguas Cordillera S.A. and its subsidiary Aguas Manquehue S.A., the debt of customers with more than 8 payments is provisioned at 100%. Debts for consumption transformed into payment agreements are provisioned at 100% of the agreed balance.

Documents receivable with overdue debt are provisioned at 100%.

G. Inventories

Materials, spare parts and supplies are stated at acquisition cost, which does not exceed net realizable value. The costing method corresponds to the weighted average cost. Annually, an impairment estimate is made for those materials that are damaged, partially or totally obsolete, or had no turnover in the last twelve months and their market price has fallen by more than 20%.

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H. Dividend payment policy

The dividend policy of the Company, as ratified at the ordinary shareholders' meeting held on April 20, 2017, is to maintain as its dividend distribution policy the distribution of 50% of the net profits of the corresponding fiscal year, that is, 30% as a mandatory dividend and the remaining 20% as an additional dividend.

In addition to this and with the prior authorization of the Ordinary Shareholders' Meeting, the remaining 50% may be distributed as an additional dividend, provided that the current level of capitalization of the Company is maintained and that it is compatible with the investment policies.

I. Transactions in foreign currency

respective exchange rates prevailing at the end of each year, according to the following parities:

Currency	31-12-22	31-12-21
	\$	\$
US Dollar	855,86	844,69
Euro	915,95	955,64

Transactions in foreign currencies are translated into the functional currency using the exchange rates in effect at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Exchange differences are recorded in income for the period in which they accrue.

J. Financial liabilities

Loans and similar items are initially recorded at fair value, net of transaction costs incurred.

Subsequently, they are valued at amortized cost, using the effective interest rate, except for those transactions for which hedging contracts have been entered into, which are valued in accordance with the following paragraph.

K. Provisions and contingent liabilities

Provisions are recognized when Aguas Cordillera S.A. and Subsidiaries have a present obligation as a result of past events, for which it is probable that resources will be used to settle the obligation and for which a reasonable estimate of the amount of the obligation can be made.

Provisions are quantified on the basis of the best information available on the event and its consequences, and are re-estimated at each accounting closing. The provisions recorded are used to face the specific risks for which they were originally recognized, and are reviewed, in whole or in part, when such risks disappear or decrease.

Contingent liabilities are all those possible obligations arising from past events, whose future materialization and associated financial loss is estimated to be unlikely. In accordance with IFRS, Aguas Cordillera S.A. and Subsidiary do not recognize any provision for these items, although, as required by the same standard, they are detailed in Note 16.

L. Employee benefits

The obligation for severance indemnities estimated to accrue to employees retiring from Aguas Cordillera S.A. and Aguas Manquehue S.A. is recorded at actuarial value, determined using the projected unit credit method. Actuarial gains and losses on severance indemnities arising from changes in the estimates of turnover rates, mortality, salary increases or discount rate are determined in accordance with IAS 19 in other comprehensive income, directly affecting equity, which is subsequently reclassified to retained earnings.

The severance payment for years of service at Aguas Cordillera S.A. and Aguas Manquehue S.A. is governed by the provisions of the Labor Code, except for the amount of the severance payment accrued as of December 31, 2002 and the payment for dismissal of one salary without a cap on the amount or years, for employees who are part of the collective bargaining agreements in force and to whom, through their individual employment contract, the same benefit was extended.

The amount accrued at that date is adjusted quarterly according to the variation of the consumer price index. Also, the aforementioned collective bargaining agreements establish that employees retiring from Aguas Cordillera S.A. and Aguas Manquehue S.A. continue to accrue this benefit after December 2002.

Advances granted to personnel against these funds are presented net of current obligations. They will be charged to the final liquidation on an adjusted basis, in accordance with the provisions of the aforementioned agreements.

M. Share-based payments

In accordance with IFRS 2, Aguas Andinas has recognized an expense (personnel costs) corresponding to the benefits granted by the former controller Suez Groupe S.A.S. (France) to the employees of all subsidiaries worldwide, in the form of share-based payments, in consideration for services rendered, a benefit that was subscribed by the employees of Aguas Andinas and subsidiaries in Chile. These services are valued at the fair value of the instruments awarded and the effects are described in Note 20.

The share purchase plans implemented by Suez's parent company for employees of subsidiaries around the world allow employees to acquire Company shares at a price below the market price. The fair value of instruments awarded under employee stock purchase plans is estimated at the grant date based on the value of this discount granted to employees and the vesting period applicable to the share subscribed. As it is treated as a service provided by the employees to each subsidiary, in accordance with IFRS 2, Aguas Cordillera and its subsidiary recognize the cost of the agreement as an expense for the year, which is offset by a credit to other reserves in equity.

N. Income tax and deferred taxes

The income tax expense corresponds to the sum of income tax payable and the change in deferred tax assets and liabilities.

Income tax payable is determined based on the taxable income for the period. The income tax payable of Aguas Cordillera S.A. and Subsidiary is calculated using the tax rates that have been approved, or are in the last approval process, at the closing date of the statement of financial position.

Deferred taxes are recognized on the basis of the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable income and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such differences can be utilized. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or financial results.

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The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect for the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would result from the manner in which Aguas Cordillera S.A. and Subsidiaries expect, at the reporting date, to recover or settle the carrying amounts of their assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and they are related to the same entity and tax authority.

O. Ordinary income

Revenue recognition policy

The Company determined its revenue recognition and measurement based on the principle that revenue is recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle should be applied based on a five-step model:

- (1) identification of the contract with the customer;
- (2) identification of the performance obligations of the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations; and
- (5) recognition of revenue when (or as) the performance obligations are satisfied.

Revenue recognition policy for sales of goods

Revenue from sales of goods is recognized once the significant risk and rewards of ownership of the goods have been transferred, the Company does not retain any relationship with the goods sold, the amount of revenue can be measured reliably, it is probable that the Company will receive the economic benefits associated with the sale and the costs incurred in the transaction are also reliably measurable.

Revenue recognition policy for sales of services

Revenue from sale of services is measured at fair value. Billings are made on the basis of actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates, so that revenue is recognized when it is transferred to the customer and recovery is considered probable, the associated costs and possible discounts for erroneous collections can be estimated reliably.

The service area of the sanitation companies is divided into billing groups, which determines dates for meter readings and subsequent billing. This process is developed based on a monthly calendar, which generates that at the end of each month there are consumptions not measured and, therefore, not billed.

For billing groups that have information on the basis of consumption actually measured, the corresponding tariff will be applied.

In those cases in which the Company and its Subsidiary do not have all the consumption measured, the best estimate of those revenues pending billing will be made, that is, based on the physical data of the previous month valued at the current rate, considering in both cases (billing or estimate) the normal rate or overconsumption, as appropriate.

The transfer of risks and benefits varies according to the line of business of the company. For sanitation services companies, the provision of services and all associated charges are made according to actual consumption and a monthly provision is made for consumption and not billed based on previous billing.

Method for determining service termination status

The provision of sanitation services is verified through the measurement of consumption, in accordance with the provisions of the associated legal regulations.

Revenues from agreements with developers are recorded as ordinary revenues to the extent that certain conditions stipulated in each contract are met, which ensure that the associated economic benefit will flow to the Company.

P. Environmental information

Assets of an environmental nature are considered to be those that are used on a lasting basis in the activity of the Company and Subsidiary, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future pollution from the operations of Aguas Cordillera S.A. and its Subsidiary.

These assets are valued, as any other asset, at acquisition cost. The Company and Subsidiary amortize these items on a straight-line basis over the estimated remaining useful lives of the various items.

Q. Consolidated cash flow statements

The cash flow statement includes cash movements during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

**Cash and cash equivalents:** represent inflows and outflows of cash and equivalent financial assets, meaning short-term investments of high liquidity and low risk of variations in their value (term of less than 3 months from the date of contracting and without restrictions).

**Operating activities:** represent activities typical of the normal operation of the business of the Company and its Subsidiary, as well as other activities not classified as investing or financing activities.

**Investing activities:** represent activities of acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financing activities:** represent activities that produce changes in the amount and composition of shareholders' equity and liabilities that are not part of ordinary activities.

R. Construction contracts

For construction contracts, the Company and its Subsidiary use the "Percentage of realization method" for the recognition of revenues and expenses related to a contract in progress. Under this method, revenues derived from the contract are compared to the contract costs incurred at the stage of completion, thereby disclosing the amount of revenues, expenses and earnings that can be attributed to the executed portion of the contract.

Contract costs are recognized when incurred. When the outcome of a construction contract can be reliably estimated and it is probable that the contract will be profitable, contract revenue is recognized over the contract period. When it is probable that total contract costs will exceed total contract revenues, the estimated loss is recognized immediately as an expense for the year. When the outcome of a construction contract cannot be estimated with sufficient reliability, contract revenue is recognized only to the extent of contract costs incurred that it is probable will be recovered.

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Aguas Cordillera S.A. and Subsidiary present as an asset the gross amount owed by customers for work on all contracts in progress for which the costs incurred plus recognized profits less recognized losses) exceed the partial billing. Partial billings not paid by customers and retentions are included in "Trade debtors and other receivables".

Aguas Cordillera S.A. and Subsidiary present as a liability the gross amount owed to customers for work on all contracts in progress for which partial billings exceed costs incurred plus recognized profits ( minus recognized losses).

**S. Capitalized financing costs**

**Interest-bearing loan policy:**

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that meet the conditions for qualification are capitalized, as part of the cost of such assets.

**Interest cost capitalization policy:**

Interest paid or accrued on debt financing qualifying assets is capitalized, as stipulated in IAS 23. IAS 23 establishes that when the Entity acquires debt for the purpose of financing investments, the interest on such debt must be deducted from financial expense and included in the financed construction work, up to the total amount of such interest, applying the respective rate to the disbursements made at the date of presentation of the financial statements.

**T. Non-current assets held for sale or to be distributed to owners**

The Company classifies as non-current assets (or group of assets for disposal) held for sale, property, plant and equipment, intangible assets, investments in associates, joint ventures and disposal groups (group of assets to be disposed of together with their directly associated liabilities), for which at the closing date of the statement of financial position, active efforts have been initiated for their sale, and it is estimated that it is highly probable that the transaction will be completed during the twelve-month period following such date.

Assets or groups subject to divestiture classified as held for sale are valued at the lower of their carrying amount or fair value less costs to sell, and cease to be amortized from the moment they acquire this classification. Non-current assets held for sale and components of disposal groups classified as held for sale or as held for distribution to owners are presented in the consolidated financial statements as follows:

Assets in a single line item called "Non-current assets or groups of assets for disposal classified as held for sale". Liabilities forming part of a group of assets for disposal classified as held for sale shall be presented in the statement of financial position separately from other liabilities, i.e. in the line item "Liabilities included in groups of assets for disposal classified as held for sale".

These assets and liabilities will not be offset, nor will they be presented as a single amount.

In the statement of comprehensive income, a single amount comprising the total after-tax result of discontinued operations and the after-tax gain or loss recognized on measurement at fair value less costs to sell, or on disposal of the assets or groups of assets for disposal that constitute a discontinued operation, is presented under "Gain (loss) from discontinued operations".

**U. Reclassifications**

Reclassifications	Increase/(Decrease) ThCh\$
Statement of comprehensive income by nature:	
Impairment gains and reversal of impairment losses determined according to IFRS 9 on financial assets	1,346,918
Other expenses, by nature	(1,346,918)

**Note 3. Trade and other receivables and rights receivable**

The composition of current and non-current trade receivables as of December 31, 2022 and December 31, 2021 is as follows:

Credit Risk	31-12-22	31-12-21
	ThCh\$	ThCh\$
Gross exposure on trade accounts receivable	17,936,943	16,678,998
Gross exposure on documents receivable	284,392	339,083
Gross exposure on other accounts receivable	421,120	748,440
Trade and other receivables, current, gross	18,642,455	17,766,521
Estimates for accounts receivable risk	(1,478,414)	( 2,034,300)
Trade and other accounts receivable current, net	17,164,041	15,732,221
Gross exposure other accounts receivable	2,326,586	1,978,308
Receivables, non-current	2,326,586	1,978,308
Estimates for risks on accounts receivable	(28,688)	( 7,606)
Receivables, non-current, net	2,297,898	1,970,702
Net exposure, risk concentrations	19,461,939	17,702,923

In accordance with the Group's policy, debts for consumption transformed into payment agreements are provisioned in full. see Note 2.2. Letter H numeral iv. Impairment policy for trade debtors and other accounts receivable.

The main variation as of December 31, 2022 is presented in the item trade receivables (increase of ThCh\$ 1,704,989 thousand, compared to December 31, 2021), mainly due to an increase in the active debt of customers with debt equal to or less than 8 outstanding balances foer an amount of ThCh\$ 1,397,884.

As a result of the application of Law No. 21,423 (February 11, 2022) which regulates the apportionment and payment of debts generated during the covid-19 pandemic and establishes subsidies, it has been determined that the impacts or effects as of December 31, 2022 have not been significant and do not require disclosure, given the low rate of compliance with payments to maintain the subsidy. See more information in Note 3 Risk Management, (Letter i).

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There are no customers with sales representing 10% or more of its consolidated revenues, as well as no significant restrictions on accounts receivable that require disclosure for the periods ended December 31, 2022 and December 31, 2021.

Movement in the estimation of uncollectible accounts receivable is as follows:

Movement of credit risk accounts receivable	31-12-22	31-12-21
	ThCh\$	ThCh\$
Initial balance	(2,041,906)	( 1,380,204)
Increase and decrease in existing provisions	101,863	( 1,346,918)
Decreases and other changes	432,941	685,216
Changes, Totals	534,804	( 661,702)
Final balance	(1,507,102)	( 2,041,906)

The composition by age of gross debt is presented below:

Age of gross debt	31-12-22	31-12-21
	ThCh\$	ThCh\$
less than three months	16,280,383	14,899,780
Between three and six months	963,497	683,446
Between six and eight months	289,207	303,558
more than eight months	3,435,954	3,858,045
Totals	20,969,041	19,744,829

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt by age is presented:

Gross overdue debt	31-12-22	31-12-21
	ThCh\$	ThCh\$
less than three months	2,593,431	1,001,442
Between three and six months	419,486	479,730
Between six and eight months	157,402	216,918
Totals	3,170,319	1,698,090

Past-due debt is comprised of all amounts for which the counterparty failed to make a payment when contractually due. In accordance with the policy of the Company, customers with balances less than 9 months old are not provisioned.

As of December 31, 2022 and December 31, 2021, the analysis of the gross exposure of current trade debtors, for the repurchased and non-repurchased portfolio, is as follows:

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount ThCh\$	Nº of customers	Gross amount ThCh\$	Nº of customers	Gross amount ThCh\$
To date	978	184,855	-	-	978	184,855
Between 1 and 30 days	102,436	13,518,771	281	15,029	102,717	13,533,800
Between 31 and 60 days	14,401	1,430,123	429	33,241	14,830	1,463,364
Between 61 and 90 days	5,950	592,040	840	85,729	6,790	677,769
Between 91 and 120 days	2,270	443,163	298	61,265	2,568	504,428
Between 121 and 150 days	1,417	229,340	274	29,604	1,691	258,944
Between 151 and 180 days	862	153,951	194	46,174	1,056	200,125
Between 181 and 210 days	641	111,691	207	50,039	848	161,730
Between 211 and 250 days	292	79,511	203	47,966	495	127,477
more than 251 days	4,896	136,310	2,921	972,533	7,817	1,108,843
Totals	134,143	16,879,755	5,647	1,341,580	139,790	18,221,335

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount ThCh\$	Nº of customers	Gross amount ThCh\$	Nº of customers	Gross amount ThCh\$
To date	394	73,195	-	-	394	73,195
Between 1 and 30 days	99,552	12,679,945	17	10,442	99,569	12,690,387
Between 31 and 60 days	11,764	937,784	47	13,590	11,811	951,374
Between 61 and 90 days	4,395	425,433	70	11,002	4,465	436,435
Between 91 and 120 days	2,652	266,954	77	10,498	2,729	277,452
Between 121 and 150 days	1,931	228,668	63	10,839	1,994	239,507
Between 151 and 180 days	1,453	151,692	86	14,733	1,539	166,425
Between 181 and 210 days	926	127,930	67	19,695	993	147,625
Between 211 and 250 days	745	134,877	89	21,054	834	155,931
more than 251 days	1,109	888,416	1,097	991,334	2,206	1,879,750
Totals	124,921	15,914,894	1,613	1,103,187	126,534	17,018,081

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As of December 31, 2022 and December 31, 2021, the analysis of protested notes receivable and notes receivable in judicial collection, of the non-securitized portfolio, is as follows:

Delinquent portfolio in court collection	NON-SECURITIZED PORTFOLIO			
	Not refinanced portfolio 12/31/2022		Not refinanced portfolio 12/31/2021	
	Nº of customers	Portfolio Amount ThCh\$	Nº of customers	Portfolio Amount ThCh\$
Delinquent notes receivable	71	38,443	395	292,091
Notes receivable in court collection	5	365,399	5	327,532
Totals	76	403,842	400	619,623

## Note 4. Related entity disclosures

### Balances and transactions with related entities

Transactions between the Company and its subsidiaries are based on market conditions. These transactions have been eliminated in the consolidation process and are not broken down in this note.

