



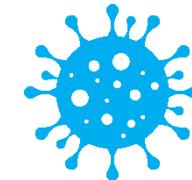
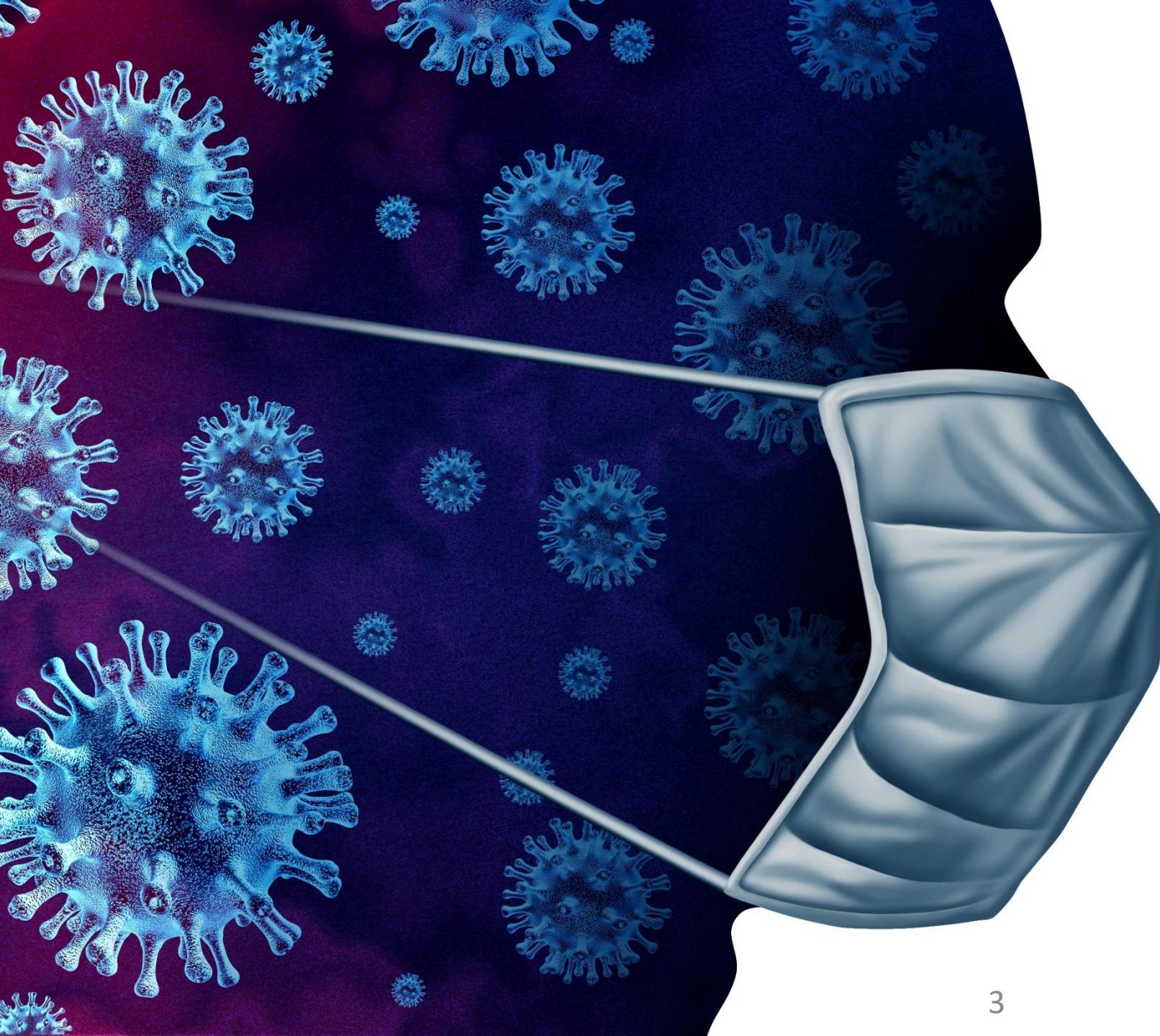
Results Report

DECEMBER 2020

Marta Colet G.



- Covid-19
- Climate Change Challenge
- Financial Summary
- Regulatory Aspects
- Other topics of interest



1

Covid-19

Ensuring operational
continuity



Covid- 19: Corporate Measures:

Operational Continuity



Safeguarding workers' health



Helping to contain the spread of the disease



Ensuring continuity of supply to the city



Empathize with customers, suppliers and communities.



WORKERS



Medical staff for worker consultations, symptom tracking and case traceability.



Daily health surveys for symptom detection.



Adoption of security measures.



More than 300 workers in voluntary confinement program



More than 700 workers in teleworking mode.



CUSTOMERS



Support for vulnerable customers.



