

1

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

2

Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management

3

Focused on our customers, we provide specialized and critical services with clear and long-term arrangements

4

Building Connections: Strengthening community through social value and protection of our planet

5

People as the driving force behind the development of our Company

6

**Commitment to the future: Solid, long-term financial performance. Value generation.**

7

Transelec Group: Growth through business diversification

8

Preparing our 2023 Integrated Annual Report

Appendices



# 6.

**Commitment to the future:** Solid, long-term financial performance. Value generation.

1

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

2

Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management

3

Focused on our customers, we provide specialized and critical services with clear and long-term arrangements

4

Building Connections: Strengthening community through social value and protection of our planet

5

People as the driving force behind the development of our Company

6

**Commitment to the future: Solid, long-term financial performance. Value generation.**

7

Transelec Group: Growth through business diversification

8

Preparing our 2023 Integrated Annual Report

Appendices

The creation of sustainable economic value is one of the key issues defined by the Company.

A solid and stable financial performance is essential as it allows us to provide an excellent service, contribute to the quality of life of our end customers and employees, face new challenges and create value.

**Milestones:  
(GRI 3-3)**

**In 2023, we conducted our first Financial Strategy diagnostic**

**Successful refinancing of part of our debt**

**Value generation: Ch\$471 billion of revenue in 2023**

Despite varying market conditions and global uncertainty, we again tested the financial strength of our Company. In April 2023, we issued a UF 7,000,000,000 bond in the local market, the largest and longest-dated issuance by a corporate issuer since the beginning of the pandemic. This issuance demonstrated investors' confidence, especially after 10 years of not issuing bonds in Chile. It was hard work that was rewarded with a long-term placement at the lowest rate ever issued by the Company.

The placement was made in two series and allowed the refinancing of the maturity of another US\$300 million of debt. The primary investors were the pension fund administrators and insurance companies.

Our assets, primarily transmission towers, lines and substation equipment, require constant maintenance, which extends their useful lives to more than 70 years. As a result, we need to secure long-term financing that matches the useful life of our assets.

## Revenue

The Company's revenue is stable and long-term. The regulated portion of revenue is determined by four-year rate periods. Revenue for the year corresponds to the 2019-2023 tariff period, tariff informed at the beginning of 2023, albeit retroactive to January 2019, as discussed in Chapter 3.

Within the same framework of changing conditions, 2024 marks the beginning of a new tariff period that will determine the tariffs of our regulated assets. The regulator is leading the tariff-setting process, which should be completed after the end of that year (retrospective to January 2024). The tariff change is determined in accordance with the Electricity Regulation, taking into account the profitability of the assets and their valuation. In general, the tariffs set for each period do not vary much from what was set for the previous period, which provides stability to the system.



## Financial information

In order to support our operations and investment projects, we have several financial mechanisms at our disposal, relying on our own solid cash generated by our commercial activities, the issuance of debt (in the capital market or in banks) and a revolving credit line that is currently fully available.

Within the regulatory framework established in 2004 for the electricity industry and the Transmission Law of 2016 in Chile, and thanks to our solid business model, our total revenue increased by 7% this year compared to the previous year.

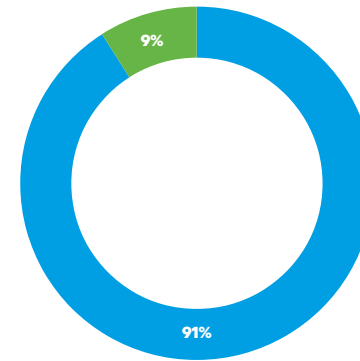
### Transelec's value footprint (GRI 201-1)

In 2023, our Company generated Ch\$471 billion in revenue, which was distributed to its stakeholders as follows:

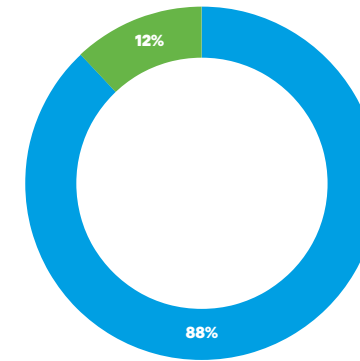
	2022	2023
Summary	Millions of Chilean pesos	Millions of Chilean pesos
Revenue	439,592	471,267
Economic value retained	39,236	57,366
Economic value distributed	400,356	413,901
* Government (taxes)	99,819	17,693
Employee (wages and benefits)	45,942	47,873
Service providers (payments)	33,982	34,238
Shareholders	32,337	54,720
Financers	65,875	42,337
Reinvestment	218,109	213,798
Community and Environment (environmental, social projects and donations)	4,110	3,242

\* The information included in the 2022 Value Footprint required certain reclassifications to improve the understanding and comparability of the information with the 2023 information.