### Accounts receivable from related entities

Accounts receivable from related entities are originated in Chile, the currency of the transactions is in pesos, the maturities are 30 days and they are not guaranteed.

Rut related party	Name of related party	Nature of the relationship	Nature of Related Party Transactions	Terms	Guarantees	31-12-22	31-12-21
						ThCh\$	ThCh\$
61,808,000-5	Aguas Andinas S.A.	Controller	Collections, sale of materials, lease guarantees, contract for potable water and sewage interconnections without interest, short term loan in pesos	30 days	No Guarantees	211,929	61,432
61,808,000-5	Aguas Andinas S.A.	Controller	Lease Guarantee	30 days	No Guarantees	-	6,061
61,808,000-5	Aguas Andinas S.A.	Controller	Sale of Materials	30 days	No Guarantees	309	273
96,945,210-3	EcoRiles S.A.	Related to Controller	Dividend Provision	30 days	No Guarantees	-	6,337
96,967,550-1	Análisis Ambientales S.A.	Related to Controller	Dividend Provision	30 days	No Guarantees	7,416	3,183
96,967,550-1	Análisis Ambientales S.A.	Related to Controller	Dividend Provision	30 days	No Guarantees	4,199	3,699
65,113,732-2	Corporación Chilena de Investigación del Agua SpA.	Related to Controller	Lease Guarantee	30 days	No Guarantees	6,999	3,100
Totals						230,852	84,085

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Accounts payable to related entities

Accounts payable to related entities are originated in Chile, the currency of the transactions is in Chilean pesos.

Rut related party	Name of related party	Nature of the relationship	Nature of Related Party Transactions	Terms	Guarantees	31-12-22	31-12-21
						ThCh\$	ThCh\$
61,808,000-5	Aguas Andinas S.A.	Controller	Sewage interconnections, potable water interconnections, collections payable and real estate leases.	30 days	No guarantees	6,759,858	4,383,737
61,808,000-5	Aguas Andinas S.A.	Related to controller	Loans and interest payable	30 days	No guarantees	26,158,524	31,980,686
61,808,000-5	Aguas Andinas S.A.	Controller	Dividend payable to Aguas Andinas S.A.	30 days	No guarantees	6,438,146	6,033,506
96,828,120-8	Hidrogistica S.A..	Related to controller	Sale of materials	30 days	No guarantees	-	6,773
96,828,120-8	Hidrogistica S.A..	Related to controller	Logistical Operator	30 days	No guarantees	13,201	7,686
96,828,120-8	Hidrogistica S.A..	Related to controller	Trenchless Contract	30 days	No guarantees	235,778	-
96,945,210-3	Ecoriles S.A.	Related to controller	San Antonio Arsenic Plant	30 days	No guarantees	86,344	86,344
96,967,550-1	Análisis Ambientales S.A.	Related to controller	Laboratory analysis and sampling service	30 days	No guarantees	147,032	98,397
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to controller	Virtual platform	30 days	No guarantees	74,926	1,912
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to controller	Specialized customer service	30 days	No guarantees	-	1,452
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to controller	Process reengineering and implementation of new information systems for customer service.	30 days	Garantía fiel cumplimiento de contrato por M\$845.149	-	32,694
A85788073	Aquatec Proyectos para el sector del agua S.A.	Related to controller	Technical Assistance	30 days	No guarantees	10,248	-
A85788073	Aquatec Proyectos para el sector del agua S.A.	Related to controller	Water resources La Dehesa Dam	30 days	No guarantees	-	10,297
Totals						39,924,057	42,643,484

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Transactions with related entities

Transactions with related entities are originated in Chile, the currency of the transactions is in Chilean pesos.

Rut of related party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of transactions with related parties	Type of Currency	ThCh\$		ThCh\$	
						31-12-22		31-12-21	
						Amount	Effect on Income (Debit and Credit)	Amount	Effect on Income (Debit and Credit)
76,080,553-K	Veolia Advanced Solutions Chile Ltda.	Related to Controller	CL	Purchase of materials and maintenance of Siebel and Aquacis virtual platforms. Consulting, evolutionary maintenance and BOT service and support.	CL	265,204	(206,035)	161,612	(108,578)
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Potable water and wastewater interconnections		30,120,874	(23,179,186)	19,456,691	(16,350,160)
96,967,550-1	Análisis Ambientales S.A.	Related to Controller	CL	Laboratory analysis and sampling contract	CL	693,107	(589,897)	687,839	(569,229)
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Obtaining loans	CL	6,541,000	-	9,986,000	-
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Loan repayment	CL	(14,600,000)	-	(9,437,700)	-
96,945,210-3	Ecoriles S.A.	Related to Controller	CL	Dividend Collection	CL	19,231	-	19,231	-
96,967,550-1	Análisis Ambientales S.A.	Related to Controller	CL	Dividend Collection	CL	-	-	5,000	-

The materiality criterion for reporting transactions with related entities is for amounts exceeding ThCh\$100,000.

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STATEMENTS OF FINANCIAL POSITION	2022 ThCh\$	2021 ThCh\$
<b>ASSETS</b>		
Current assets	22,667,895	22,830,465
Non-current assets	434,065,600	419,823,368
<b>Total Assets</b>	<b>456,733,495</b>	<b>442,653,833</b>
<b>LIABILITIES</b>		
Current liabilities	79,548,322	78,550,772
Non-current liabilities	80,561,550	88,292,010
Equity	296,623,336	275,810,781
Minority interest	287	270
<b>Total Liabilities and Equity</b>	<b>456,733,495</b>	<b>442,653,833</b>
<b>Statement of Comprehensive Income</b>		
Income from ordinary activities	82,979,124	74,958,304
Cost of operations	(55,307,559)	(47,153,918)
Financial income (loss)	(8,604,871)	(8,604,871)
Other non-operating	(359,885)	(1,523,114)
Income tax	2,755,819	(2,720,176)
Minority interest	(17)	(18)
<b>Earnings attributable to owners of the controlling entity</b>	<b>21,462,611</b>	<b>20,113,674</b>

STATEMENTS OF FINANCIAL POSITION	2022 ThCh\$	2021 ThCh\$
<b>Statement of cash flows</b>		
Cash flows provided by (used in) operating activities	41,935,779	32,386,554
Cash flows provided by (used in) investing activities	(27,463,919)	(29,994,946)
Cash flows provided by (used in) financing activities	(15,083,794)	(2,383,148)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(611,934)</b>	<b>8,460</b>
Cash and cash equivalents at beginning of period	3,749,964	3,741,504
<b>Cash and cash equivalents at the end of the period</b>	<b>3,138,030</b>	<b>3,749,964</b>
<b>Statement of changes in shareholders' equity</b>		
Issued capital	153,608,183	153,608,183
Other equity investments	(61,060,426)	(61,060,426)
Retained earnings (loss)	149,864,579	129,031,620
Other reserves	54,211,000	54,231,404
Non-controlling interests	287	270
<b>Total equity</b>	<b>296,623,623</b>	<b>275,811,051</b>

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# Aguas del Maipo S.A.

## General Background

<b>Name:</b>	Aguas del Maipo S.A.
<b>Type of entity:</b>	Closed corporation, governed by the provisions of its bylaws and by the applicable legal provisions.
<b>Address:</b>	Avenida Presidente Balmaceda N° 1398, Santiago, Chile.
<b>Telephone number:</b>	(56-2) 569 21 18
<b>Tax ID:</b>	76.190.084-6
<b>Subscribed and paid-in capital:</b>	ThCh\$7.971.221
<b>External auditors:</b>	EY Chile
<b>Taxpayer Identification Number (RUT):</b>	77.802.430-6

### Corporate purpose

The purpose of the Company is to carry out all types of activities carried out with water exploitation rights, the development and exploitation of any energy project derived from the use and exploitation of facilities and natural assets of sanitation water companies, their products and/or by-products, including electric cogeneration, biogas generation and hydroelectricity.

### Incorporation Documents

Aguas del Maipo S.A. was incorporated on April 1, 2011, by public deed granted at the Santiago Notary Office of Mr. Iván Torrealba Acevedo, an extract of the bylaws was registered in the Commercial Registry of the Santiago Real Estate Registry of that year, on page 19364 No. 14746 of the Santiago Commercial Registry for the year 2011.

## Board of Directors

<b>Chairman:</b>	Marta Colet Gonzalo
<b>Directors:</b>	Eugenio Rodríguez Mingo Iván Yarur Sairafí
<b>Chief Executive Officer:</b>	Orlando Salgado Cespedes
<b>Percentage of parent company shareholding</b>	82,64996%
<b>Proportion represented by the investment in the Parent Company's assets:</b>	The investment in the company represents the proportion of 0.33%.

### Commercial relationship with Parent Company

During the business year ended December 31, 2021, the Company maintained contracts for the supply of biogas and leases with its Parent Company, which are in accordance with market conditions. Similar commercial relationships are expected to be maintained in the future.

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## Nota 1. General information

Aguas del Maipo S.A. (hereinafter the "Company") is a closed corporation. Its legal domicile is Avenida Presidente Balmaceda N° 1398, Santiago, Chile and its tax identification number is 76.190.084-6.

Aguas del Maipo S.A. was incorporated as a closed corporation by public deed on April 1, 2011 in Santiago, before the Notary Public Mr. Iván Torrealba Acevedo.

In June 2012, the Company's capital stock was increased by issuing 7,517,296 new paid-in shares. These shares were subscribed and paid by Aguas Andinas S.A., Aguas Cordillera S.A. and Aguas Manquehue S.A. through the contribution in domain to the Company of the shares of the open corporation called Eléctrica Puntilla S.A.

In August 2012, in an Extraordinary Shareholders' Meeting, the merger was agreed by incorporation of the company Gestión y Servicios Dos S.A., which contributed its total assets, liabilities and equity to Aguas del Maipo S.A., becoming the legal successor of the absorbed company.

The purpose of the Company is to carry out all types of activities related to water use rights, the development and exploitation of any energy project derived from the use and exploitation of facilities and natural assets of sanitation companies, their products and/or by-products, including electric cogeneration, biogas generation and hydroelectricity.

The direct holding company is Aguas Andinas S.A., whose direct controller is Inversiones Aguas Metropolitanas S.A. ("IAM") with a 50.10234% ownership interest, a corporation that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda, its parent company is Agbar S.L.U., an entity based in Spain and one of the largest sanitation services operators in the world, which in turn is controlled by Veolia Environnement S.A. (France).

## Note 2. Basis of preparation and accounting policies

### 2.1 Basis of preparation

These financial statements correspond to the statements of financial position as of December 31, 2022 and 2021 and the statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the full, explicit and unreserved adoption of the aforementioned IFRS.

The Company complies with the legal conditions of the environment in which it develops its operations, particularly the health subsidiaries with respect to the regulations of the health sector. The Group's companies present normal operating conditions in each area in which they develop their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of management determines their capacity to continue as an operating company, as established by the accounting standards under which these financial statements are issued.

### Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (functional currency). For financial statement purposes, the results and financial position are expressed in Chilean pesos (rounded in thousands of pesos), which is the functional currency and the presentation currency for the financial statements.

### New accounting pronouncements

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued, in force as of the date of these financial statements, are detailed below. The Company has applied these standards and concluded that they did not significantly affect the financial statements.

Amendments	Date of Mandatory Application
IFRS 3 Reference to the Conceptual Framework	January 1st 2022
IAS 16 Property, plant and equipment: recoveries before intended use	January 1st 2022
IAS 37 Onerous Contracts - Cost of Fulfilling a Contract	January 1st 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to Standards 2018-2020	January 1st 2022

The standards and interpretations, as well as improvements and amendments to IFRS, which have been issued, but are not yet in force at the date of these financial statements, are detailed below. The Company has not applied these standards in advance.

Standards and interpretations	Date of Mandatory Application
NIIF 17 Insurance Contracts	January 1st 2023

Amendments	Date of Mandatory Application
IAS 8 Definition of Accounting Estimates	January 1st 2023
IAS 1 Disclosure of Accounting Policies	January 1st 2023
IAS 12 Deferred Taxes related to assets and liabilities arising from a single transaction	January 1st 2023
IAS 1 Classification of liabilities as current or non-current	January 1st 2024
IFRS 16 Lease liabilities relating to sale and leaseback sales	January 1st 2024
IFRS 10 and IAS 28 Consolidated Financial Statements - sale or contribution of assets between an investor and an associate or joint venture	To be determined

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The Management of the Company believes that the adoption of the Standards, Amendments and Interpretations described above, which may apply to Aguas del Maipo S.A., are in the process of evaluation and it is estimated that, at the date of their first application, they would not have a significant impact on the financial statements in the year of their first application.

**Management is periodically evaluating these implications.**

Responsibility for the information and estimates made. The information contained in these financial statements is the responsibility of the Board of Directors of the Company, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors at its meeting held on March 20, 2023, approved these financial statements.

The financial statements of Aguas del Maipo S.A. for the year 2021 were approved by its Board of Directors at its meeting held on February 19, 2022.

Estimates have been used in the preparation of the financial statements, such as:

- Useful life of fixed and intangible assets.
- Impairment losses on assets.
- Revenues from services pending invoicing.
- Provisions for commitments acquired with third parties.

Although these estimates and judgments were made on the basis of the best information available at the date of issuance of the comparative financial statements, it is possible that events that may occur in the future, such as what happened in this period regarding Covid-19, may make it necessary to modify them (upward or downward) in future periods, which would be recorded prospectively at the time the variation is known, recognizing the effects of such changes in the corresponding future financial statements.

**2.2 Accounting policies**

The main accounting policies adopted in the preparation of these financial statements are described below.

**A. Intangible assets other than goodwill**

The Company recognizes an identifiable intangible asset when it can demonstrate that it is likely that the future economic benefits that have been attributed to the asset will flow to the entity and the cost can be measured reliably.

**i. Intangible assets acquired separately:**

Intangible assets acquired separately are stated at cost minus accrued amortization and accrued impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for prospectively.

**ii. Amortization method for intangible assets:**

**Intangible assets with finite useful lives**

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

**Software**

The estimated useful life for software is 4 years. For other assets with a defined useful life, the useful life over which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

**Intangible assets with indefinite useful life**

Intangible assets with indefinite useful lives correspond mainly to water rights and easements, which were obtained on an indefinite basis, as established in the acquisition contracts and rights obtained from the General Water Directorate of the Ministry of Public Works.

**Determination of useful life**

Factors to be considered in estimating useful life include, but are not limited to, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural factors, climate and technological changes that affect the ability to generate profits.

The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

**B. Property, plant and equipment**

The Company uses the cost method for the valuation of Property, Plant and Equipment. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as a separate asset only when it is probable that the

future economic benefits associated with the items of property, plant and equipment are likely to flow to the Company and the cost of the item be reliably determined. The value of the replaced component is derecognized for accounting purposes. All other repairs and maintenance are charged to income for the year in which they are incurred.

**Depreciation method and estimated useful life for property, plant and equipment:**

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method over their technical useful lives, which is based on studies prepared by independent experts (external specialist companies). The residual value and useful life of assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount.

**Useful lives**

The useful lives considered for purposes of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as new information becomes available that allows considering that the useful life of an asset has been modified.

The allocation of the total useful life for assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Operating environment of the equipment.
3. Intensity of use.
4. Legal, regulatory or contractual limitations.

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The range of useful life (in years) by type of assets is as follows:

Item	Service life (years) minimum	Service life (years) maximum
Buildings	25	25
Machinery	7	15
Sewage treatment plants	10	15
Other facilities	10	40

**Policy for estimating costs for dismantling, removal or rehabilitation of property, plant and equipment:**

Due to the nature of the assets being constructed in the Company and given that there are no contractual obligations or other constructive requirement as mentioned by IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable at the date of these consolidated financial statements.

**Policy for sales of property plant and equipment.**

The income from the sale of property plant and equipment, are calculated by comparing the proceeds obtained with the carrying value and are recorded in the Consolidated Statement of Comprehensive Income.

**C. Impairment of tangible and intangible assets except for goodwill**

At each balance sheet closing date, the Company and its Subsidiary reviews the carrying amounts of its tangible and intangible assets with definite useful lives to determine whether there are indicators that such assets have suffered an impairment loss. If such indicators exist, the recoverable amount of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment and when there are indicators that the asset may be impaired before the end of that period.

The recoverable amount is the higher of fair value minus costs to sell and value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a before tax discount rate that reflects both the current market conditions of the time value of money, as well as the specific risks associated with the asset.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of that asset (or cash-generating unit) is adjusted to its recoverable amount by immediately recognizing an impairment loss in income. When an impairment loss is reversed, the carrying amount of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable amount, provided that the adjusted carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**D. Arrendamientos**

The company evaluates lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is deemed to exist if the customer has i) the right to obtain substantially all of the economic benefits from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Company and its Subsidiary act as lessee, at the inception of the lease (i.e. on the date the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The company initially recognizes the right-of-use asset at cost, adjusted by any remeasurement of the lease liability, minus accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset is impaired, the same criteria detailed in Note 2.C.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

After the commencement date, the lease liability is increased to reflect the accrual of interest and reduced by lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts payable). Interest expense is recognized as a finance cost in profit or loss for the period.