More than 8 millions of attentions through digital channels.



Suspension of supply cut-off. New debt regularization agreements.



SUPPLIERS



Signing of agreement for continuity of payment for employment protection.



COMMUNITIES



Vaccination campaign to communities (flu).



Campaign to help Fundación Las Rosas



Collaboration agreement with Fundación Techo-Chile that allowed to carry water to different camps in the MR, #ChileComparteAgua.

Covid-19: Corporate Measures

Operational Continuity

Peak of:

- 756 people teleworking
- 300 essential people confined

- 1348 own workers inoculated to date (78%)
- 394 with second shot (23%)

Preventive strategy in advance

Health survey

Focus: Psychological support and health surveillance

Operational continuity for the city

- 686 PCR tests performed on essential personnel
- 1.276 Saliva tests, performed on essential personnel

- 51 Critical workers of contractor personnel vaccinated
- 82% of essential workers vaccinated

- 695 People working on-site



Aguas Andinas confina a sus trabajadores para asegurar el suministro en la pandemia

La mayoría de su personal ya firmó el documento de autorización y la empresa les asegura desde la salud hasta el contacto con las familias.

JULIO MATUS

Para asegurar el suministro de agua potable y el tratamiento de aguas servidas frente a una posible expansión del Covid-19, la empresa Aguas Andinas comenzó un proceso de confinamiento voluntario de su personal, para lo cual levantó instalaciones de emergencia.

Rachel Bernardin, subgerente de producción, explicó que se tomó la decisión para que todo la ciudad en tiempos de la pandemia -que una de las medidas más importantes es lavarse manos y cara con agua y jabón-

La ejecutiva dice que hasta el momento han funcionado con modelos pilotos. "En el caso de que haya una mayor expansión de los contagios en la Región Metropolitana, tengamos la posibilidad de confinar a

campamentos de descanso, luego de una evaluación de salud y psicológica por médicos de la UC. En los primeros, trabajarán y vivirán y en los segundos pasarán el resto del tiempo".

"El día que se confinan se les hace el examen PCR y guardan distancia con sus compañeros hasta tener los resultados que, hasta ahora, todos han dado negativo", explicó. Luego duermen en habitaciones individuales, comen a dos metros de distancia, sus hijos no podrán visitarlos a veces y desayunar, además de la obligación de usar mascarillas, guantes y alcohol gel.

Durante el confinamiento también se les hace un chequeo de salud y psicológico diario, además de mantener contacto permanente con sus familias. Durante el descanso pueden optar a ejercicios físicos, cursos de perfeccionamiento, entre otras