Value Footprint Composition 2022



Value Footprint Composition 2023



● Economic Value Distributed    ● Economic Value Retained

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

Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management

Focused on our customers, we provide specialized and critical services with clear and long-term arrangements

Building Connections: Strengthening community through social value and protection of our planet

People as the driving force behind the development of our Company

**Commitment to the future: Solid, long-term financial performance. Value generation.**

Transelec Group: Growth through business diversification

Preparing our 2023 Integrated Annual Report

Appendices

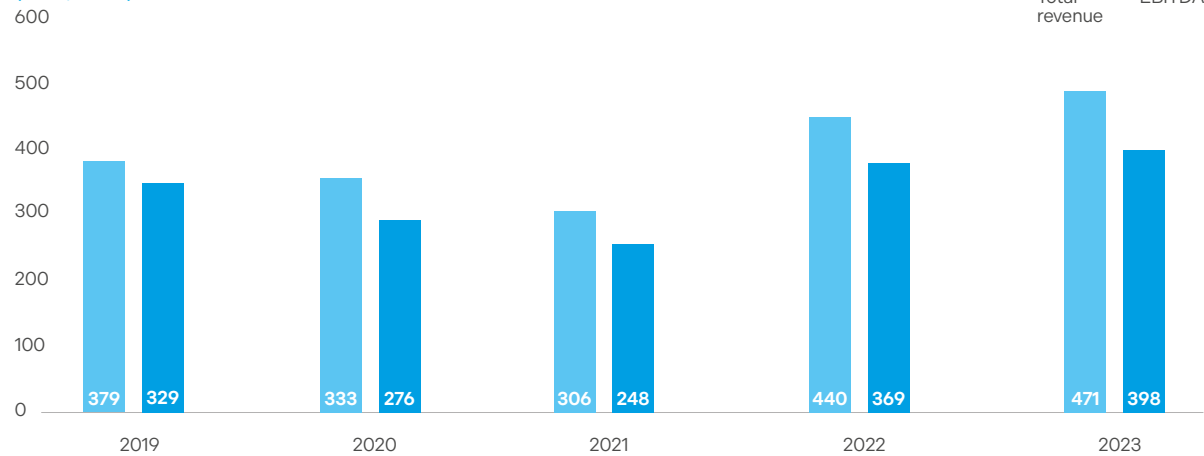
## Tax sustainability

In 2023, we took a proactive approach to the strategic management of our tax obligations. Recognizing their importance, we undertook for the first time a gap assessment of our tax strategy based on the Global Reporting Initiative (GRI) 207 Tax indicators. We have also prepared the first draft of a tax report, which we expect to validate and publish in the near future.

The latter is a milestone for our Company as it addresses sustainability from all angles. This includes paying the appropriate taxes in the areas where we operate, and evaluating the contribution this makes to communities, society and the Chilean Government.

## Business cash generation

Revenue and EBITDA evolution (in billions of Ch\$) (T2-1, T2-2)



	2022 (Thousands of Chilean pesos)	2023 (Thousands of Chilean pesos)
<b>Summary</b>		
Regulated revenue(*)	378,629,499	335,533,503
Contractual revenue	91,873,886	135,733,729
Provision for tariff review	-30,911,166	-

(\*): Due to the publication of the decree with the official tariffs 2020-2023, in 2022 the excess provisions of the years 2021-2020 were retroactively corrected. As a result, the regulated revenues for 2022 are higher than those for 2023.

Revenue shown in this table can be divided into regulated and contractual revenues. Regulated revenues are those from all facilities where the regulator determines the revenues that each owner company must receive for each transmission asset it owns. Contractual revenues, on the other hand, are derived from transmission services agreed upon in bilateral contracts with other companies.

This solid cash generation is the result of the significant investments the Company makes to expand and maintain its transmission assets in the country, given the regulatory framework that compensates our assets based on their availability for use by third parties.



1	We connect the energies of the future, illuminating paths towards efficiency and sustainability: We are Transelec	2	Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management	3	Focused on our customers, we provide specialized and critical services with clear and long-term arrangements	4	Building Connections: Strengthening community through social value and protection of our planet	5	People as the driving force behind the development of our Company	6	<b>Commitment to the future: Solid, long-term financial performance. Value generation.</b>	7	Transelec Group: Growth through business diversification	8	Preparing our 2023 Integrated Annual Report	Appendices
---	---	---	---	---	--	---	---	---	---	---	--	---	--	---	---	------------