Short-term leases, equal to or less than one year, or leases of low-value assets are exempt from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis over the term of the lease.

When the company acts as lessor, it classifies at the inception of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which substantially all the risks and rewards incidental to ownership of the underlying asset are transferred are classified as finance leases. All other leases are classified as operating leases.

**E. Financial assets**

Acquisitions and disposals of financial instruments are recognized on the trade date, i.e. the date on which the Company undertakes to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value with changes in income.
- Financial assets at fair value with changes in comprehensive income.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The company invests in low-risk securities that meet the classification standards established in its investment policies. Thus, mutual investment funds must have an AAfm / M1 rating (Shares with very high protection against loss, associated with credit risks / shares with the lowest sensitivity to changes in economic conditions).

The time deposits and covenants contracted are N-1 rated instruments (instruments with the highest capacity to pay principal and interest on the agreed terms and maturities).

The issuing institutions of these instruments correspond to banking companies or subsidiaries of banks with an N-1 risk rating and their instruments have a risk rating of at least AA (with a very high capacity to pay principal and interest on the agreed terms and maturities, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or in the economy).

**i. Effective interest rate method**

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense over the entire period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

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ii. Fair value with changes in other comprehensive income

For the classification of an asset at fair value through other comprehensive income, the sale of financial assets for which the principal amount plus interest, if applicable, is expected to be recovered within a specified period of time must be complied with as a principle.

iii. Financial assets at fair value with changes in income

Financial assets are presented at fair value through profit or loss when the financial asset is held for trading or is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value and any resulting gain or loss is recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest received on the financial asset.

Aguas del Maipo S.A. holds shares of Sociedad Eléctrica Puntilla S.A., which have been valued at fair value at the date of acquisition, as established in IFRS 9. They are subsequently measured at cost since there is no active market, according to the same standard.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade, loans and other receivables are non-derivative financial assets which have fixed or determinable payments and are not traded in an active market and are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest rate method, minus any impairment losses, except for short-term receivables where the recognition of interest would be immaterial.

Trade and other accounts receivable

Trade debtors correspond to amounts billed for potable water, sewage, sewage treatment and other services and to income accrued for consumption between the date of the last meter reading (according to the established monthly calendar) and the closing date of the Financial Statement. These are recorded net of the estimate of uncollectible accounts receivable or of low probability of collection.

The trade debtors policy is subject to the credit policy, which establishes the payment conditions, as well as the different scenarios to be agreed for delinquent customers.

Impairment policy for trade and other accounts receivable

The Company periodically evaluates impairment losses affecting its financial assets. The amount is recorded in the uncollectible provision account. The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated statement of comprehensive income within "other expenses". When a receivable is uncollectible, it is recorded against the provision account for accounts receivable based on the expected credit loss model as established in IFRS 9.

The estimates are based on the following historical situation: considering the recovery statistics, which indicate that after the fifth month of unpaid invoices, the possibility of collection is marginal, in other words, the probability of recovering an invoiced value is minimal.

F. Dividend payment policy

The Company's dividend policy, as established in Article 79 of Law 18,046, which governs corporations, is to distribute at least 30% of the net income of each year. In the event that these dividends do not exist or are lower than the minimum established in the Law, the respective provision will be made.

In addition to this, and with the prior authorization of the ordinary shareholders' meeting, the remaining 70% may be distributed as an additional dividend, provided that it is maintained at the current level of capitalization of the Company and is compatible with the investment policies of the Company.

G. Transactions in foreign currency

Assets and liabilities denominated in foreign currencies are presented at the respective exchange rates in effect at the end of each year, according to the following parities:

Currency	31-12-22	31-12-21
	\$	\$
US Dollar	855,86	844,69
Euro	915,95	955,64

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Exchange differences are recorded in income for the period in which they accrue.

H. Financial liabilities

Loans and similar items are initially recorded at fair value, net of transaction costs incurred.

Subsequently, they are valued at amortized cost, using the effective interest rate.

I. Provisions and contingent liabilities

Provisions are recognized when the company has a present obligation as a result of past events, for which it is probable that resources will be used to settle the obligation and for which a reasonable estimate of the amount of the obligation can be made.

Provisions are quantified on the basis of the best information available on the event and its consequences, and are re-estimated at each accounting closing. The provisions recorded are used to face the specific risks for which they were originally recognized, and are reviewed, in whole or in part, when such risks disappear or decrease.

Contingent liabilities are all those possible obligations arising from past events, whose future materialization and associated financial loss is estimated to be unlikely. In accordance with IFRS, the Company does not recognize any provision for these items, although, as required by the same standard, they are detailed if they exist.

J. Employee benefits

The Company has 2 employees, distributed in 1 manager and 1 professional.

Policies on defined benefit plans

The employees of Aguas del Maipo S.A. are governed by the rules established in Articles 159, 160 and 161 of the Labor Code.

K. Income tax and deferred taxes

The income tax expense corresponds to the sum of income tax payable and the change in deferred tax assets and liabilities.

Income tax payable is determined based on the taxable income for the period. The income tax payable of the Company is calculated using the tax rates that have been approved, or are in the last approval process, at the closing date of the statement of financial position.

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Deferred taxes are recognized on the basis of the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable income and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such differences can be utilized. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or financial results.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect for the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would result from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of their assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and they are related to the same entity and tax authority.

L. Ordinary income

Revenue recognition policy

The Company determined its revenue recognition and measurement based on the principle that revenue is recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle should be applied based on a five-step model:

- (1) identification of the contract with the customer;
- (2) identification of the performance obligations of the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations; and
- (5) recognition of revenue when (or as) the performance obligations are satisfied.

Revenue recognition policy for sales of goods

Revenue from sales of goods is recognized once the significant risk and rewards of ownership of the goods have been transferred, the Company does not retain any relationship with the goods sold, the amount of revenue can be measured reliably, it is probable that the Company will receive the economic benefits associated with the sale and the costs incurred in the transaction are also reliably measurable.

Revenue recognition policy for sales of services

Revenue from sale of services is measured at fair value. Billings are made on the basis of actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates, so that revenue is recognized when it is transferred to the customer and recovery is considered probable, the associated costs and possible discounts for erroneous collections can be estimated reliably.

M. Environmental information

Assets of an environmental nature are considered to be those that are used on a lasting basis in the activity of the Company and Subsidiary, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future pollution from the operations of the Company.

Said assets are valued, as any other asset, at acquisition cost. The Company and Subsidiary amortize these items on a straight-line basis over the estimated remaining useful lives of the various items.

N. Cash flow statements

The cash flow statement includes cash movements during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

**Cash and cash equivalents:** represent inflows and outflows of cash and equivalent financial assets, meaning short-term investments of high liquidity and low risk of variations in their value (term of less than 3 months from the date of contracting and without restrictions).

**Operating activities:** represent activities typical of the normal operation of the business of the Company and its Subsidiary, as well as other activities not classified as investing or financing activities.

**Investing activities:** represent activities of acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financing activities:** represent activities that produce changes in the amount and composition of shareholders' equity and liabilities that are not part of ordinary activities.

O. Reclassifications

For the fiscal year ended December 31, 2021, certain reclassifications have not been made.

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### Note 3. Trade and other receivables and rights receivable

The composition of trade receivables as of December 31, 2022 and 2021 is as follows:

Credit Risk	31-12-2022 / ThCh\$	31-12-2021/ ThCh\$
Gross on-balance sheet exposure for accounts receivable risks	1,003,279	-
Gross on-balance sheet exposure for receivables and legal document receivables	451,825	1,235,370
Trade and other receivables, current, gross	1,455,104	1,235,370
Gross exposure by estimate for accounts receivable risks	(17,553)	-
Trade and other receivables, current, net	1,437,551	1,235,370
Gross exposure other accounts receivable	-	-
Receivables, non-current, gross	-	-
Net exposure, risk concentrations	1,437,551	1,235,370

Movement in accounts receivable credit risk	31-12-2022 / ThCh\$	31-12-2021/ ThCh\$
Opening balance	-	-
Increase in existing allowances	(17,553)	-
Decreases	-	-
Changes, total	(17,553)	-
Closing balance	(17,553)	-

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The composition of gross debt by age is presented below:

Gross Debt	31-12-2022 / M\$	31-12-2021/ M\$
Under three months	1,433,121	1,235,370
Between three and six months	21,983	-
Totals	1,455,104	1,235,370

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt by age is presented:

Gross Overdue Debt	31-12-2022 / M\$	31-12-2021/ M\$
Under 4 months	983,543	-
Totals	983,543	-

Net past due debt, is comprised of all unimpaired receivable balances with a maturity date prior to the closing of the financial statements, due to the fact that the counterparty has failed to make a payment when contractually it should have done so, as of this moment it is considered past due balance.

As of December 31, 2022 and 2021, the analysis of the gross exposure of current trade receivables, for the renegotiated and not renegotiated portfolio, is as follows:

December 31st 2022						
Trade Accounts Receivable Segment	Non Refinanced Portfolio		Refinanced Portfolio		Total Gross Portfolio	
	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount
	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$
Up to date	1	2,183	-	-	1	2,183
Between 1 and 30 days	3	891,773	-	-	3	891,773
Between 31 and 60 days	3	52,042	-	-	3	52,042
Between 61 and 90 days	5	35,298	-	-	5	35,298
Between 91 and 120 days	3	4,430	-	-	3	4,430
Between 121 and 150 days	2	17,553	-	-	2	17,553
Between 151 and 180 days	-	-	-	-	-	-
Between 181 and 210 days	-	-	-	-	-	-
Between 211 and 250 days	-	-	-	-	-	-
More than 251 days	-	-	-	-	-	-
Totals	17	1,003,279	-	-	17	1,003,279

December 31st 2022						
Trade Accounts Receivable Segment	Non Refinanced Portfolio		Refinanced Portfolio		Total Gross Portfolio	
	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount	Nº of Customers	Gross Amount
	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$	ChTh\$
Up to date	-	-	-	-	-	-
Between 1 and 30 days	-	-	-	-	-	-
Between 31 and 60 days	-	-	-	-	-	-
Between 61 and 90 days	-	-	-	-	-	-
Between 91 and 120 days	-	-	-	-	-	-
Between 121 and 150 days	-	-	-	-	-	-
Between 151 and 180 days	-	-	-	-	-	-
Between 181 and 210 days	-	-	-	-	-	-
Between 211 and 250 days	-	-	-	-	-	-
More than 251 days	-	-	-	-	-	-
Totals						

As of December 31, 2022 and 2021, the analysis of protested notes receivable and in judicial collection, of the non-securitized portfolio, is as follows:

Cartera protestada y en cobranza judicial	NON-SECURITIZED PORTFOLIO			
	Not Refinanced Portfolio 31-12-2022		Not Refinanced Portfolio 31-12-2021	
	Nº of Customers	Portfolio Amount / ThCh\$	Nº of Customers	Portfolio Amount / ThCh\$
Protested notes receivable	-	-	-	-
Total	-	-	-	-

As of December 31, 2022 and 2021, the credit risk analysis is as follows:

December 31st 2022				
Provision			Uncollectibles of the period ThCh\$	Recovery of the Period ThCh\$
Not Refinanced Portfolio / ThCh\$	Refinanced Portfolio / ThCh\$	Total Provision / ThCh\$		
(17,553)	-	(17,553)		

December 31st 2022				
Provision			Uncollectibles of the period ThCh\$	Recovery of the Period ThCh\$
Not Refinanced Portfolio / ThCh\$	Refinanced Portfolio / ThCh\$	Total Provision / ThCh\$		
-	-	-	-	-

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## Nota 4. Related party disclosures

### Balances and transactions with related entities

Transactions between the Company and related entities are on market conditions.

#### Accounts receivable from related entities

Rut of related party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of transactions with related parties	Type of Currency	Terms	Guarantees	Current ThCh\$	
								dec-22	dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	La Farfana office lease guarantee	CLP	30 days	No guarantees	843	744
Total Accounts Receivable								843	744

#### Accounts payable to related companies

Rut of related party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of transactions with related parties	Type of Currency	Terms	Guarantees	Current ThCh\$	
								dec-22	dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Biogas Supply	CLP	30 días	No guarantees	353,621	104,697
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Sludge	CLP	30 días	No guarantees	244,816	-
61,808,000-5	Aguas Andinas S.A.	Controller	CL	loan	CLP	30 días	No guarantees	4,210,500	5,912,500
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Interest	CLP	30 días	No guarantees	900,108	398,656
76,078,231-9	Emp. Dep. Agua Serv. Mapocho- Trebal Ltda.	Controller Related	CL	Operation of the purification plant Biogás la Farfana, control and monitoring of electric energy costs.	CLP	30 días	No guarantees	196,748	134,567
Total Accounts Payable								5,905,793	6,550,420

The materiality criterion for reporting transactions with related entities is amounts in excess of ThCh\$100,000.

Rut of related party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of transactions with related parties	Type of Currency	Current ThCh\$			
						31-12-22		31-12-21	
						Amount	Effect on Income (Charge) /Credit	Amount	Effect on Income (Charge) /Credit
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Biogas Supply	CLP		-389,294	214,619	-106,987
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Sludge	CLP	244,816	-244,816	-	-
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Obtaining Loans	CLP	578,000	-501,452	501,000	-68,749
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Loan amortization	CLP	-2,280,000	-	-	-
76,078,231-9	Emp. Dep. Agua Serv. Mapocho- Trebal Ltda.	Controller Related	CL	Biogas plant operation and maintenance services	CLP	308,890	-234,966	242,697	-220,485

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STATEMENTS OF FINANCIAL POSITION	2022 ThCh\$	2021 ThCh\$
ASSETS		
Current assets	2,299,186	2,316,241
Non-current assets	11,514,477	11,725,683
Total Assets	13,813,663	14,041,924
LIABILITIES		
Current liabilities	6,418,482	6,609,241
Non-current liabilities	-	1,859
Equity	7,395,181	7,430,824
Total Liabilities and Equity	13,813,663	14,041,924
Comprehensive income statement		
Ordinary income	2,210,867	896,583
Operating cost	(2,096,632)	(1,340,491)
Financial income	(364,200)	(10,293)
Other different from the operation	(17,553)	-
Income tax	231,875	382,787
Earnings attributable to owners of the controlling entity	(35,643)	(71,414)

STATEMENTS OF FINANCIAL POSITION	2022 ThCh\$	2021 ThCh\$
Cash flow statement		
Cash flows provided by (used in) from operating activities	1,749,540	(509,667)
Cash flows provided by (used in) investing activities	-	-
Cash flows provided by (used in) financing activities	(1,702,000)	501,000
Net increase (decrease) in cash and cash equivalents	47,540	(8,667)
Cash and cash equivalents at beginning of period	2,021	10,688
Cash and cash equivalents at the end of the period	49,561	2,021
Statement of changes in equity		
Issued capital	7,971,221	7,971,221
Retained earnings (loss)	(165,324)	(129,681)
Other equity investments	(410,716)	(410,716)
Total equity	7,395,181	7,430,824

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# Análisis Ambientales S.A.

## General Background

<b>Name :</b>	Análisis Ambientales S.A.
<b>Type of entity:</b>	Closed corporation, it is governed by the provisions of its Bylaws and by the legal provisions applicable to it.
<b>Address:</b>	Américo Vespucio 451, Quilicura.
<b>Telephone number:</b>	(56-2) 569 44 00
<b>Tax ID:</b>	96.967.550-1
<b>Subscribed and paid-in capital:</b>	ThCh\$ 262.456
<b>External auditors:</b>	EY Chile
<b>Taxpayer Identification Number (RUT):</b>	77.802.430-6

### Legal incorporation of the Company

Análisis Ambientales S.A. was incorporated by public deed dated August 20, 2001, before the notary public Mr. Ivan Torrealba Acevedo and its extract was published in the Official Gazette on September 20, 2001 on September 20, 2001, and its trade name is ANAM S.A.

### Corporate Purpose

The Company's object is to perform all types of physical, chemical and biological analysis of water, air and solids, including soils, sludge and waste, as well as any other element that is directly or indirectly related to the environment.

## Board of Directors

<b>Chairman:</b>	Marta Colet Gonzalo
<b>Regular Directors:</b>	Eugenio Rodriguez Mingo Iván Yarur Sairafi
<b>Chief Executive Officer:</b>	Paola Arata Zapico
<b>Percentage of parent company shareholding</b>	99,00%
<b>Proportion represented by the investment in the Parent Company's assets:</b>	The investment in the company represents the proportion of 0.42%.
<b>Commercial Relationship with Parent Company</b>	During the business year ended December 31, 2022, the Company maintained a contract for physical, chemical and biological analysis services for water and sludge, and operation of laboratories. Similar commercial relationships are expected to be maintained in the future.