Climate Change Challenge

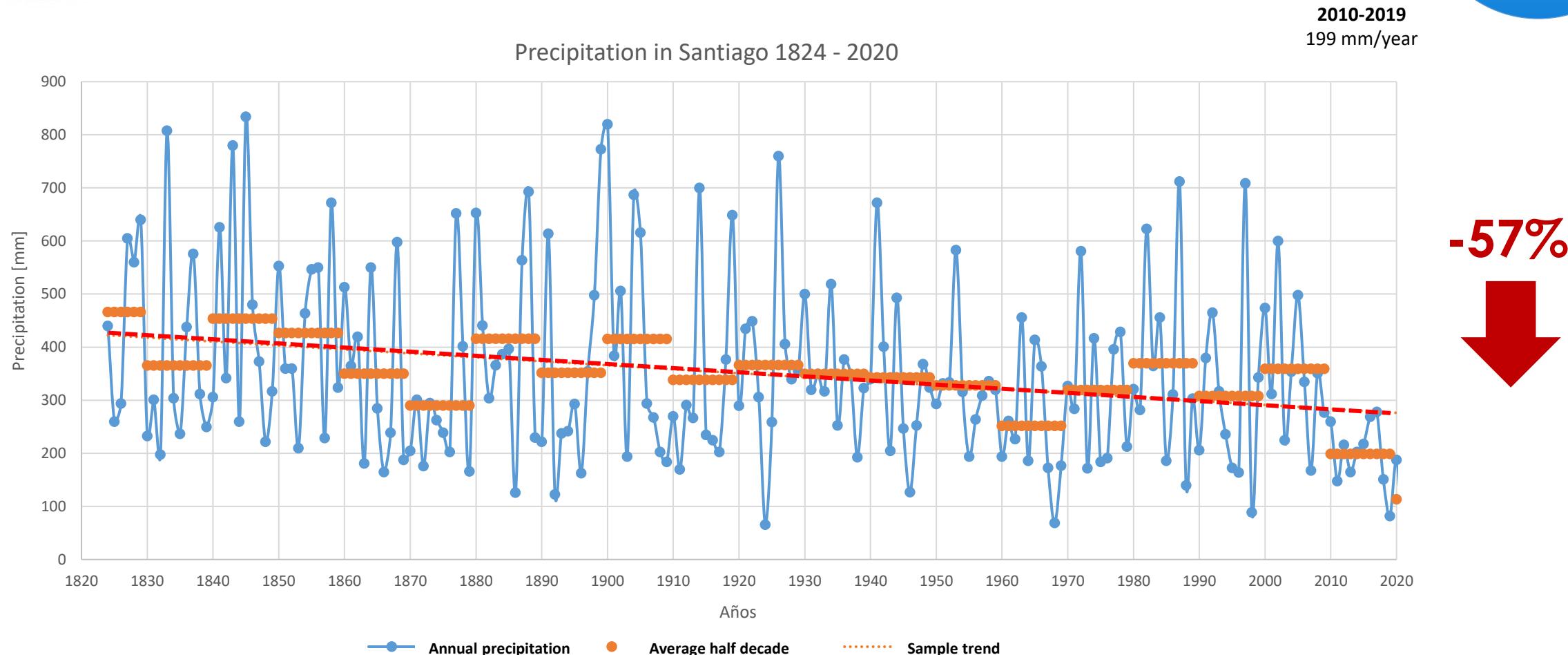
Impact on water availability



Challenge: Climate change

Impact on water availability

2



A phenomenon that has accelerated in the last decade combining scarcity with episodes of high turbidity