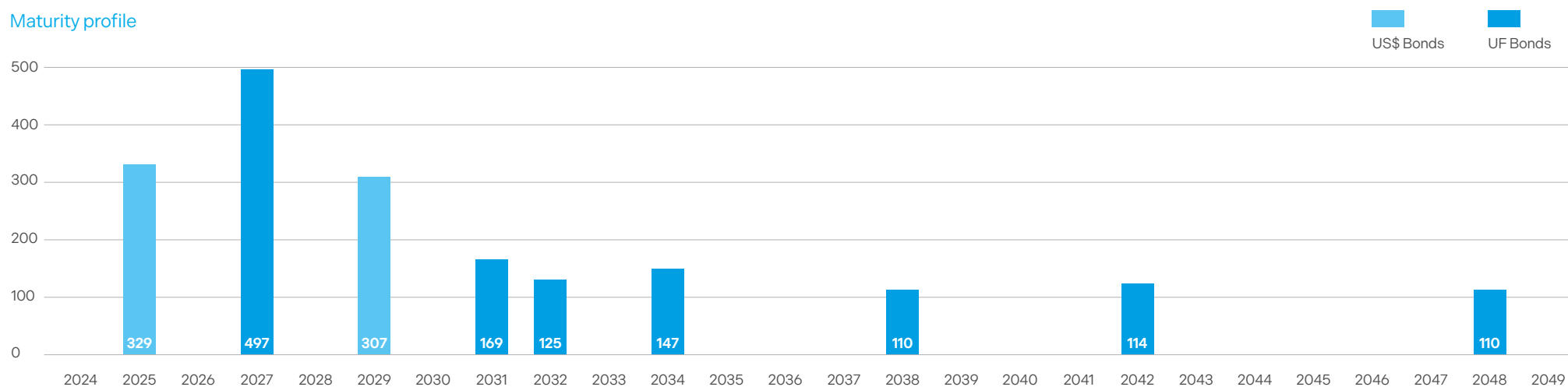
## Debt

In line with our cash generating capacity, we maintain a level of debt that allows us to meet all our long-term commitments and obligations with a high degree of certainty. As a result, our Company currently has the following public debt, which is long-term, fixed-rate and matures at different dates, allowing us to maintain a very limited refinancing risk:

Debt	Currency	Interest rate	Type of rate	Maturity date	Amount outstanding (millions)
Bond D	UF	4.25%	Fixed	DEC 15, 27	13.5
Bond H	UF	4.80%	Fixed	AUG 01, 31	3.00
Bond K	UF	4.60%	Fixed	SEP 01, 31	1.60
Bond M	UF	4.05%	Fixed	JUN 15, 32	3.40
Bond N	UF	3.95%	Fixed	DEC 15, 38	3.00
Bond Q	UF	3.95%	Fixed	OCT 15, 42	3.10
Bond V	UF	3.30%	Fixed	MAR 01, 48	3.00
Bond X	UF	3.20%	Fixed	MAR 01, 34	4.00
Bond US\$ @2025	US\$	4.25%	Fixed	JAN 14, 25	375.00
Bond US @2029	US\$	3.875%	Fixed	JAN 12, 29	350.00



### Maturity profile

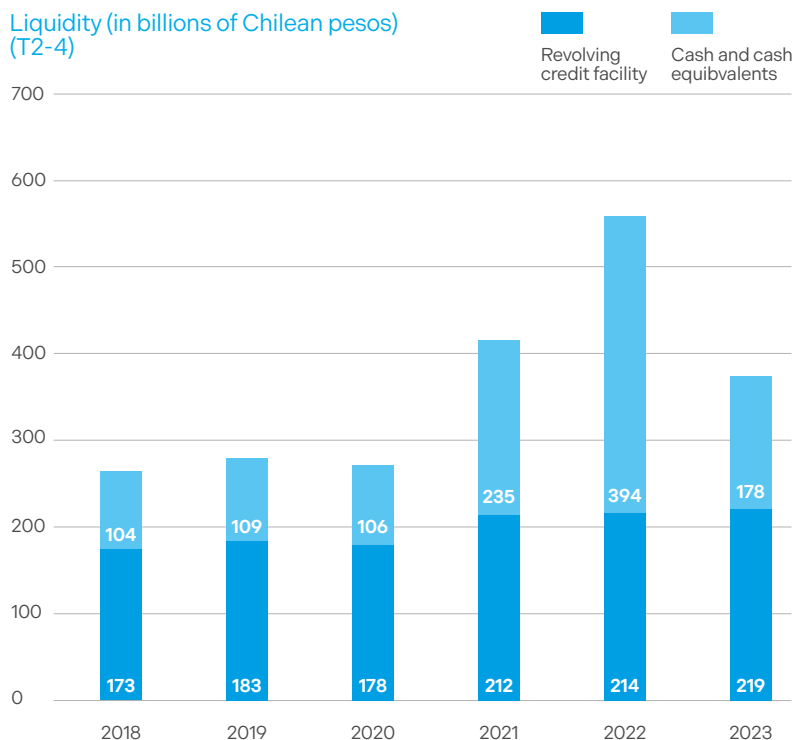


1	We connect the energies of the future, illuminating paths towards efficiency and sustainability: We are Transelec	2	Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management	3	Focused on our customers, we provide specialized and critical services with clear and long-term arrangements	4	Building Connections: Strengthening community through social value and protection of our planet	5	People as the driving force behind the development of our Company	6	<b>Commitment to the future: Solid, long-term financial performance. Value generation.</b>	7	Transelec Group: Growth through business diversification	8	Preparing our 2023 Integrated Annual Report	Appendices
---	---	---	---	---	--	---	---	---	---	---	--	---	--	---	---	------------