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## Nota 1. General information

Análisis Ambientales S.A. (hereinafter the "Company") is a closely-held corporation. Its legal domicile is Avenida Presidente Balmaceda N° 1398, Santiago, Chile and its tax identification number is 96.967.550-1.

Análisis Ambientales S.A. was incorporated as a closed corporation by public deed on August 20, 2001 in Santiago, Chile, before the Notary Public Mr. Iván Torrealba Acevedo. An extract of the bylaws was published in the Official Gazette of September 20, 2001.

The Company's purpose is to perform all types of physical, chemical and biological analyses of water and solids, including soil, sludge and waste, as well as any other element that is directly or indirectly related to the environment.

The direct controlling company is Aguas Andinas S.A., whose direct controller is Inversiones Aguas Metropolitanas S.A. ("IAM") with a 50.10234% ownership interest, a corporation that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda, its parent company is Agbar S.L.U., an entity based in Spain and one of the largest sanitation services operators in the world, which in turn is controlled by Veolia Environnement S.A. (France).

## Note 2. Basis of preparation and accounting policies

## 2.1 Basis of preparation

These financial statements correspond to the statements of financial position as of December 31, 2022 and 2021 and the statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the full, explicit and unreserved adoption of IFRS.

The Company complies with the legal conditions of the environment in which it operates, in particular the sanitation subsidiaries with regard The Company complies with the legal conditions of the environment in which it operates, in particular the health care subsidiaries with regard to the regulations of the sanitation sector. The companies of the Group display normal operating conditions in each area in which they develop their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of the management determines their capacity to continue as a functioning company, as established by the accounting standards under which these financial statements are issued.

## Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (functional currency). For financial statement purposes, the results and financial position are expressed in Chilean pesos (rounded in thousands of pesos), which is the functional currency and the presentation currency for the financial statements.

## New accounting pronouncements

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued, in force as of the date of these financial statements, are detailed below. The Company has applied these standards and concluded that they did not significantly affect the financial statements.

Ammendments	Date of mandatory application
IFRS 3 Reference to the Conceptual Framework	January 1st 2022
IAS 16 Property, plant and equipment: recoveries prior to intended use	January 1st 2022
IAS 37 Onerous contracts - cost of fulfilling a contract	January 1st 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to Standards 2018-2020	January 1st 2022

The standards and interpretations, as well as improvements and amendments to IFRS, which have been issued, but are not yet in force at the date of these financial statements, are detailed below. The Company has not applied these standards in advance.

Regulations and interpretations	Date of mandatory application
IFRS 17 Insurance contracts	January 1st 2022

Ammendments	Date of mandatory application
IAS 8 Definition of accounting estimates	January 1st 2023
IAS 1 Dsclosure of accounting policies	January 1st 2023
IAS 12 Deferred Taxes related to assets and liabilities arising from a single transaction	January 1st 2023
IAS 1 Classification of liabilities as current or non-current	January 1st 2024
IFRS 16 Lease liabilities relating to sale and leaseback sales	January 1st 2024
IFRS 10 and IAS 28 Consolidated Financial Statements - sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Management of the Company estimates that the adoption of the Standards, Amendments and Interpretations described above, which may apply to Análisis Ambientales S.A are in the process of evaluation and it is estimated that, at the date of their first application, they would not have a significant impact on the financial statements in the year of their first application.

Management is periodically evaluating these implications.

### Responsibility for the information and estimates made

The information contained in these financial statements is the responsibility of the Board of Directors of the Company, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors at its meeting held on March 20, 2023, approved these financial statements.

The financial statements of Análisis Ambientales S.A. for the year 2021 were approved by its Board of Directors at its meeting held on February 11, 2022.



Estimates have been used in the preparation of the financial statements, such as:

- Useful life of fixed and intangible assets.
- Impairment losses on assets.
- Revenues from services pending invoicing.
- Provisions for commitments acquired with third parties.

Although these estimates and judgments were made on the basis of the best information available at the date of issuance of the comparative financial statements, it is possible that events that may occur in the future, such as what happened in this period regarding Covid-19, may make it necessary to modify them (upward or downward) in future periods, which would be recorded prospectively at the time the variation is known, recognizing the effects of such changes in the corresponding future financial statements.

## 2.2 Accounting policies

The main accounting policies adopted in the preparation of these financial statements are described below.

### A. Intangible assets other than goodwill

The Company recognizes an identifiable intangible asset when it can demonstrate that it is likely that the future economic benefits that have been attributed to the asset will flow to the entity and the cost can be measured reliably.

#### i. Intangible assets acquired separately:

Intangible assets acquired separately are stated at cost minus accrued amortization and accrued impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for prospectively.

#### ii. Amortization method for intangible assets:

##### Intangible assets with defined useful lives

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

##### Software

The estimated useful life for software is 4 years. For other assets with a defined useful life, the useful life over which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

##### Intangible assets with indefinite useful lives

Correspond mainly to water rights and easements, which were obtained on an indefinite basis, as established in the acquisition contracts and rights obtained from the General Water Directorate of the Ministry of Public Works.

##### Determination of useful life

Factors to be considered in estimating useful life include, but are not limited to, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural factors, climate and technological changes that affect the ability to generate profits.

The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

### B. Property, plant and equipment

The Company uses the cost method for the valuation of Property, Plant and Equipment, except for land, which is valued using the revaluation method. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as a separate asset, only when it is probable that future economic benefits associated with the items of property, plant and equipment will flow to the Company and the cost of the item can be reliably determined. The value of the replaced component is derecognized for accounting purposes. All other repairs and maintenance are charged to income for the year in which they are incurred.

#### Depreciation method and estimated useful life for property, plant and equipment:

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method over their technical useful lives, which is based on studies prepared by independent experts (external specialist companies). The residual value and useful life of assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount.

#### Useful lives:

The useful lives considered for purposes of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as new information becomes available that allows considering that the useful life of an asset has been modified.

The allocation of the total useful life for assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Operating environment of the equipment.
3. Intensity of use.
4. Legal, regulatory or contractual limitations. The range of useful life (in years) by type of assets is as follows:

Item	Service life (years) minimum	Service life (years) Maximum
Buildings	25	80
Machinery	5	15
Fixtures and fittings	10	10
Computer equipment	4	4
Leasehold improvements	5	10
Complementary works	15	40
Other facilities	10	30

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**Policy for estimating costs for dismantling, removal or rehabilitation of property, plant and equipment:**

Due to the nature of the assets being constructed in the Company and given that there are no contractual obligations or other constructive requirement as mentioned by IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable at the date of these consolidated financial statements.

**Policy for sales of property plant and equipment.**

The income from the sale of property plant and equipment, are calculated by comparing the proceeds obtained with the carrying value and are recorded in the Consolidated Statement of Comprehensive Income.

**C. Impairment of tangible and intangible assets except for goodwill**

At each balance sheet closing date, the Company and its Subsidiary reviews the carrying amounts of its tangible and intangible assets with definite useful lives to determine whether there are indicators that such assets have suffered an impairment loss. If such indicators exist, the recoverable amount of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment and when there are indicators that the asset may be impaired before the end of that period.

The recoverable amount is the higher of fair value minus costs to sell and value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a before tax discount rate that reflects both the current market conditions of the time value of money, as well as the specific risks associated with the asset.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of that asset (or cash-generating unit) is adjusted to its recoverable amount by immediately recognizing an impairment loss in income.

When an impairment loss is reversed, the carrying amount of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable amount, provided that the adjusted carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**D. Leases**

The Company evaluates lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is deemed to exist if the customer has i) the right to obtain substantially all of the economic benefits from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Company and its Subsidiary act as lessee, at the inception of the lease (i.e. on the date the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The Company initially recognizes the right-of-use asset at cost, adjusted by any remeasurement of the lease liability, minus accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset is impaired, the same criteria detailed in Note 2.C.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

After the commencement date, the lease liability is increased to reflect the accrual of interest and reduced by lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts payable). Interest expense is recognized as a finance cost in profit or loss for the period.

Short-term leases, equal to or less than one year, or leases of low-value assets are exempt from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis over the term of the lease.

When the company acts as lessor, it classifies at the inception of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which substantially all the risks and rewards incidental to ownership of the underlying asset are transferred are classified as finance leases. All other leases are classified as operating leases.

**E. Financial assets**

Acquisitions and disposals of financial instruments are recognized on the trade date, i.e. the date on which the Company undertakes to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value with changes in income.
- Financial assets at fair value with changes in comprehensive income.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The company invests in low-risk securities that meet the classification standards established in its investment policies. Thus, mutual investment funds must have an AAfm / M1 rating (Shares with very high protection against loss, associated with credit risks / shares with the lowest sensitivity to changes in economic conditions).

The time deposits and covenants contracted are N-1 rated instruments (instruments with the highest capacity to pay principal and interest on the agreed terms and maturities).

The issuing institutions of these instruments correspond to banking companies or subsidiaries of banks with an N-1 risk rating and their instruments have a risk rating of at least AA (with a very high capacity to pay principal and interest on the agreed terms and maturities, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or in the economy).

**i. Effective interest rate method**

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense over the entire period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

**ii. Fair value with changes in other comprehensive income**

For the classification of an asset at fair value through other comprehensive income, the sale of financial assets for which the principal amount plus interest, if applicable, is expected to be recovered within a specified period of time must be complied with as a principle.

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iii. Financial assets at fair value with changes in income

Financial assets are presented at fair value through profit or loss when the financial asset is held for trading or is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value and any resulting gain or loss is recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest received on the financial asset.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade, loans and other receivables are non-derivative financial assets which have fixed or determinable payments and are not traded in an active market and are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest rate method, minus any impairment losses, except for short-term receivables where the recognition of interest would be immaterial.

Trade and other accounts receivable

Trade debtors correspond to amounts billed for potable water, sewage, sewage treatment and other services and to income accrued for consumption between the date of the last meter reading (according to the established monthly calendar) and the closing date of the Financial Statement. These are recorded net of the estimate of uncollectible accounts receivable or of low probability of collection.

The trade debtors policy is subject to the credit policy, which establishes the payment conditions, as well as the different scenarios to be agreed for delinquent customers.

Impairment policy for trade and other accounts receivable

The Company periodically evaluates impairment losses affecting its financial assets. The amount is recorded in the uncollectible provision account. The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated statement of comprehensive income within "other expenses". When a receivable is uncollectible, it is recorded against the provision account for accounts receivable based on the expected credit loss model as established in IFRS 9.

The estimates are based on recovery statistics, which indicate that after the eighth month of unpaid invoices, the possibility of collection is marginal, in other words, the probability of recovering an invoiced value is minimal.

F. Inventories

Materials, spare parts and supplies are stated at acquisition cost, which does not exceed net realizable value. The costing method corresponds to the weighted average cost. Annually, an impairment estimate is made for those materials that are damaged, partially or totally obsolete, or had no turnover in the last twelve months and their market price has fallen by more than 20%.

G. Dividend payment policy

The dividend policy of the Company, as established in Article 79 of Law 18,046 governing corporations, is to distribute at least 30% of the net income of each year. In the event that these dividends do not exist or are less than the minimum established by law, the respective provision will be made.

In addition to this, and with the prior authorization of the Ordinary Shareholders' Meeting, the remaining 70% may be distributed as an additional dividend, provided that the current level of capitalization of the Company is maintained and that it is compatible with the investment policies of the Company.

H. Foreign Currency Transactions

Assets and liabilities denominated in foreign currencies are presented at the respective exchange rates in effect at the end of each year, according to the following parities:

Currency	31-12-22	31-12-21
	\$	\$
US Dollar	855,86	844,69
Euro	915,95	955,64

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income.

Exchange differences are recorded in income for the period in which they accrue.

I. Financial liabilities

Loans and similar items are initially recorded at fair value, net of transaction costs incurred. Subsequently, they are valued at amortized cost, using the effective interest rate.

J. Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that resources will be used to settle the obligation and for which a reasonable estimate of the amount of the obligation can be made.

Provisions are quantified on the basis of the best information available on the event and its consequences, and are re-estimated at each accounting closing. The provisions recorded are used to face the specific risks for which they were originally recognized, and are reviewed, in whole or in part, when such risks disappear or decrease. Contingent liabilities are all those possible obligations arising from past events, whose future materialization and associated financial loss is estimated to be unlikely. In accordance with IFRS, Aguas Cordillera S.A. and Subsidiary do not recognize any provision for these items, although, as required by the same standard, they are detailed if they exist.

K. Employee benefits

The Company has 292 employees, distributed among 2 senior executives, 6 managers, 120 professionals, 138 technicians, 5 administrative and 21 workers.

Policies on defined benefit plans

The employees of Análisis Ambientales S.A. are governed by the rules established in articles 159, 160 and 161 of the Labor Code.

L. Share-based payment reserve

In accordance with IFRS 2, Análisis Ambientales has recognized an expense (personnel costs) corresponding to the benefits granted by the Parent Company Suez to the employees of all subsidiaries worldwide, in the form of share-based payments, in consideration for services rendered, which benefit was subscribed by the employees of Análisis Ambientales. These services are valued at the fair value of the securities awarded.

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The share purchase plans implemented by Suez's parent company for employees of its subsidiaries around the world allow employees to subscribe to the Company's shares at below-market prices.

The fair value of the Company's shares is determined based on the fair value of the shares at fair value. The fair value of securities awarded under employee stock purchase plans is estimated at the grant date based on the value of this discount.

based on the value of this discount granted to employees and the non-transferability period applicable to the share subscribed. As it is treated as a service provided by the employees to each subsidiary, in accordance with IFRS 2, Análisis Ambientales recognizes the cost of the agreement as an expense for the year, which is offset by a credit to equity.

#### M. Income tax and deferred taxes

The income tax expense corresponds to the sum of income tax payable and the change in deferred tax assets and liabilities.

Income tax payable is determined based on the taxable income for the period. The income tax payable of the company is calculated using the tax rates that have been approved, or are in the last approval process, at the closing date of the statement of financial position.

Deferred taxes are recognized on the basis of the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable income and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such differences can be utilized. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or financial results.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect for the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would result from the manner in which Aguas Cordillera S.A. and Subsidiaries expect, at the reporting date, to recover or settle the carrying amounts of their assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and they are related to the same entity and tax authority.

#### N. Ordinary income

##### Revenue Recognition Policy

The Company determined its revenue recognition and measurement based on the principle that revenue is recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle should be applied based on a five-step model:

- (1) identification of the contract with the customer;
- (2) identification of the performance obligations of the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations; and
- (5) recognition of revenue when (or as) the performance obligations are satisfied.

#### Revenue recognition policy for sales of goods

Revenue from sales of goods is recognized once the significant risk and rewards of ownership of the goods have been transferred, the Company does not retain any relationship with the goods sold, the amount of revenue can be measured reliably, it is probable that the Company will receive the economic benefits associated with the sale and the costs incurred in the transaction are also reliably measurable.

#### Ordinary revenue recognition policy for sales of services

Revenue from sale of services is measured at fair value. Billings are made on the basis of actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates, so that revenue is recognized when it is transferred to the customer and recovery is considered probable, the associated costs and possible discounts for erroneous collections can be estimated reliably.

#### O. Environmental information

Assets of an environmental nature are considered to be those that are used on a lasting basis in the activity of the Company and Subsidiary, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future pollution from the operations of the Company.

These assets are valued, as any other asset, at acquisition cost. The Company and Subsidiary amortize these items on a straight-line basis over the estimated remaining useful lives of the various items.

#### P. Cash flow statements

The cash flow statement includes cash movements during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

**Cash and cash equivalents:** represent inflows and outflows of cash and equivalent financial assets, meaning short-term investments of high liquidity and low risk of variations in their value (term of less than 3 months from the date of contracting and without restrictions).

**Operating activities:** represent activities typical of the normal operation of the business of the Company and its Subsidiary, as well as other activities not classified as investing or financing activities.

**Investing activities:** represent activities of acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financing activities:** represent activities that produce changes in the amount and composition of shareholders' equity and liabilities that are not part of ordinary activities.