2

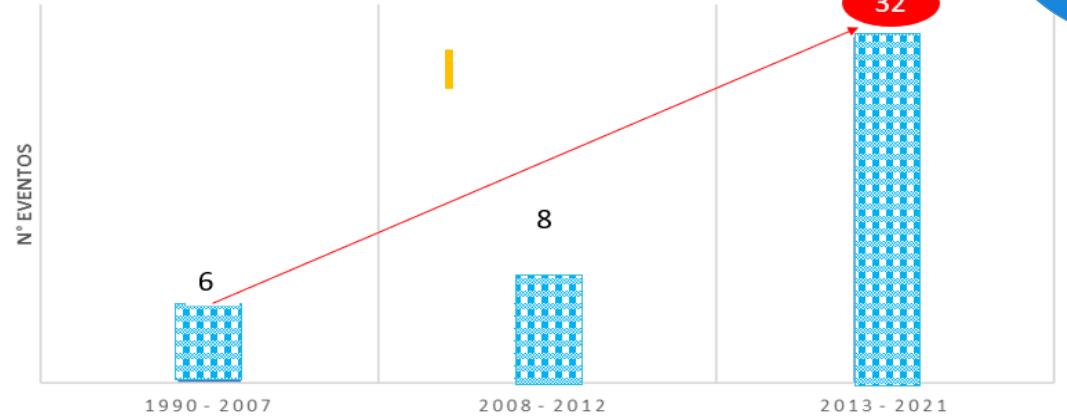


Santiago (2019) Chile **78 mm**



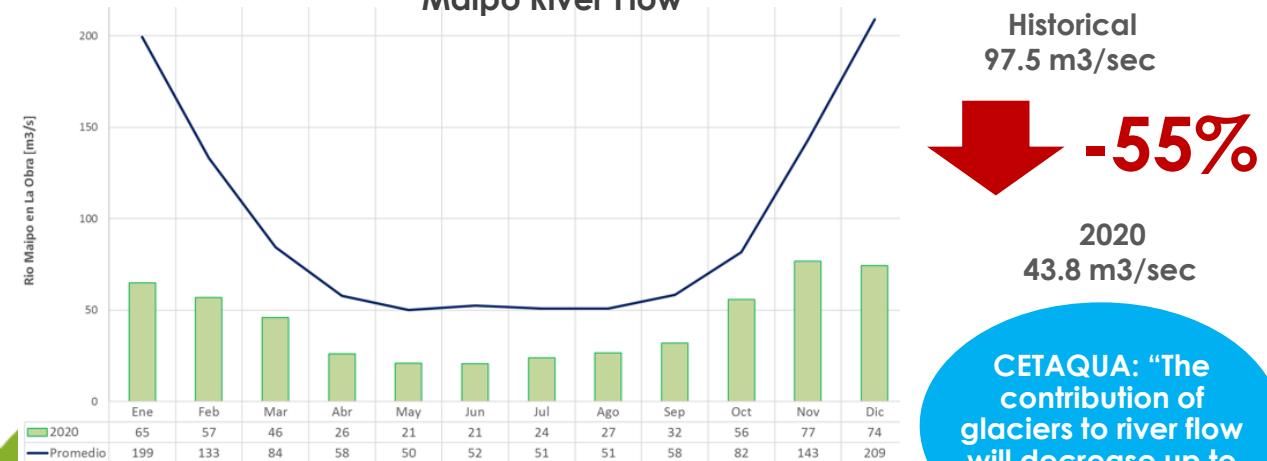
Riad (2019), Saudi Arabia **92.5 mm**

Episodes of high turbidity 1990 – 2021

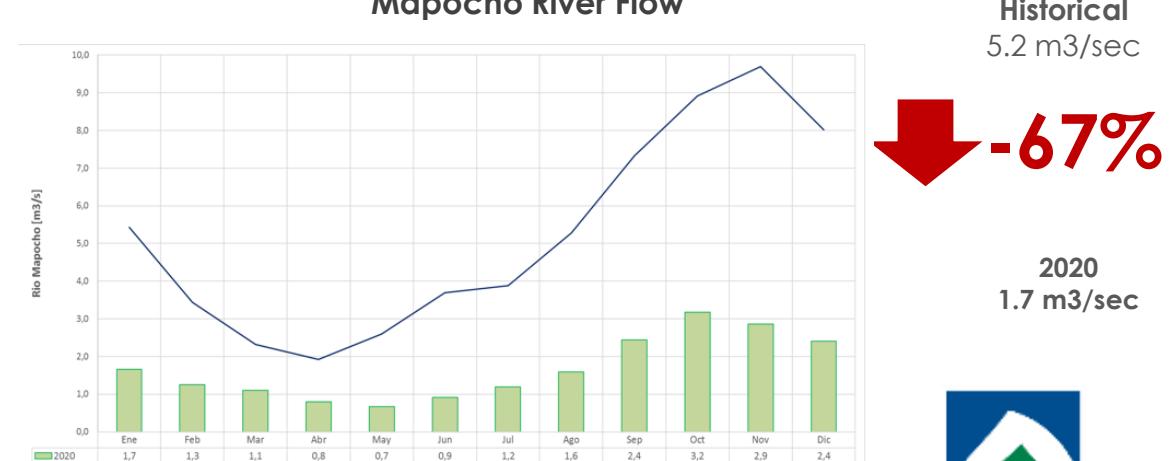


... and threatening the city's supply sources.

Maipo River Flow



Mapocho River Flow



We have invested in resilience works strengthening autonomy in the event of high turbidity episodes in the rivers

Phase 1

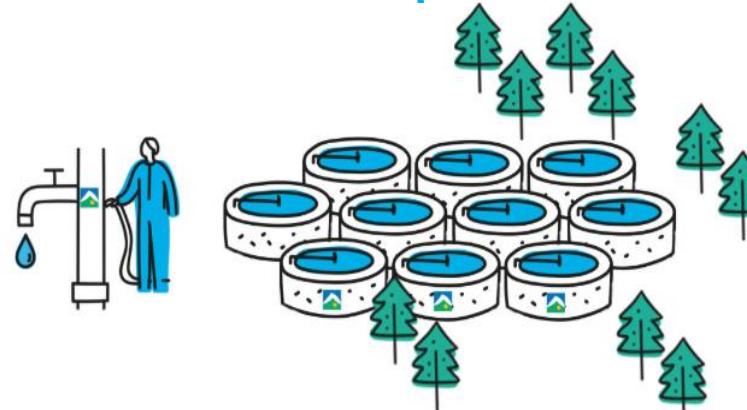


- ✓ Construction of 7 new wells.
- ✓ Construction of 14 tanks of potable water storage.
- ✓ Construction of a 5 km subway pipeline between the El Yeso reservoir and the Las Vizcachas potable water production complex.

Operation: 2013

Autonomy
Increase from 4 to 9 hours

Interim phase

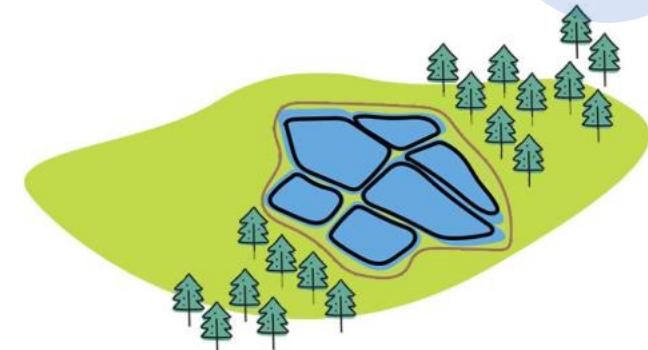


- ✓ Enabling of 16 groundwater extraction wells.
- ✓ Construction of 9 tanks of potable water storage.

Operation: 2018

Autonomy
Increase from 9 to 11 hours
9

Phase 2



- ✓ Construction of 6 mega reserve tanks in Pirque, to store raw water from the Maipo River in normal times, which can be used to produce potable water in emergency situations.