### Revolving credit facility

We currently have a Ch\$250 million unsecured revolving committed credit facility, which was renegotiated and extended in May 2021 (and extended for an additional three years in February 2024). This amount is intended to ensure the immediate availability of funds for working capital needs, project financing, acquisition of new transmission lines and debt refinancing. The facility is currently fully undrawn.

In addition, our strong liquidity position allows us to afford to fund both our normal operations and future investment plans.



### Relationship with our investors and credit rating agencies

We believe it is essential to maintain a constant, transparent and close relationship with our investors, who invest in the Company's bonds, and with the agencies that rate us. With this in mind, we intend to meet our objective of maintaining fluid communication with our stakeholders.

Our investors receive regular information through [our website](#), where we publish our financial statements, a ratio analysis and the presentation of our results on a quarterly basis. In parallel, we maintain up-to-date information on our debt, ratings, corporate governance, regulatory issues and other information of interest.

### Risk rating

We maintain credit ratings with both local and international agencies, most of them ratified in 2023. This is in recognition of the good results we have achieved, the stability of our cash flows and the financial strength we present as a Company.

#### International rating

MOODY'S  
INVESTORS SERVICE

**Baa1**

Ratified in December 2023

STANDARD  
& POOR'S

**BBB**

Ratified in December 2023

FitchRatings

**BBB**

Ratified in December 2023

#### Local Rating

FellerRate  
Clasificadora de Riesgo

**AA**

Ratified in December 2023

Humphreys  
CLASIFICADORA DE RIESGO

**AA**

Ratified in December 2023

FitchRatings

**AA**

Upgraded in December 2023

**In 2023, we again improved our credit rating from AA- to AA, according to FitchRatings' local rating in December of that year.**

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

Setting a solid course for a sustainable future: Corporate Governance, Ethics, Compliance and Risk Management

Focused on our customers, we provide specialized and critical services with clear and long-term arrangements

Building Connections: Strengthening community through social value and protection of our planet

People as the driving force behind the development of our Company

**Commitment to the future: Solid, long-term financial performance. Value generation.**

Transelec Group: Growth through business diversification

Preparing our 2023 Integrated Annual Report

Appendices

### Insurance policies:

To cover part of our risks, we protect ourselves by taking out insurance for the operational phases and also for the construction of projects. In 2023, we renewed our insurance policies, not only to mitigate and act in case of emergency, but also to be responsible to our stakeholders in case of unforeseen events.

Our contracted insurance policies include coverage for the Company's property, plant and equipment located at the substations, terrorism, civil and professional liability, engineering projects (construction, assembly and transportation, among others), cybersecurity, and complementary health, travel assistance and service commission insurance.

## Dividend policy (CMF 2.3.4 ii, iii a)

Our dividend policy states that the Board of Directors intends to distribute 100% of reported net profits as a dividend in a given fiscal year. This takes into account the Company's financial position, the commitments entered into when placing bonds in the domestic and international markets and the impact of the IFRS adoption. Thus, no dividend may be declared if it would result in non-compliance with the financial covenants.

In respect of a given financial year, the Board of Directors may, if it deems it appropriate, declare interim dividends to be paid in accordance with the conditions prevailing at that time. The aggregate amount of interim dividends may not exceed 75% of the Company's projected distributable profits for the current fiscal year according to the most recent available forecast.

### Dividends paid

In 2023, the Company paid a dividend on retained earnings that it had not paid in prior years.

### Dividends paid each year (provisional, conditional and final)

Year	Historical value (millions of Chilean pesos) (*)
2018	58,599
2019	96,218
2020	43,852
2021	28,723
2022	17,404
2023	233,967

(\*): Amounts as of December of each year

(\*\*): Corresponds only to the interim dividends paid during the year 2023, because as of December 31, 2023, the final dividends for the year 2023 are not yet known and will be determined at the Ordinary Shareholders' Meeting to be held during the year 2024.

### Profit sharing (Charged to each fiscal year)

Year	Millions of Chilean pesos	Profit % for the year
2018	104,966	100%
2019	140,070	100%
2020	95,743	100%
2021	58,013	100%
2022	58,384	54%
2023 (**)	0	0%