#### Q. Reclassifications

For the fiscal year ended December 31, 2021, certain reclassifications have been made to facilitate comparison as of December 31, 2022, according to the following detail:

Reclassifications	Increase/(Decrease) ThCh\$
Statement of comprehensive income by nature:	
Impairment gains and reversal of impairment losses determined according to IFRS 9 on financial assets	(4,191)
Other expenses, by nature	4,191

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### Note 3. Trade and other receivables and rights receivable

The composition by age of the gross debt is shown below:

Credit Risk	31-12-2022	31-12-2021
	ThCh\$	ThCh\$
Gross on-balance sheet exposure for accounts receivable risks	732,131	1,115,379
Gross on-balance sheet exposure for receivables and note receivable risks	4,189,438	1,915,682
Trade and other receivables, current, gross	4,921,569	3,031,061
Gross exposure by estimate for accounts receivable risks	(23,230)	(27,134)
Trade and other receivables, current, net	4,898,339	3,003,927
Gross exposure other accounts receivable	167,490	167,490
Receivables, non-current, gross	167,490	167,490
Net exposure, risk concentrations	5,065,829	3,171,417

Movement in credit risk on accounts receivable	31-12-2022	31-12-2021
	ThCh\$	ThCh\$
Initial balance	(27,134)	(46,873)
Increase and decrease in existing provisions	(38,836)	(31,767)
Decreases	42,740	51,506
Changes, Totals	3,904	19,739
Final balance	(23,230)	(27,134)

The breakdown of gross debt by age is as follows

Gross Debt	31-12-2022	31-12-2021
	ThCh\$	ThCh\$
less than three months	4,907,234	3,017,202
Between three and six months	37,850	30,235
Between six and eight months	15,834	14,575
more than eight months	128,141	136,539
Totals	5,089,059	3,198,551

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt is shown by age:

Net Debt Outstanding	31-12-2022	31-12-2021
	ThCh\$	ThCh\$
Less than 4 months	223,716	394,210
Totals	223,716	394,210

The net overdue debt is comprised of all unimpaired balances receivable with a maturity date prior to the closing date of the financial statements, due to the fact that the counterparty has failed to make a payment when contractually it should have done so, from that moment on, it is considered past due.

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	36	480,704	-	-	36	480,704
Between 1 and 30 days	34	86,212	-	-	34	86,212
Between 31 and 60 days	34	103,670	-	-	34	103,670
Between 61 and 90 days	9	25,364	-	-	9	25,364
Between 91 and 120 days	44	8,470	-	-	44	8,470
Between 121 and 150 days	3	805	-	-	3	805
Between 151 and 180 days	3	6,728	-	-	3	6,728
Between 181 and 210 days	2	222	-	-	2	222
Between 211 and 250 days	1	1,080	-	-	1	1,080
more than 251 days	64	18,876	-	-	64	18,876
Totals	230	732,131	-	-	230	732,131

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	59	690,446	-	-	59	690,446
Between 1 and 30 days	27	227,658	-	-	27	227,658
Between 31 and 60 days	5	155,947	-	-	5	155,947
Between 61 and 90 days	3	3,219	-	-	3	3,219
Between 91 and 120 days	2	7,386	-	-	2	7,386
Between 151 and 180 days	1	911	-	-	1	911
Between 181 and 210 days	1	856	-	-	1	856
Between 211 and 250 days	1	1,838	-	-	1	1,838
More than 251 days	38	27,118	-	-	38	27,118
Totals	137	1,115,379	-	-	137	1,115,379

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As of December 31, 2022 and 2021, the analysis of protested notes receivable and notes receivable in judicial collection, of the non-securitized portfolio, is as follows:

Delinquent portfolio in court collection	NON-SECURITIZED PORTFOLIO			
	Not refinanced portfolio 12/31/2022		Not refinanced portfolio 12/31/2021	
	Nº of customers	Portfolio Amount	Nº of customers	Portfolio Amount
		Delinquent notes receivable	ThCh\$	ThCh\$
Totals	2	2,567	2	2,567
Total	2	2,567	2	2,567

As of December 31, 2022 and 2021, the credit risk analysis is as follows:

December 31st 2022				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
(23,230)	-	(23,230)	7,024	-

December 31st 2021				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
(27,134)	-	(27,134)	15,548	-

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## Note 4. Related party disclosures

### Balances and transactions with related entities

Transactions between the Company and related entities are carried out in accordance with market conditions.

#### Accounts receivable from related entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	915,366	389,413
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	96,464	64,806
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	50,567	33,591
96,945,210-3	Eco Riles S.A.	Related to Controller	CL	Análisis deLaboratorio y servicio de muestreo	CLP	30 days	No Guarantees	108,740	92,503
76,078,231-9	Emp. Dep. Agua Serv. Mapocho-Trebal Ltda.	Related to Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	-	7,588
77,441,870-9	Suez Medioambiente Chile S.A.	Related to Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	142	10,208
87,803,800-2	Veolia SU Chile S.A.	Related to Controller	CL	Laboratory Analysis and sampling service	CLP	30 days	No Guarantees	1,279	-
Total Cuentas por Cobrar								1,172,558	598,109

#### Current accounts payable to related entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Interest	CLP	30 days	No Guarantees	378,720	306,429
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Dividends	CLP	30 days	No Guarantees	415,665	366,209
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Dividends	CLP	30 days	No Guarantees	4,199	3,699
96,828,120-8	Gestión y Servicios S.A.	Related to Controller	CL	Laboratory Materials	CLP	30 days	No Guarantees	-	35,234
Total Cuentas por Pagar								798,584	711,571

#### Non-current accounts payable to related entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Guarantees	Current ( M\$ )	
							Dec-22	Dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Deuda	CLP	No Guarantees	1,105,000	753,000
Total Cuentas por Pagar							1,105,000	753,000

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Transactions with related entities

Rut Related Party	Name of Rrelated Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Current ThCh\$			
						31-12-22		31-12-21	
						Amount	Effects on Income (Loss) (Charge)/Credit	Amount	Effects on Income (Loss) (Charge)/Credit
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Sampling and Laboratory Analysis Contract	CLP	3,272,768	2,773,338	2,954,598	2,480,650
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Dividend Payment	CLP	-	-	(495,000)	-
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Obtaining loans	CLP	821,000	(72,291)	1,344,000	(7,411)
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Amortization of loans	CLP	(469,000)	-	(925,000)	-
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Sampling and Laboratory Analysis Contract	CLP	450,649	383,123	454,080	379,314
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Dividend Payment	CLP	-	-	(5,000)	-
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Sampling and Laboratory Analysis Contract	CLP	242,458	206,773	228,758	189,915
96,945,210-3	Eco Riles S.A.	Related to Controller	CL	Sampling and Laboratory Analysis Contract	CLP	675,177	570,130	590,320	494,240
96,828,120-8	Gestión y Servicios S.A.	Related to Controller	CL	Sampling Services	CLP	(168,445)	(141,550)	(165,965)	(139,466)

The materiality criterion for reporting transactions with related entities is amounts in excess of ThCh\$100,000.

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STATEMENTS OF FINANCIAL POSITION	2022	2021
	ThCh\$	ThCh\$
ASSETS		
Current assets	6,667,293	4,739,860
Non-current assets	6,501,327	6,240,863
Total Assets	13,168,620	10,980,723
LIABILITIES		
Current liabilities	2,204,349	1,912,185
Non-current liabilities	1,358,980	818,269
Equity	9,605,291	8,250,269
Total Liabilities and Equity	13,168,620	10,980,723
COMPREHENSIVE INCOME STATEMENT		
Ordinary income	11,954,333	10,069,396
Operating cost	(10,365,725)	(8,410,510)
Financial income	(67,399)	(11,128)
Other different from the operation	(55,188)	(145,264)
Income tax	(66,476)	(269,467)
Earnings of the period	1,399,545	1,233,027

CASH FLOW STATEMENT		
Cash flows provided by (used in) from operating activities	(434,172)	1,631,706
Cash flows provided by (used in) investing activities	(511,543)	(1,122,088)
Cash flows provided by (used in) financing activities	352,000	(81,000)
Net increase (decrease) in cash and cash equivalents	(593,715)	428,618
Cash and cash equivalents at beginning of period	842,906	414,288
Cash and cash equivalents at the end of the period	249,191	842,906
STATEMENT OF CHANGES IN EQUITY		
Issued capital	262,456	262,456
Other equity interests	(21,450)	(21,450)
Retained earnings (loss)	9,364,285	8,009,263
Closing Equity Balance	9,605,291	8,250,269

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# Ecoriles S.A.

## General Background

<b>Name:</b>	Ecoriles S.A.
<b>Type of entity:</b>	Closed corporation, governed by the provisions of the Articles of Incorporation and the applicable legal provisions.
<b>Address:</b>	Av. Walter Lihn 1868 - Santiago.
<b>Telephone number:</b>	(56-2) 569 22 29
<b>Tax ID:</b>	96.945.210-3
<b>Subscribed and paid-in capital:</b>	ThCh\$333.787
<b>External auditors:</b>	EY Chile
<b>Taxpayer Identification Number (RUT):</b>	77.802.430-6

### Corporate Purpose

The Company's purpose is the treatment of liquid waste as well as any activity associated or related to the treatment of sewage and wastewater, through the provision of technical advice and development of training services, design, construction, marketing of equipment, maintenance and operation of all types of facilities.

### Constitutive Documents

Ecoriles S. A. was incorporated by public deed dated December 15, 2000 before the notary public Mr. Juan Ricardo San Martín Urrejola and its extract was published in the Official Gazette on January 16, 2001.

Fax (56-2) 569 22 44

## Board of Directors

<b>Chairman:</b>	Marta Colet Gonzalo
<b>Directors:</b>	Iván Yarur Sairafi (Chief Executive Officer of Aguas Andinas S.A.)  Eugenio Rodríguez Mingo (Chief Executive Officer of Aguas Andinas S.A.)

**Chief Executive Officer:** Paola Arata Zapico

### Percentage of parent company shareholding

99,03846%

### Proportion represented by the investment in the Parent Company's assets:

The investment in the company represents the proportion of 0.28%.

### Business Relationship with Parent Company

During the business year ended December 31, 2022, the Company maintained a service contract for the treatment of excess load and lease of real estate. Similar commercial relationships are expected to be maintained in the future.

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## Note 1. General information

EcoRiles S.A. (hereinafter the "Company"), is a closed corporation of indefinite duration. Its legal domicile is Avenida Walter Lihn N°1868, Santiago, Chile, Rut 96.945.210-3.

The Company was incorporated by public deed dated December 15, 2000 before the notary Mr. Juan Ricardo San Martín Urrejola, and its extract was published in the Official Gazette on January 16, 2001.

EcoRiles S.A. is a company that provides liquid waste treatment services, as well as all activities associated or related to the treatment of sewage and wastewater, through the provision of technical advice and the development of training services, design, construction, marketing of equipment, maintenance and operation of all types of facilities.

The direct controlling company is Aguas Andinas S.A., whose direct controller is Inversiones Aguas Metropolitanas S.A. ("IAM") with a 50.10234% ownership interest, a corporation that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda.

based in Spain and one of the world's largest sanitation services operators, which in turn is controlled by Veolia Environnement S.A. (France).

## Note 2. Basis of preparation and accounting policies

### 2.1 Bases de preparación

These financial statements correspond to the statements of financial position as of December 31, 2022 and 2021 and the statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the full, explicit and unreserved adoption of the aforementioned IFRS.

The Company complies with the legal conditions of the environment in which it develops its operations, particularly the health subsidiaries with respect to the regulations of the health sector. The Group's companies present normal operating conditions in each area in which they develop their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of management determines their capacity to continue as an operating company, as established by the accounting standards under which these financial statements are issued.

### Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates (functional currency). For financial statement purposes, the results and financial position are expressed in Chilean pesos (rounded in thousands of pesos), which is the functional currency and the presentation currency for the financial statements.

### New accounting pronouncements

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued, in force as of the date of these financial statements, are detailed below. The Company has applied these standards and concluded that they did not significantly affect the financial statements.

Amendments	Date of mandatory application
IFRS 3 Reference to the Conceptual Framework	January 1, 2022
IAS 16 Property, plant and equipment: recoveries before intended use	January 1, 2022
IAS 37 Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to Standards 2018-2020	January 1, 2022

The standards and interpretations, as well as improvements and amendments to IFRS, which have been issued, but are not yet in force at the date of these financial statements, are detailed below. The Company has not applied these standards in advance.

Rules and interpretations	Date of mandatory application
IFRS 17 Insurance contracts	January 1, 2023

Amendments	Date of mandatory application
IAS 8 Definition of Accounting Estimates	January 1, 2023
IAS 1 Disclosure of accounting policies	January 1, 2023
IAS 12 Deferred Taxes related to assets and liabilities arising from a single transaction	January 1, 2023
IAS 1 Classification of liabilities as current or non-current	January 1, 2024
IFRS 16 Lease liabilities relating to sale and leaseback sales	January 1, 2024
IFRS 10 and IAS 28 Consolidated Financial Statements - sale or contribution of assets between an investor and a partner or joint venture	To be determined

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The Management of the Company estimates that the adoption of the Standards, Amendments and Interpretations described above, which may apply to Ecoriles S.A., are in the process of evaluation and it is estimated that, at the date of their first application, they would not have a significant impact on the financial statements in the year of their first application.

Management is periodically evaluating these implications.

**Responsibility for the information and estimates made**

The information contained in these financial statements is the responsibility of the Board of Directors of the Company, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors at its meeting held on March 20, 2023, approved these financial statements.

The financial statements of EcoRiles S.A. for the year 2021 were approved by its Board of Directors at its meeting held on February 11, 2022.

Estimates have been used in the preparation of the financial statements, such as:

- Useful life of fixed and intangible assets.
- Impairment losses on assets.
- Provisions for commitments acquired with third parties.

Although these estimates and judgments were made on the basis of the best information available at the date of issuance of the comparative financial statements, it is possible that events that may occur in the future, such as what happened in this period regarding Covid-19, may make it necessary to modify them (upward or downward) in future periods, which would be recorded prospectively at the time the variation is known, recognizing the effects of such changes in the corresponding future financial statements.

**2.2 Accounting policies**

The main accounting policies adopted in the preparation of these financial statements are described below.

**A. Intangible assets other than goodwill**

The Company recognizes an identifiable intangible asset when it can demonstrate that it is likely that the future economic benefits that have been attributed to the asset will flow to the entity and the cost can be measured reliably.

**i. Intangible assets acquired separately:**

Intangible assets acquired separately are stated at cost minus accrued amortization and accrued impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for prospectively

**ii. Amortization method for intangible assets:**

**Intangible assets with finite useful lives**

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

**Software**

The estimated useful life for software is 4 years. For other assets with a defined useful life, the useful life over which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

**Intangible assets with indefinite useful life**

Intangible assets with indefinite useful lives correspond mainly to water rights and easements, which were obtained on an indefinite basis, as established in the acquisition contracts and rights obtained from the General Water Directorate of the Ministry of Public Works.

**Determination of useful life**

Factors to be considered in estimating useful life include, but are not limited to, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural factors, climate and technological changes that affect the ability to generate profits.

The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

**B. Property, plant and equipment**

The Company uses the cost method for the valuation of Property, Plant and Equipment, except for land, which is valued using the revaluation method. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as a separate asset, only when it is probable that future economic benefits associated with the items of property, plant and equipment will flow to the Group and the cost of the item can be reliably determined. The value of the replaced component is derecognized for accounting purposes. All other repairs and maintenance are charged to income for the year in which they are incurred.

**Depreciation method and estimated useful life for property, plant and equipment:**

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method over their technical useful lives, which is based on studies prepared by independent experts (external specialist companies). The residual value and useful life of assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount.

**Useful lives:**

The useful lives considered for purposes of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as new information becomes available that allows considering that the useful life of an asset has been modified.

The allocation of the total useful life for assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Operating environment of the equipment.
3. Intensity of use.
4. Legal, regulatory or contractual limitations.

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The range of useful life (in years) by type of assets is as follows:

Item	Service life (years) Maximum	Service life (years) Minimum
Buildings	25	25
Plant and Equipment	5	10
Computer equipment	4	4
Fixed and Accesories of facilities	10	10

**Policy for estimating costs for dismantling, removal or rehabilitation of property, plant and equipment:**

Due to the nature of the assets being constructed in the Company and given that there are no contractual obligations or other constructive requirement as mentioned by IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable at the date of these consolidated financial statements.

Policy for sales of property plant and equipment.

The income from the sale of property plant and equipment, are calculated by comparing the proceeds obtained with the carrying value and are recorded in the Consolidated Statement of Comprehensive Income.

**C. Impairment of tangible and intangible assets except for goodwill**

At each balance sheet closing date, the Company and its Subsidiary reviews the carrying amounts of its tangible and intangible assets with definite useful lives to determine whether there are indicators that such assets have suffered an impairment loss. If such indicators exist, the recoverable amount of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment and when there are indicators that the asset may be impaired before the end of that period.

The recoverable amount is the higher of fair value minus costs to sell and value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a before tax discount rate that reflects both the current market conditions of the time value of money, as well as the specific risks associated with the asset.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of that asset (or cash-generating unit) is adjusted to its recoverable amount by immediately recognizing an impairment loss in income. When an impairment loss is reversed, the carrying amount of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable amount, provided that the adjusted carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**D. Leases**

The Company evaluates lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is deemed to exist if the customer has i) the right to obtain substantially all of the economic benefits from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Company and its Subsidiary act as lessee, at the inception of the lease (i.e. on the date the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The Company and its Subsidiary initially recognize the right-of-use asset at cost, adjusted by any remeasurement of the lease liability, minus accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset is impaired, the same criteria detailed in Note 2.2C.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

After the commencement date, the lease liability is increased to reflect the accrual of interest and reduced by lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts payable). Interest expense is recognized as a finance cost in profit or loss for the period.