Operation: 2019

Autonomy
Increase from 11 to 34 hours

Inauguration: Mega Tanks of Pirque

Start of operations in February 2020



We have increased Santiago's autonomy from 11 to 34 hours.

Investment of \$ 77.500 million

In 7 years, we increase in 30 hours the resilience of Santiago

1.500 million liters of water reserve

Fundamental infrastructure to face: Atmospheric River

NOTICIAS

REPORTAJES SUMINISTRO DE AGUA 04.11.2020 / 01:19

Inauguran seis megaestanques en Pirque para enfrentar futuros cortes de suministro de agua potable

La millonaria inversión de Aguas Andinas permitiría pasar de una autonomía de 11 horas a 34 en todo el Gran Santiago.

CHV NOTICIAS 20:50 ESCRIBANOS A WHATSAPP +56 9 9011 80 11 VISITE WWW.CHVNOTICIAS.CL



Las piscinas tardaron cinco días en llenarse a una tasa de 3,5 metros cúbicos por segundo.

Seis mega estanques atesoran casi 1,5 millones de litros

Santiago alcanza 34 horas de autonomía frente a cortes de agua

Meteorological Event Atmospheric River

Indicators and characteristics

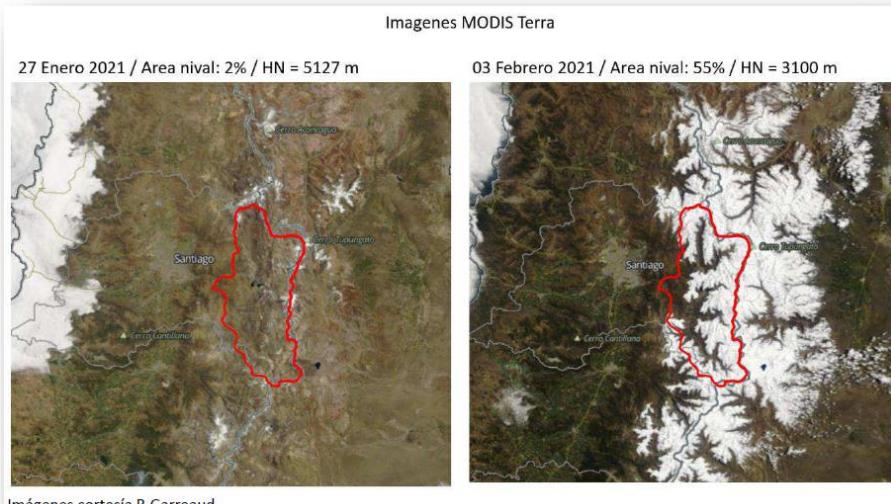


Meteorological Event
Atmospheric River
(January 29 to February 1)

100 mm of accumulated
rainfall during the entire
event.

10
mm/hr rainfall intensity at El
Manzano station.

One of the 3 most intense
storms in the last 100 years.



Snow cover
increased from 2% to
56% after the event.

Imagenes cortesía R.Garreaud

Melting of snow
accumulated after the
Atmospheric River
causes material
entrainment and new
turbidity peaks in
rivers (February 2 to 8)

Comenzaron a operar a las ocho de la mañana del sábado
**Así funcionan los mega estanques que
mantienen con agua a la Región Metropolitana**



Pirque Mega-Tanks: Fundamental
work to face the
climate crisis without
massive supply
interruptions



**Aguas Andinas descarta corte de
agua en la Región Metropolitana,
pero se mantiene en alerta
amarilla**

La compañía señaló que se mantiene en alerta debido a la
“inestabilidad provocada por el fenómeno ‘río atmosférico’ y los
efectos de turbiedad que aún podrían experimentarse en los ríos”.
“Estaríamos salvando este evento inédito prácticamente sin cortes

ni parte el ministro de Obras Públicas,

There is still some way to go

For a more resilient city



- ✓ Wells
- ✓ Water efficiency plan

- ✓ AVO Tanks
- ✓ Other wells
- ✓ San Antonio Tank (approved tariff)
- ✓ San Enrique Tank (approved tariff)
- ✓ Completion of Padre Hurtado plant
- ✓ Start of treated wastewater reuse work (requested tariff)



- ✓ El Manzano Project- Pirque
- From 48 hours to 3 months the city's autonomy



- ✓ Wells
- ✓ Start of Padre Hurtado plant expansion (requested tariff)
- ✓ Tanks
- ✓ Others of water transportation



- ✓ Progress of treated wastewater reuse work (requested tariff)





FINANCIAL SUMMARY

Didac Borrás G.



Keys of the period



COVID impact of (\$36,949) million net.



Settlements subscribed with SERNAC and CONADECUS for cuts in 2016 and 2017 with an impact of (\$11,000) million.