Short-term leases, equal to or less than one year, or leases of low-value assets are exempt from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis over the term of the lease.

When the company acts as lessor, it classifies at the inception of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which substantially all the risks and rewards incidental to ownership of the underlying asset are transferred are classified as finance leases. All other leases are classified as operating leases.

**E. Financial assets**

Acquisitions and disposals of financial instruments are recognized on the trade date, i.e. the date on which the Company undertakes to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value with changes in income.
- Financial assets at fair value with changes in comprehensive income.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company invests in low-risk securities that meet the classification standards established in its investment policies. Thus, mutual investment funds must have an AAfm / M1 rating (Shares with very high protection against loss, associated with credit risks / shares with the lowest sensitivity to changes in economic conditions).

The time deposits and covenants contracted are N-1 rated instruments (instruments with the highest capacity to pay principal and interest on the agreed terms and maturities).

The issuing institutions of these instruments correspond to banking companies or subsidiaries of banks with an N-1 risk rating and their instruments have a risk rating of at least AA (with a very high capacity to pay principal and interest on the agreed terms and maturities, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or in the economy).

**i. Effective interest rate method**

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense over the entire period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

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The share purchase plans implemented by Suez's parent company for employees of subsidiaries around the world allow employees to acquire Company shares at a price below the market price. The fair value of instruments awarded under employee stock purchase plans is estimated at the grant date based on the value of this discount granted to employees and the vesting period applicable to the share subscribed. As it is treated as a service provided by the employees to each subsidiary, in accordance with IFRS 2, Ecoriles recognizes the cost of the agreement as an expense for the year, which is offset by a credit to equity

#### M. Income tax and deferred taxes

The income tax expense corresponds to the sum of income tax payable and the change in deferred tax assets and liabilities.

Income tax payable is determined based on the taxable income for the period. The income tax payable of Aguas Cordillera S.A. and Subsidiary is calculated using the tax rates that have been approved, or are in the last approval process, at the closing date of the statement of financial position.

Deferred taxes are recognized on the basis of the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable income and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such differences can be utilized. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or financial results.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect for the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would result from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of their assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and they are related to the same entity and tax authority.

#### N. Ordinary income

##### Ordinary income recognition

The Company determined its revenue recognition and measurement based on the principle that revenue is recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle should be applied based on a five-step model:

- (1) identification of the contract with the customer;
- (2) identification of the performance obligations of the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations; and
- (5) recognition of revenue when (or as) the performance obligations are satisfied.

#### Revenue recognition policy for sales of goods

Revenue from sales of goods is recognized upon transfer of significant risk and rewards of ownership, the Company does not retain any relationship with the asset sold, the amount of revenue can be measured reliably, it is probable that the Company will receive the economic benefits associated with the sale, and the costs incurred in the transaction are also reliably measurable.

#### Ordinary income recognition policy for sales of goods

Revenues from the sale of services are measured at fair value. Billings are made on the basis of actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates. Therefore, revenue is recognized when the risk is transferred to the buyer, recovery is considered probable, associated costs and possible discounts for erroneous collections can be reliably estimated.

Invoicing and any provision is made on the basis of work performed.

#### O. Environmental information

Assets of an environmental nature are considered to be those that are used on a lasting basis in the activity of the Company, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future pollution from the operations.

Said assets are valued, as any other asset, at acquisition cost. The Company amortizes these items on a straight-line basis over the estimated remaining useful lives of the various items

#### P. Cash flow statements

The cash flow statement includes cash movements during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

**Cash and cash equivalents:** represent inflows and outflows of cash and equivalent financial assets, meaning short-term investments of high liquidity and low risk of variations in their value (term of less than 3 months from the date of contracting and without restrictions).

**Operating activities:** represent activities typical of the normal operation of the business of the Company and its Subsidiary, as well as other activities not classified as investing or financing activities.

**Investing activities:** represent activities of acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financing activities:** represent activities that produce changes in the amount and composition of shareholders' equity and liabilities that are not part of ordinary activities.

#### O. Reclassifications

For the year ended December 31, 2021, certain reclassifications have been made to facilitate comparison as of December 31, 2022, as follows:

Reclassifications	Increase/(Decrease) ThCh\$
Statement of comprehensive income by nature:	
Impairment gains and reversal of impairment losses determined according to IFRS 9 on financial assets	5.040
Other expenses, by nature	(5.040)

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### Note 3. Trade and other receivables and rights receivable

The composition of trade debtors as of December 31, 2022 and December 31, 2021 is as follows:

Credit Risk	31-12-2022	31-12-2021
	M\$	M\$
Gross on-balance sheet exposure for accounts receivable risks	2,938,756	2,398,368
Gross on-balance sheet exposure for receivables and note receivable risks	2,936,706	1,684,287
Trade and other receivables, current, gross	(74,822)	(25,578)
<b>Net exposure, risk concentrations</b>	<b>5,800,640</b>	<b>4,057,077</b>

Movement in credit risk on accounts receivable	31-12-2022	31-12-2021
	M\$	M\$
Initial balance	(25,578)	(20,539)
Increase in existing provisions	(50,876)	(13,733)
Decreases	1,632	8,694
<b>Final balance</b>	<b>(74,822)</b>	<b>(25,578)</b>

The composition by age of gross debt is shown below:

Age of Gross Debt	31-12-2022	31-12-2021
	M\$	M\$
less than three months	5,862,522	4,074,730
Between three and six months	334	5,040
Between six and eight months	441	-
more than eight months	12,165	2,885
<b>Totals</b>	<b>5,875,462</b>	<b>4,082,655</b>

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt by age is presented:

Net overdue debt	31-12-2022	31-12-2021
	M\$	M\$
less than 4 months	743,197	518,589
<b>Totals</b>	<b>743,197</b>	<b>518,589</b>

Net past due debt is comprised of all undetermined balances receivable with a maturity date prior to the closing of the financial statements, due to the fact that the counterparty has failed to make a payment when contractually it should have done so, from that moment it is considered as past due balance.

As of December 31, 2022 and 2021, the analysis of the gross exposure of current trade receivables, for the refinanced and non-refinanced portfolio, is as follows:

Gross trade accounts receivable exposure:

- As of December 31, 2022:

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	77	2,182,970	-	-	77	2,182,970
Between 1 and 30 days	33	512,382	-	-	33	512,382
Between 31 and 60 days	15	185,210	-	-	15	185,210
Between 61 and 90 days	3	45,254	-	-	3	45,254
Between 91 and 120 days	1	351	-	-	1	351
Between 121 and 150 days	-	-	-	-	-	-
Between 151 and 180 days	-	-	-	-	-	-
Between 181 and 210 days	-	-	-	-	-	-
Between 211 and 250 days	1	423	-	-	1	423
more than 251 days	7	12,166	-	-	7	12,166
<b>Totals</b>	<b>137</b>	<b>2,938,756</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>2,938,756</b>

- As of December 31, 2022:

December 31st 2021						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	82	1,872,069	-	-	82	1,872,069
Between 1 and 30 days	31	453,474	-	-	31	453,474
Between 31 and 60 days	8	64,548	-	-	8	64,548
Between 61 and 90 days	1	352	-	-	1	352
Between 91 and 120 days	1	214	-	-	1	214
Between 121 and 150 days	1	4,827	-	-	1	4,827
Between 151 and 180 days	-	-	-	-	-	-
Between 181 and 210 days	-	-	-	-	-	-
Between 211 and 250 days	-	-	-	-	-	-
More than 251 days	6	2,884	-	-	6	2,884
<b>Totals</b>	<b>130</b>	<b>2,398,368</b>	<b>-</b>	<b>-</b>	<b>130</b>	<b>2,398,368</b>

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As of December 31, 2022 and 2021, the credit risk analysis is as follows:

December 31st 2022				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
(74.822)	-	(74.822)	-	-

December 31st 2021				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
[25.578]	-	[25.578]	-	-

As of December 31, 2022 and 2021, the analysis of protested notes receivable and in judicial collection, of the non-securitized portfolio, is as follows:

Delinquent portfolio in court collection	NON-SECURITIZED PORTFOLIO			
	Not refinanced portfolio 12/31/2022		Not refinanced portfolio 12/31/2021	
	Nº of customers	Portfolio Amount	Nº of customers	Portfolio Amount
		ThCh\$		ThCh\$
Delinquent notes receivable	8	16.647	8	16.647
Totals	8	16.647	8	16.647

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## Note 4. Related party disclosures

Balances and transactions with related entities

Transactions between the Company and related entities are on an arm's length basis.  
Accounts Receivable from Related Entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61.808.000-5	Aguas Andinas S.A.	Controller	CL	Leasing of real estate	CLP	30 days	No Guarantees	4,252	3,753
61.808.000-5	Aguas Andinas S.A.	Controller	CL	Mater.x invoicing E.R	CLP	30 days	No Guarantees	1,610	
96.809.310-K	Aguas Cordillera S.A.	Related to Controller	CL	San Antonio Project	CLP	30 days	No Guarantees	86,344	86,344
77.441.870-9	SUEZ MEDIOAMBIENTE CHILE S.A.	Related to Controller	CL	La Farfana Wastewater Treatment	CLP	30 days	No Guarantees		2,194
88.842.000-2	VEOLIA SU CHILE S.A.	Related to Controller	CL	Excess load	CLP	30 days	No Guarantees	14,611	
Total Accounts Receivable								106,817	92,291

### Accounts Payable to Related Entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61.808.000-5	Aguas Andinas S.A.	Controller	CL	Excess organic discharge to the network	CLP	30 days	No Guarantees	286,059	324,562
61.808.000-5	Aguas Andinas S.A.	Controller	CL	Dividends payable	CLP	30 days	No Guarantees	763,800	652,754
61.808.000-5	Aguas Cordillera S.A.	Related to Controller	CL	Dividends payable	CLP	30 days	No Guarantees	7,416	6,337
96.967.550-1	Análisis Ambientales S.A.	Related to Controller	CL	Chemical and bacteriological analysis services	CLP	30 days	No Guarantees	108,740	92,503
96.828.120-8	Gestión y Servicios S.A.	Related to Controller	CL	Materials and supplies	CLP	30 days	No Guarantees	138,276	268,006
Total Accounts Payable								1,304,291	1,344,162

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Transactions with related entities

Rut Related Party	Name of Rrelated Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Current ThCh\$			
						31-12-22		31-12-21	
						Amount	Effects on Income (Loss) (Charge)/Credit	Amount	Effects on Income (Loss) (Charge)/Credit
61.808.000-5	Aguas Andinas S.A.	Controller	CL	Excess Load	CLP	2,475,122	-2,401,653	1,136,671	-1,007,007
61.808.000-5	Gestión y Servicios S.A.	Related to Controller	CL	Purchase of Chemical Supplies	CLP	2,647,835	-2,225,072	2,376,731	-1,997,253
96.828.120-8	Análisis Ambientales S.A.	Related to Controller	CL	Analysis and Sampling Services	CLP	675,177	-570,130	590,320	-494,240

The materiality criterion for reporting transactions with related entities is amounts in excess of ThCh\$100,000.

STATEMENTS OF FINANCIAL POSITION	2022	2021
	M\$	M\$
ASSETS		
Current assets	9,093,880	8,208,979
Non-current assets	1,191,473	916,833
Total Assets	10,285,353	9,125,812
LIABILITIES		
Current liabilities	3,775,734	3,167,122
Non-current liabilities	132,773	44,354
Equity	6,376,846	5,914,336
Total Liabilities and Equity	10,285,353	9,125,812
COMPREHENSIVE INCOME STATEMENT		
Ordinary income	20,734,925	17,157,185
Operating cost	(17,510,816)	(14,098,586)
Financial income	134,690	32,652
Other different from the operation	(102,069)	(249,414)
Income tax	(686,013)	(644,868)
Earnings of the period	2,570,717	2,196,969

CASH FLOW STATEMENT		
Cash flows provided by (used in) from operating activities	784,943	2,438,721
Cash flows provided by (used in) investing activities	(136,390)	(260,544)
Cash flows provided by (used in) financing activities	(2,000,000)	(2,000,000)
Net increase (decrease) in cash and cash equivalents	(1,351,447)	178,177
Cash and cash equivalents at beginning of period	3,508,336	3,330,159
Cash and cash equivalents at the end of the period	2,156,889	3,508,336
STATEMENT OF CHANGES IN EQUITY		
Issued capital	333,787	333,787
Other equity interests	(27,279)	(27,279)
Retained earnings (loss)	6,070,338	5,607,828
Closing Equity Balance	6,376,846	5,914,336

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# Hidrogistica S.A.

## General Background

**Name:** Hidrogistica S.A.  
**Type of Entity:** Closed corporation  
**Address:** Av. Presidente Balmaceda N° 1398  
**Telephone number:** (56 2) 569 23 42  
**Tax ID:** 96.828.120-8  
**Subscribed and paid-in capital:** ThCh\$506.908  
**External auditors:** EY Chile  
**Taxpayer Identification Number (RUT):** 77.802.430-6

### Corporate purpose

The object of the Company is the urbanization, purchase and sale of sanitation materials, sale of biogas, construction and consulting of specialty works.

### Incorporation Documents

The Company was incorporated as a corporation under the name Aguas del Maipo S.A., by public deed dated June 6, 1997, granted at the Santiago notary's office of Mr. Patricio Zaldivar Mackenna, and subsequently amended the bylaws as recorded in a deed dated November 10, 2000, at the notary's office of Mr. Patricio Zaldivar Mackenna, changing its corporate name to Gestión y Servicios S.A.

Fax: (56 2) 569 23 98

## Board of Directors

**Chairman:** Marta Colet Gonzalo  
**Regular Directors:** Pablo Martinez Ubagoa  
(Chief Executive Officer of Aguas Andinas S.A.)  
Eugenio Rodriguez Mingo  
(Chief Executive Officer of Aguas Andinas S.A.)

**Chief Executive Officer:** Paola Arata Zapico

### Percentage of parent company shareholding

97,84783%

### Proportion represented by the investment in the Parent Company's assets:

The investment in the company represents the proportion of 0.28%.

### Business Relationship with Parent Company

During the business year ended December 31, 2022, the Company maintained contracts for Logistics Operator, for the purchase and sale of materials and leases with its Parent Company.

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## Note 1. General Information

Hidrogistica S.A. (hereinafter the "Company") is a closely held corporation. Its legal domicile is Avenida Presidente Balmaceda N° 1398, Santiago, Chile and its tax identification number is 96.828.120-8.

The Company was incorporated by public deed dated June 6, 1997 before the Notary Public of Santiago, Mr. Patricio Zaldivar Mackenna under the corporate name Aguas del Maipo S.A., the bylaws were amended as stated in a deed dated November 10, 2000, in the Notary Office of Mr. Patricio Zaldivar Mackenna, changing its corporate name to Gestión y Servicios S.A., later the bylaws were reformed as recorded in a deed dated April 7, 2022 before the notary Ms. Nancy de la Fuentes Hernandez, changing its corporate name to Hidrogistica S.A.

Hidrogistica S.A. is a closed corporation and is not registered in the Securities Registry of the Financial Market Commission. Its corporate purpose is the urbanization, purchase and sale of sanitation materials, construction and consulting of specialty work.

Hidrogistica S.A. is a logistic operator and a marketer of materials and other services related to the sanitation sector.

The direct controlling company is Aguas Andinas S.A., whose direct controller is Inversiones Aguas Metropolitanas S.A. ("IAM") with a 50.10234% ownership, a corporation that is controlled by Veolia Inversiones Aguas del Gran Santiago Ltda. ("IAGSA"), which is controlled by Veolia Inversiones Andina S.A., its controller is Agbar S.L.U., an entity based in Spain and one of the largest sanitation services operators in the world, which in turn is controlled by Veolia Environnement S.A. (France).

## Note 2. Basis of preparation and accounting policies

### 2.1 Basis of preparation

These consolidated financial statements correspond to the statement of financial position as of December 31, 2022 and 2021 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the full, explicit and unreserved adoption of the aforementioned IFRS.

The Company complies with the legal conditions of the environment in which it develops its operations, particularly the health subsidiaries with respect to the regulations of the health sector. The Group's companies present normal operating conditions in each area in which they develop their activities, their projections show a profitable operation and they have the capacity to access the financial system to finance their operations, which in the opinion of management determines their capacity to continue as operating companies, as established by the accounting standards under which these financial statements are issued.

### Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which these companies operate (functional currency). For purposes of the consolidated financial statements, the results and financial position are expressed in Chilean pesos (rounded in thousands of pesos), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

### New accounting pronouncements

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued, effective as of the date of these financial statements, are detailed below. The Company has applied these standards and concluded that they did not significantly affect the financial statements.

Amendments	Date of mandatory application
IFRS 3 Reference to the Conceptual Framework	January 1, 2022
IAS 16 Property, plant and equipment: recoveries before intended use	January 1, 2022
IAS 37 Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022
IFRS 1, IFRS 9, IFRS 16, IAS 41 Annual Improvements to Standards 2018-2020	January 1, 2022

The standards and interpretations, as well as improvements and amendments to IFRS that have been issued but are not yet in force at the date of these financial statements are detailed below. The Company has not adopted these standards in advance.

Rules and interpretations	Date of mandatory application
IFRS 17 Insurance contracts	January 1, 2023

Ammendments	Date of mandatory application
IAS 8 Definition of Accounting Estimates	January 1, 2023
IAS 1 Disclosure of accounting policies	January 1, 2023
IAS 12 Deferred Taxes related to assets and liabilities arising from a single transaction	January 1, 2023
IAS 1 Classification of liabilities as current or non-current	January 1, 2024
IFRS 16 Lease liabilities relating to sale and leaseback sales	January 1, 2024
IFRS 10 and IAS 28 Consolidated Financial Statements - sale or contribution of assets between an investor and a partner or joint venture	To be determined

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The Management of the Company considers that the adoption of the Standards, Amendments and Interpretations described above, which may apply to Hidrogística S.A. are currently being evaluated and it is estimated that they would not have a significant impact on the consolidated financial statements of the Company in the year of their first application. The Management is periodically evaluating these implications.

**Responsibility for the information and estimates made**

The information contained in these financial statements is the responsibility of the Company's Board of Directors, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors at its meeting held on March 20, 2023, approved these financial statements.

The financial statements of Hidrogística S.A. corresponding to fiscal year 2021 were approved by its Board of Directors in a meeting held on February 11, 2022.

In the preparation of the consolidated financial statements, estimates have been used, such as:

- Useful life of assets and intangible assets.
- Impairment losses on assets.
- Assumptions used in the actuarial calculation of employee termination benefits.
- Provisions for commitments acquired with third parties.
- Risks arising from litigation.

Although these estimates and judgments were made on the basis of the best information available at the date of issuance of these consolidated financial statements, it is possible that events that may occur in the future, such as what happened in this period concerning Covid-19, may make it necessary to modify them (upward or downward) in future periods, which would be recorded prospectively, at the time the variation is known, recognizing the effects of such changes in the corresponding future consolidated financial statements.

**2.2 Accounting policies**

The main accounting policies adopted in the preparation of these consolidated financial statements are described below.

**A. Intangible assets other than goodwill**

The Company recognizes an identifiable intangible asset when it can demonstrate that it is probable that the future economic benefits attributed to the asset will flow to the entity and the cost can be measured reliably.

**i. Separately acquired intangible assets:**

Intangible assets acquired separately are stated at cost minus accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis using estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect of any change in estimate is accounted for prospectively.

**ii. Amortization method for intangible assets**

**Intangible assets with finite useful lives**

The amortization method applied by the Company reflects the pattern in which the future economic benefits of the asset are expected to be used by the entity. For this purpose, the Company uses the straight-line amortization method.

**Software**

The estimated useful life for software is 4 years. For other assets with a defined useful life, the useful life over which they are amortized corresponds to the periods defined in the contracts or rights that originate them.

**Intangible assets with indefinite useful life**

Intangible assets with indefinite useful lives correspond mainly to water rights and easements, which were obtained on an indefinite basis, as established in the acquisition contracts and rights obtained from the General Water Directorate of the Ministry of Public Works.

**Determination of useful life**

Factors to be considered in estimating useful life include, but are not limited to, the following:

- Legal, regulatory or contractual limitations.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural factors, climate and technological changes that affect the ability to generate profits.

The useful life may require modifications over time due to changes in estimates as a result of changes in assumptions about the aforementioned factors.

**B. Property, plant and equipment**

The Company uses the cost method for the valuation of Property, Plant and Equipment, except for land, which is valued using the revaluation method. The historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or recognized as a separate asset, only when it is probable that future economic benefits associated with the items of property, plant and equipment will flow to the Company and the cost of the item can be reliably determined. The value of the replaced component is derecognized for accounting purposes. All other repairs and maintenance are charged to income for the year in which they are incurred.

Depreciation method and estimated useful life for property, plant and equipment:

The depreciation method applied by the Company reflects the pattern in which the assets are expected to be used by the entity during the period in which they generate economic benefits. For this purpose, the Company uses the straight-line depreciation method over their technical useful lives, which is based on studies prepared by independent experts (external specialist companies). The residual value and useful life of assets are reviewed, and adjusted if necessary, at each closing of the Statement of Financial Position.

When the value of an asset exceeds its estimated recoverable amount, its value is immediately reduced to its recoverable amount (Note 9).

**Useful lives:**

The useful lives considered for purposes of calculating depreciation are based on technical studies prepared by specialized external companies, which are reviewed as new information becomes available that allows considering that the useful life of an asset has been modified.

The allocation of the total useful life for assets is made on the basis of several factors, including the nature of the equipment. Such factors generally include:

1. Nature of the component materials of the equipment or constructions.
2. Operating environment of the equipment.
3. Intensity of use.
4. Legal, regulatory or contractual limitations.

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The range of useful life (in years) by type of assets is as follows:

Item	Service life (years) Maximum	Service life (years) Minimum
Plant and equipment	7	20
Information technology equipment	4	4
Fixtures and fittings	10	10
Motor vehicles	7	7

**Policy for estimating costs for dismantling, removal or rehabilitation of property, plant and equipment:**

Due to the nature of the assets being constructed in the Company and given that there are no contractual obligations or other constructive requirement as mentioned by IFRS and, in the regulatory framework, the concept of dismantling costs is not applicable at the date of these financial statements.

**Policy for sales of property plant and equipment.**

The income from the sale of property plant and equipment, are calculated by comparing the proceeds obtained with the carrying value and are recorded in the Comprehensive Income Statements.

**C. Impairment of tangible and intangible assets except for goodwill**

At each balance sheet closing date, the Company and its Subsidiary reviews the carrying amounts of its tangible and intangible assets with definite useful lives to determine whether there are indicators that such assets have suffered an impairment loss. If such indicators exist, the recoverable amount of the assets is estimated to determine the amount of the impairment loss (if any). When it is not possible to estimate the recoverable amount of a particular asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment and when there are indicators that the asset may be impaired before the end of that period.

The recoverable amount is the higher of fair value minus costs to sell and value in use. In estimating value in use, the estimated future cash flows are discounted to their present value using a before tax discount rate that reflects both the current market conditions of the time value of money, as well as the specific risks associated with the asset.

When the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of that asset (or cash-generating unit) is adjusted to its recoverable amount by immediately recognizing an impairment loss in income. When an impairment loss is reversed, the carrying amount of the asset (or cash-generating unit) is adjusted to the revised estimate of its recoverable amount, provided that the adjusted carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**D. Leases**

The Company evaluates lease contracts in accordance with IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period of time in exchange for consideration. Control is deemed to exist if the customer has i) the right to obtain substantially all of the economic benefits from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Company and its Subsidiary act as lessee, at the inception of the lease (i.e. on the date the underlying asset is available for use) it records a right-of-use asset and a lease liability in the statement of financial position.

The Company initially recognize the right-of-use asset at cost, adjusted by any remeasurement of the lease liability, minus accumulated depreciation and accumulated impairment losses. The right-of-use asset is depreciated over the lease term. To determine whether the right-of-use asset is impaired, the same criteria detailed in Note 2.2C.

Lease liabilities are initially measured at the present value of the lease payments, discounted at the company's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

After the commencement date, the lease liability is increased to reflect the accrual of interest and reduced by lease payments made. In addition, the carrying amount of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of payments or in the evaluation of a purchase option or change in the amounts payable). Interest expense is recognized as a finance cost in profit or loss for the period.

Short-term leases, equal to or less than one year, or leases of low-value assets are exempt from the application of the recognition criteria described above, recording the payments associated with the lease as an expense on a straight-line basis over the term of the lease.

When the company acts as lessor, it classifies at the inception of the agreement whether the lease is an operating or finance lease, based on the substance of the transaction. Leases in which substantially all the risks and rewards incidental to ownership of the underlying asset are transferred are classified as finance leases. All other leases are classified as operating leases.

**E. Financial assets**

Acquisitions and disposals of financial instruments are recognized on the trade date, i.e. the date on which the Company undertakes to acquire or sell the asset. Investments are derecognized when the rights to receive cash flows from them have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories:

- Financial assets at fair value with changes in income.
- Financial assets at fair value with changes in comprehensive income.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company invests in low-risk securities that meet the classification standards established in its investment policies. Thus, mutual investment funds must have an AAfm / M1 rating (Shares with very high protection against loss, associated with credit risks / shares with the lowest sensitivity to changes in economic conditions).

The time deposits and covenants contracted are N-1 rated instruments (instruments with the highest capacity to pay principal and interest on the agreed terms and maturities).

The issuing institutions of these instruments correspond to banking companies or subsidiaries of banks with an N-1 risk rating and their instruments have a risk rating of at least AA (with a very high capacity to pay principal and interest on the agreed terms and maturities, which would not be significantly affected by possible changes in the issuer, the industry to which it belongs or in the economy).

**i. Effective interest rate method**

The effective interest rate method corresponds to the method of calculating the amortized cost of a financial asset or liability and the allocation of interest income or expense over the entire period. The effective interest rate corresponds to the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset, and makes the Net Present Value (NPV) equal to its nominal amount.

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ii. Fair value with changes in other comprehensive income

For the classification of an asset at fair value through other comprehensive income, the sale of financial assets for which the principal amount plus interest, if applicable, is expected to be recovered within a specified period of time must be complied with as a principle.

iii. Financial assets at fair value with changes in income

Financial assets are presented at fair value through profit or loss when the financial asset is held for trading or is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value and any resulting gain or loss is recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest received on the financial asset.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade, loans and other receivables are non-derivative financial assets which have fixed or determinable payments and are not traded in an active market and are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest rate method, minus any impairment losses, except for short-term receivables where the recognition of interest would be immaterial.

Trade and other accounts receivable

Trade debtors correspond to amounts billed for potable water, sewage, sewage treatment and other services and to income accrued for consumption between the date of the last meter reading (according to the established monthly calendar) and the closing date of the Financial Statement. These are recorded net of the estimate of uncollectible accounts receivable or of low probability of collection.

The trade debtors policy is subject to the credit policy, which establishes the payment conditions, as well as the different scenarios to be agreed for delinquent customers.

Impairment policy for trade and other accounts receivable

The Company periodically evaluates impairment losses affecting its financial assets. The amount is recorded in the uncollectible provision account. The carrying amount of the asset is reduced as the provision account is used and the loss is recognized in the consolidated statement of comprehensive income within "other expenses". When a receivable is uncollectible, it is recorded against the provision account for accounts receivable based on the expected credit loss model as established in IFRS 9.

The estimates are based on recovery statistics, which indicate that after the eighth month of unpaid invoices, the possibility of collection is marginal, in other words, the probability of recovering an invoiced value is minimal.

F. Inventories

Materials, spare parts and supplies are stated at acquisition cost, which does not exceed net realizable value. The costing method corresponds to the weighted average cost. Annually, an impairment estimate is made for those materials that are damaged, partially or totally obsolete, or had no turnover in the last twelve months and their market price has fallen by more than 20%.

G. Dividend policy

The Company's dividend policy, as established in Article 79 of Law 18,046 governing corporations, is to distribute at least 30% of the net income of each year. In the event that these dividends do not exist or are less than the minimum established by law, the respective provision will be made.

In addition to this, and with the prior authorization of the ordinary shareholders' meeting, the remaining 70% may be distributed as an additional dividend, provided that it is maintained at the current level of capitalization of the Company and is compatible with the investment policies of the Company.

H. Transactions in foreign currency

Assets and liabilities denominated in foreign currencies are shown at the respective exchange rates prevailing at the end of each year, according to the following parities:

Currency	31-12-22	31-12-21
	\$	\$
US Dollar	855,86	844,69
Euro	915,95	955,64

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Exchange differences are recorded in income for the period in which they accrue.

I. Financial liabilities

Loans and similar items are initially recorded at fair value, net of transaction costs incurred.

Subsequently, they are valued at amortized cost, using the effective interest rate.

J. Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that resources will be used to settle the obligation and for which a reasonable estimate of the amount of the obligation can be made.

Provisions are quantified on the basis of the best information available on the event and its consequences, and are re-estimated at each accounting closing. The provisions recorded are used to face the specific risks for which they were originally recognized, and are reviewed, in whole or in part, when such risks disappear or decrease.

Contingent liabilities are all those possible obligations arising from past events, whose future materialization and associated financial loss is estimated to be unlikely. In accordance with IFRS, the Company does not recognize any provision for these items.

K. Employee benefits

The Company has 59 employees distributed in 1 main executive, 22 professionals and 36 technicians, administrative and workers.

Policies on defined benefit plans

The employees of EcoRiles S.A. are governed by the rules established in Articles 159, 160 and 161 of the Labor Code.

L. Share-based payment reserve

In accordance with IFRS 2, EcoRiles has recognized an expense (personnel costs) corresponding to the benefits granted by the Parent Company Suez to the employees of all its subsidiaries worldwide, in the form of share-based payments, in consideration for services rendered, a benefit that was subscribed by EcoRiles' employees. These services are valued at the fair value of the securities awarded.

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The share purchase plans implemented by Suez's parent company for employees of subsidiaries around the world allow employees to acquire Company shares at a price below the market price. The fair value of instruments awarded under employee stock purchase plans is estimated at the grant date based on the value of this discount granted to employees and the vesting period applicable to the share subscribed. As it is treated as a service provided by the employees to each subsidiary, in accordance with IFRS 2, Ecoriles recognizes the cost of the agreement as an expense for the year, which is offset by a credit to equity.

**M. Income tax and deferred taxes**

The income tax expense corresponds to the sum of income tax payable and the change in deferred tax assets and liabilities.

Income tax payable is determined based on the taxable income for the period. The income tax payable of the Company is calculated using the tax rates that have been approved, or are in the last approval process, at the closing date of the statement of financial position.

Deferred taxes are recognized on the basis of the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable income and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which such differences can be utilized. Deferred tax assets or liabilities are not recognized if the temporary differences arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or financial results.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be in effect for the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the statement of financial position period. The measurement of deferred tax assets and liabilities reflects the tax consequences that would result from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of their assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax assets against tax liabilities and they are related to the same entity and tax authority.

**N. Ordinary income**

**Ordinary income recognition policy**

The Company determined its revenue recognition and measurement based on the principle that revenue is recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. This fundamental principle should be applied based on a five-step model:

- (1) identification of the contract with the customer;
- (2) identification of the performance obligations of the contract;
- (3) determination of the transaction price;
- (4) allocation of the transaction price to the performance obligations; and
- (5) recognition of revenue when (or as) the performance obligations are satisfied.

**Ordinary income recognition policy for sales of goods**

Revenue from sales of goods is recognized once the significant risk and rewards of ownership of the goods have been transferred, the Company does not retain any relationship with the goods sold, the amount of revenue can be measured reliably, it is probable that the Company will receive the economic benefits associated with the sale and the costs incurred in the transaction are also reliably measurable.

**Ordinary income recognition policy for sales of services**

Revenue from sale of services is measured at fair value. Billings are made on the basis of actual consumption or work performed of the consideration receivable, net of returns, trade discounts and rebates, so that revenue is recognized when it is transferred to the customer and recovery is considered probable, the associated costs and possible discounts for erroneous collections can be estimated reliably.

Invoicing and eventual provision is made on the basis of work performed.

**O. Environmental information**

Assets of an environmental nature are considered to be those that are used on a lasting basis in the activity of the Company and Subsidiary, whose main purpose is the minimization of adverse environmental impacts and the protection and improvement of the environment, including the reduction or elimination of future pollution from the operations of Aguas Cordillera S.A. and its Subsidiary.

These assets are valued, as any other asset, at acquisition cost. The Company and Subsidiary amortize these items on a straight-line basis over the estimated remaining useful lives of the various items.

**P. Cash flow statements**

The cash flow statement includes cash movements during the period, which include value added tax (VAT), determined by the direct method and with the following criteria:

**Cash and cash equivalents:** represent inflows and outflows of cash and equivalent financial assets, meaning short-term investments of high liquidity and low risk of variations in their value (term of less than 3 months from the date of contracting and without restrictions).

**Operating activities:** represent activities typical of the normal operation of the business of the Company and its Subsidiary, as well as other activities not classified as investing or financing activities.

**Investing activities:** represent activities of acquisition, sale or disposal by other means of long-term assets and other investments not included in cash and cash equivalents.

**Financing activities:** represent activities that produce changes in the amount and composition of shareholders' equity and liabilities that are not part of ordinary activities.