Recognition in tariffs of the VII tariff process and start-up of Pirque.



Mega Drought implied higher costs of (\$6,274) million.



Capex of \$124,620 million, in a continuous investment commitment.



Sale of ESSAL is completed, with a net result of \$7,325 million.



March | 2021



MAIN FINANCIAL FIGURES

EBITDA without extraordinary effects increases by 1.5% compared to 2019. Net debt decreases by 2.6%.

| Statement of results (Million \$) | Dec. 20 | Dec. 19 | % Var. |
|-----------------------------------|----------------|----------------|---------|
| Ordinary income | 478,774 | 484,329 | (1.1%) |
| EBITDA | 235,332 | 285,306 | (17.5%) |
| EBITDA adjusted* | 289,555 | 285,306 | 1.5% |
| %EBITDA/Income | 49% | 59% | |
| EBIT | 115,682 | 192,073 | (39.8%) |
| %EBIT/Income | 24% | 40% | |
| Net income | 98,692 | 141,737 | (30.4%) |

*Adjusted EBITDA is obtained discounting COVID net impact, SERNAC - Conadecus settlement, and Mega Drought.

| | | | |
|----------|---------|---------|--------|
| CAPEX | 124,620 | 115,540 | 7.9% |
| Net debt | 898,638 | 970,822 | (7.4%) |

Figures do not include ESSAL



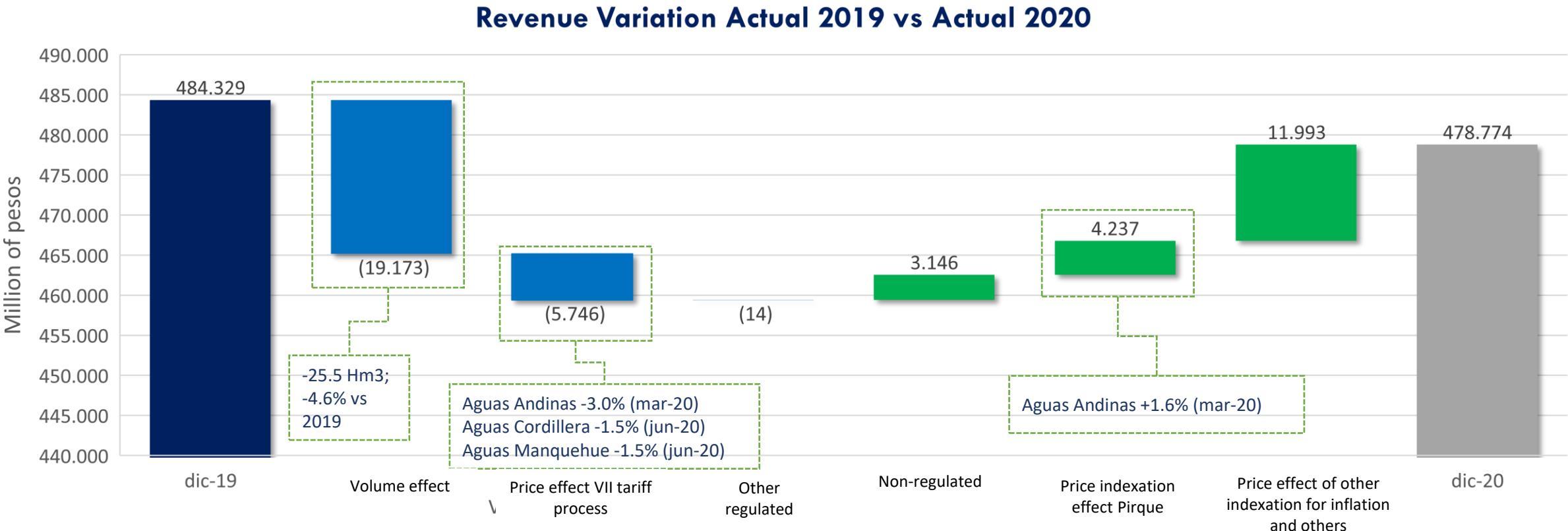
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INCOME EVOLUTION

Figures

Revenues practically in line with 2019, despite the lower volume (Covid19 effect) and the impact of the VII tariff process.





CUSTOMERS AND BILLING

The reading effectiveness rate has practically recovered its normal level.