**O. Reclassifications**

For the fiscal year ended December 31, 2021, certain reclassifications have been made in order to facilitate comparison as of December 31, 2022, as follows:

Reclassifications	Increase/(Decrease) ThCh\$
Statement of comprehensive income by nature:	
Impairment gains and reversal of impairment losses determined according to IFRS 9 on financial assets	9,592
Other expenses, by nature	(9,592)

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Note 3. Trade and other receivables and rights receivable

The composition of trade debtors as of December 31, 2022 and December 31, 2021 is as follows:

Credit Risk	31-12-22	31-12-21
	ThCh\$	ThCh\$
Gross on-balance sheet exposure for accounts receivable risks	562,625	1,085,930
Gross on-balance sheet exposure for receivables and note receivable risks	460,203	265,618
Trade and other receivables risk, current, gross	(69,673)	(53,109)
Net exposure, risk concentrations	953,155	1,298,439
Movement in credit risk on accounts receivable	31-12-22	31-12-21
	ThCh\$	ThCh\$
Initial balance	(53,109)	(71,585)
Increase in existing provisions	(50,853)	(18,170)
Decreases	34,289	36,646
Totals, changes	(16,564)	18,476
Final balance	(69,673)	(53,109)

The composition by age of the gross debt is shown below:

Gross Debt	31-12-22	31-12-21
	ThCh\$	ThCh\$
less than three months	1,017,113	1,334,431
Between three and six months	-	(1,641)
Between six and eight months	-	(1,252)
more than eight months	5,715	20,010
Totals	1,022,828	1,351,548

In accordance with the provisions of IFRS 7 Financial Instruments, a detail of the gross overdue debt by age is shown:

Net overdue debt	31-12-22	31-12-21
	ThCh\$	ThCh\$
less than 4 months	100,478	340,568
Totals	100,478	340,568

Net past due debt is comprised of all undetermined balances receivable with a maturity date prior to the closing of the financial statements, due to the fact that the counterparty has failed to make a payment when contractually it should have done so, from that moment it is considered as past due balance.

Analysis of gross exposure of current trade debtors.

• As of December 31, 2022:

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	37	456,432	-	-	37	456,432
Between 1 and 30 days	13	100,401	-	-	13	100,401
Between 31 and 60 days	1	77	-	-	1	77
more than 251 days	41	5,715	-	-	41	5,715
Totals	92	562,625	-	-	92	562,625

• As of December 31, 2022:

December 31st 2022						
Trade Debtor Term	Non renegotiated portfolio		Renegotiated portfolio		Total gross portfolio	
	Nº of customers	Gross amount	Nº of customers	Gross amount	Nº of customers	Gross amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
To date	42	650,239	-	-	42	650,239
Between 1 and 30 days	14	399,305	-	-	14	399,305
Between 31 and 60 days	10	15,515	-	-	10	15,515
Between 151 and 180 days	1	129	-	-	1	129
More than 251 days	41	20,742	-	-	41	20,742
Totals	108	1,085,930	-	-	108	1,085,930

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As of December 31, 2022 and 2021, the analysis of protested notes receivable and notes receivable in judicial collection, of the non-securitized portfolio, is as follows:

Delinquent portfolio in court collection	NON-SECURITIZED PORTFOLIO			
	Not refinanced portfolio 12/31/2022		Not refinanced portfolio 12/31/2021	
	N° of customers	Portfolio Amount	N° of customers	Portfolio Amount
		ThCh\$	ThCh\$	ThCh\$
Delinquent notes receivable	19	59,404	12	30,313
Total	19	59,404	12	30,313

As of December 31, 2022 and 2021, the credit risk analysis is as follows:

December 31st 2022				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
69,673		69,673	21,848	-

Credit risk analysis is as follows:

December 31st 2021				
Provision			Uncollectibles of the period	Recovery of the Period
Not Refinanced Portfolio	Refinanced Portfolio	Total Provision		
ThCh\$	ThCh\$	ThCh\$		
53,109		53,109	28,068	-

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## Note 4. Related party disclosures

### Balances and transactions with related entities

Transactions between the Company and related entities are carried out in accordance with market conditions.

### Accounts Receivable from Related Entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Lease of real estate, guarantee U.F. 18,73	CLP	30 Days	Guarantees	658	580
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Withholding of renovation works Collectors	CLP	30 Days	No Guarantees	137,465	137,465
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Sales of materials	CLP	30 Days	No Guarantees		85,177
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Cleaning of sewer pipes	CLP	30 Days	No Guarantees		
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Contract without trench	CLP	30 Days	No Guarantees	455,362	
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Entel Agreement	CLP	30 Days	No Guarantees		19,846
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Logistics Operation	CLP	30 Days	No Guarantees	101,060	35,083
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Hydraulic efficiency and meter verification	CLP	30 Days	No Guarantees	405,178	77,100
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Entel Agreement	CLP	30 Days	No Guarantees	18,912	
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Contract without Trench	CLP	30 Days	No Guarantees	207,378	
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Hydraulic efficiency and meter verification	CLP	30 Days	No Guarantees		
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Logistics Operation	CLP	30 Days	No Guarantees	10,989	5,981
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Sales of Materials	CLP	30 Days	No Guarantees		2,376
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Contract without Trench	CLP	30 Days	No Guarantees	21,047	
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Hydraulic efficiency and meter verification	CLP	30 Days	No Guarantees		
89,221,000-4	Aguas Manquehue S.A.	Related to Controller	CL	Logistics Operation	CLP	30 Days	No Guarantees	5,566	1,705
96,967,550-1	Analsis Ambientales S.A.	Related to Controller	CL	Materials Sales	CLP	30 Days	No Guarantees		35,235
A85788065	Aqua Development Network	Related to Controller	CL	Talent Management	CLP	30 Days	No Guarantees		
76,080,553-K	AQUALOGY SOLUTIONS CHILE LTDA.	Related to Controller	CL	Materials Sales	CLP	30 Days	No Guarantees		
96,945,210-3	Ecoriles S.A.	Related to Controller	CL	Chemical Supplies Sales	CLP	30 Days	No Guarantees	138,276	268,006
Total Accounts Receivable								1,501,891	672,951

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### Accounts Payable to Related Entities

Rut Related Party	Name of Related Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Terms	Guarantees	Current ( M\$ )	
								Dec-22	Dec-21
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Loan	CLP	30 Days	No Guarantees	369,942	
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Return of EURO Fund Allocation	CLP	30 Days	No Guarantees	1,457	
61,808,000-5	Aguas Andinas S.A.	Controller	CL	Interim Dividend	CLP	30 Days	No Guarantees		144,736
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Purchase of Materials	CLP	30 Days	No Guarantees		
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Interim Dividend	CLP	30 Days	No Guarantees		3,184
A03466604	LOGISTIUM, SERVICIOS LOGISTICOS S.A	Related to Controller	CL	Consulting and certification	CLP	30 Days	No Guarantees		
76,080,553-K	AQUALOGY SOLUTIONS CHILE LTDA.	Related to Controller	CL	Purchase of Materials	CLP	30 Days	No Guarantees		9,127
Total accounts payable								371,399	157,047

## Transactions

Transactions with related entities are originated in Chile, the currency of the transactions is in Chilean pesos.

Rut Related Party	Name of Rrelated Party	Nature of the Relationship	Country of Origin	Nature of Related Party Transactions	Type of Currency	Current ThCh\$			
						31-12-22		31-12-21	
						Amount	Effects on Income (Loss) (Charge)/Credit	Amount	Effects on Income (Loss) (Charge)/Credit
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Dividend	CLP	144,736	0	144,736	0
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Loan Payment	CLP	1,571,762	-32761,554	0	0
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Loan Obtained	CLP	1,876,180	0	0	0
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Contract Without Trench	CLP	920,501	773,530	0	0
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Sale of Materials	CLP	0	0	1,159,912	974,716
96,945,210-3	Ecoriles	Controller	CL	Sale of Chemical Supplies	CLP	2,647,835	2,225,071	2,376,731	1,997,253
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Hydraulic efficiency and meter verification	CLP	1,089,734	906,898	564,437	474,317
61,808,000-1	Aguas Andinas S.A.	Controller	CL	Logistics Operation	CLP	616,229	519,683	85,537	77,481
96,809,310-K	Aguas Cordillera S.A.	Related to Controller	CL	Contract Without Trench	CLP	336,352	282,649	0	0
96,967,550-1	Analsis Ambientales S.A.	Related to Controller	CL	Sale of Materials	CLP	168,445	141,550	165,965	139,466
A85788073	AQUATEC PROY.SECTOR AGUA	Related to Controller	CL	Purchase of Materials	CLP	167,054	-167,054	0	0
76,080,553-K	AQUALOGY SOLUTIONS CHILE LTDA.	Related to Controller	CL	Purchase of Materials	CLP	16,301	-13,698	112,425	-66,394

The materiality criterion for reporting transactions with related entities is amounts in excess of ThCh\$100,000.



STATEMENTS OF FINANCIAL POSITION	2022	2021
	ThCh\$	ThCh\$
ASSETS		
Current assets	5,577,611	5,670,967
Non-current assets	3,649,806	2,525,143
Total Assets	9,227,417	8,196,110
LIABILITIES		
Current liabilities	4,370,914	3,493,377
Non-current liabilities	1,035,969	966,417
Equity	3,820,534	3,736,316
Total Liabilities and Equity	9,227,417	8,196,110
COMPREHENSIVE INCOME STATEMENT		
Ordinary income	9,232,759	10,088,904
Operating cost	(9,146,134)	(9,808,860)
Financial income	1,414	(33,265)
Other different from the operation	(317,023)	370,595
Income tax	163,540	(124,308)
Earnings of the period	(65,444)	493,066

CASH FLOW STATEMENT		
Cash flows provided by (used in) from operating activities	(1,419,731)	1,821,153
Cash flows provided by (used in) investing activities	(262,357)	(817,453)
Cash flows provided by (used in) financing activities	337,180	-
Net increase (decrease) in cash and cash equivalents	(1,344,908)	1,003,700
Cash and cash equivalents at beginning of period	1,877,777	874,077
Cash and cash equivalents at the end of the period	532,869	1,877,777
STATEMENT OF CHANGES IN EQUITY		
Issued capital	506,908	506,908
Other equity interests	(41,428)	(41,428)
Retained earnings (loss)	3,355,054	3,270,836
Closing Equity Balance	3,820,534	3,736,316

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	2022	2021	2022	2021	2022	2021	2022	2021
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
ASSETS								
Current assets	324,838,124	283,854,689	22,667,895	22,830,465	6,286,773	6,712,447	9,093,880	8,208,979
Non-current assets	2,054,511,436	1,945,366,921	434,065,600	419,823,368	97,444,444	97,973,115	1,191,473	916,833
Total Assets	2,379,349,560	2,229,221,610	456,733,495	442,653,833	103,731,217	104,685,562	10,285,353	9,125,812
LIABILITIES								
Current liabilities	265,797,147	248,642,211	79,548,322	78,550,772	16,448,603	18,120,800	3,775,734	3,167,122
Non-current liabilities	1,274,661,314	1,138,031,686	80,561,550	88,292,010	20,575,073	23,885,615	132,773	44,354
Equity	838,861,526	842,520,215	296,623,336	275,810,781	66,707,541	62,679,147	6,376,846	5,914,336
Minority Interests	29,573	27,498	287	270	-	-	-	-
Total Liabilities and Equity	2,379,349,560	2,229,221,610	456,733,495	442,653,833	103,731,217	104,685,562	10,285,353	9,125,812
COMPREHENSIVE INCOME STATEMENT								
Ordinary Revenues	575,465,445	506,459,633	82,979,124	74,958,304	19,909,408	19,243,191	20,734,925	17,157,185
Operating Cost	(345,685,272)	(309,206,563)	(55,307,559)	(48,708,708)	(14,296,119)	(12,365,843)	(17,510,816)	(14,348,001)
Financial Income (Loss)	(131,755,492)	(22,788,579)	(8,604,871)	(666,476)	(2,657,577)	(397,374)	134,690	7,523
Other non-operating	(15,352,190)	(54,155,071)	(359,885)	(2,749,252)	1,824	(1,352,301)	(102,069)	25,130
Income Taxes	2,578,383	(19,662,886)	2,755,819	(2,720,176)	955,946	(655,823)	(686,013)	(644,868)
Minority Interests	(2,140)	(2,005)	(17)	(18)	-	-	-	-
Earnings (loss) from discontinued operations	-	-	-	-	-	-	-	-
Earnings attributable to owners of the controlling company	85,248,734	100,644,529	21,462,611	20,113,674	3,913,482	4,471,850	2,570,717	2,196,969
CASH FLOW STATEMENT								
Net Cash Flows from Operating Activities	242,903,240	231,199,221	41,488,735	32,391,631	10,585,713	7,559,557	784,943	2,438,721
Net Cash Flows from Investing Activities	(165,900,708)	(157,685,839)	(27,463,919)	(30,000,023)	(2,999,406)	(2,213,776)	(136,390)	(260,544)
Net Cash Flows from Financing Activities	(61,180,505)	(84,945,654)	(15,083,794)	(2,383,148)	2,511,949	(4,906,469)	(2,000,000)	(2,000,000)
Net Increase (Decrease) in Cash and Cash Equivalents	15,822,027	(11,432,272)	(1,058,978)	8,460	10,098,256	439,312	(1,351,447)	178,177
Cash and Cash Equivalents Beginning Balance	163,513,314	174,945,586	4,197,008	3,741,504	2,145,130	1,705,818	3,508,336	3,330,159
Cash and Cash Equivalents Beginning Balance	179,335,341	163,513,314	3,138,030	3,749,964	12,243,386	2,145,130	2,156,889	3,508,336
STATEMENT OF CHANGES IN EQUITY								
Issued capital	155,567,354	155,567,354	153,608,183	153,608,183	9,025,832	9,025,832	333,787	333,787
Retained earnings (losses)	362,648,832	361,776,346	149,864,579	129,031,620	53,736,152	49,704,699	6,070,338	5,607,828
Other equity investments	(5,965,550)	(5,965,550)	(61,060,426)	(61,060,426)	(754,269)	(754,269)	(27,279)	(27,279)
Share premiums	164,064,038	164,064,038	-	-	-	-	-	-
Other reserves	162,546,852	167,078,027	54,211,000	54,231,404	4,699,826	4,702,885	-	-
Non-controlling interests	29,573	27,498	287	270	-	-	-	-
Ending balance Shareholders' equity	838,891,099	842,547,713	296,623,623	275,811,051	66,707,541	62,679,147	6,376,846	5,914,336

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	2022	2021	2022	2021	2022	2021
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
ASSETS						
Current assets	5,577,611	5,670,967	6,667,293	4,739,859	2,299,186	2,316,241
Non-current assets	3,649,806	2,525,143	6,501,327	6,240,863	11,514,477	11,725,683
Total Assets	9,227,417	8,196,110	13,168,620	10,980,722	13,813,663	14,041,924
LIABILITIES						
Current liabilities	4,370,914	3,493,377	2,204,349	1,912,185	6,418,482	6,609,241
Non-current liabilities	1,035,969	966,417	1,358,980	818,268	-	1,859
Equity	3,820,534	3,736,316	9,605,291	8,250,269	7,395,181	7,430,824
Minority Interests	-	-	-	-	-	-
Total Liabilities and Equity	9,227,417	8,196,110	13,168,620	10,980,722	13,813,663	14,041,924
COMPREHENSIVE INCOME STATEMENT						
Ordinary Revenues	9,232,759	10,088,904	11,954,333	10,069,396	2,210,867	896,583
Operating Cost	(9,146,134)	(9,438,265)	(10,365,725)	(8,555,775)	(2,096,632)	(1,340,489)
Financial Income (Loss)	1,414	(44,143)	(67,399)	(23,138)	(364,200)	(68,981)
Other non-operating	(317,023)	10,878	(55,188)	12,011	(17,553)	58,686
Income Taxes	163,540	(124,308)	(66,476)	(269,467)	231,875	382,787
Minority Interests	-	-	-	-	-	-
Earnings (loss) from discontinued operations	-	-	-	-	-	-
Earnings attributable to owners of the controlling company	(65,444)	493,066	1,399,545	1,233,027	(35,643)	(71,414)
CASH FLOW STATEMENT						
Net Cash Flows from Operating Activities	(1,419,731)	1,821,153	(504,063)	1,631,706	1,749,540	(509,667)
Net Cash Flows from Investing Activities	(262,357)	(817,453)	(511,543)	(1,122,088)	-	-
Net Cash Flows from Financing Activities	337,180	-	352,000	(81,000)	(1,702,000)	501,000
Net Increase (Decrease) in Cash and Cash Equivalents	(1,344,908)	1,003,700	(663,606)	428,618	47,540	(8,667)
Cash and Cash Equivalents Beginning Balance	1,877,777	874,077	842,906	414,288	2,021	10,688
Cash and Cash Equivalents Ending Balance	532,869	1,877,777	179,300	842,906	49,561	2,021
STATEMENT OF CHANGES IN EQUITY						
Issued capital	506,908	506,908	262,456	262,456	7,971,221	7,971,221
Retained earnings (losses)	3,355,054	3,270,466	9,364,285	8,009,263	(410,716)	(129,681)
Other equity investments	(41,428)	(41,058)	(21,450)	(21,450)	(165,324)	(410,716)
Share premiums	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
Ending balance Shareholders' equity	3,820,534	3,736,316	9,605,291	8,250,269	7,395,181	7,430,824

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