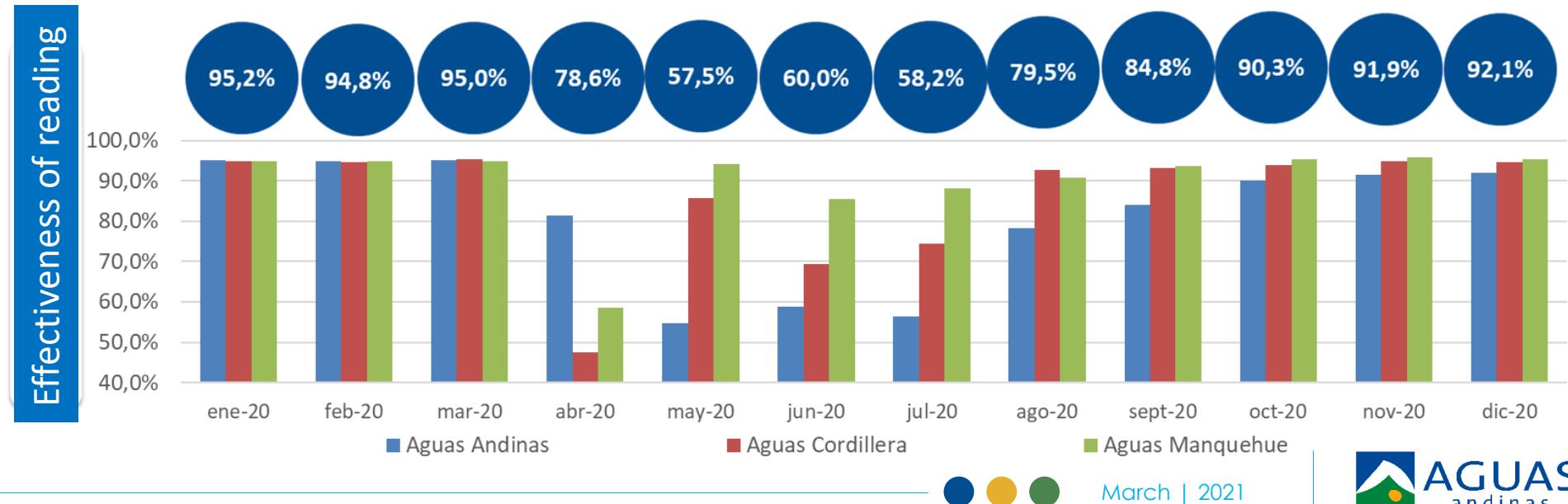


Estimates on a pro-Customer basis:

Average terms according to
industry billing manual

Billing for the same month of the
previous year

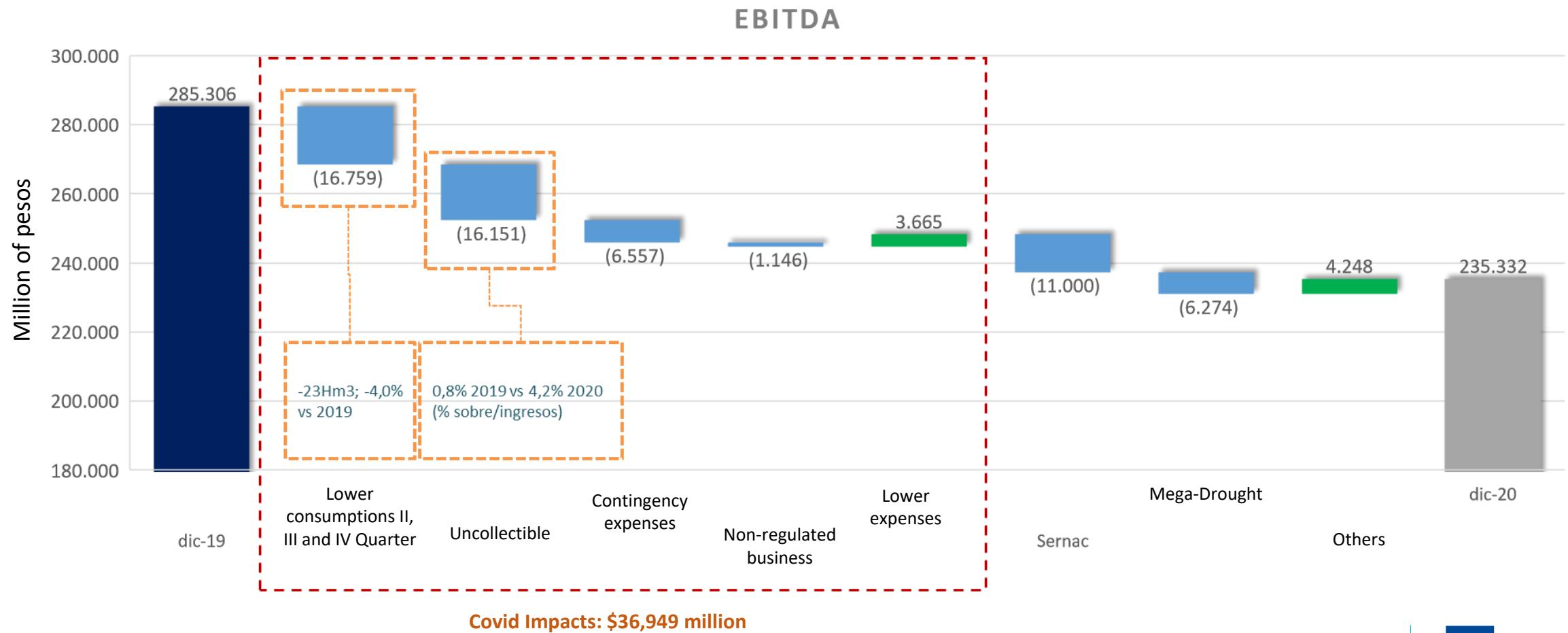
Choose the lowest or the reading reported by the customer.





STATEMENT OF RESULTS– EBITDA BRIDGE

Without considering extraordinary effects, EBITDA for fiscal 2020 increases 1.5% compared to 2019



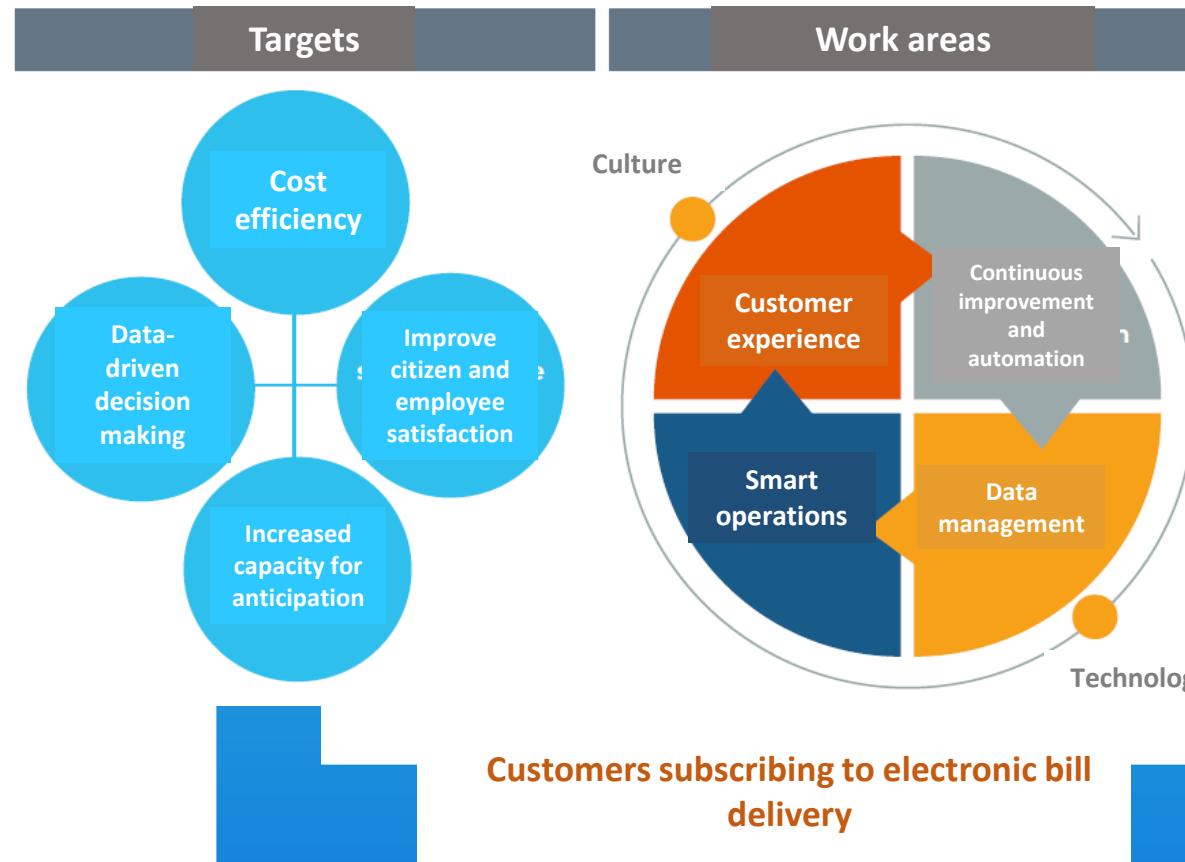
Marzo | 2021



DIGITAL TRANSFORMATION PROJECTS AND COST CONTAINMENT



- **Introduction of BOTs for internal and external processes.**
- New form of attendance marking.
- Single Regulatory Repository.
- SAP Ariba implementation and robotization
- Digital channels
- Operations management software
- Implementation of the electronic signature mechanism.



Customers subscribing to electronic bill delivery

| | |
|--|---|
| 129,708 in 2019 | 557,489 in 2020 |
| 9.9% of the company's total customers | 25.7% of the company's total customers |

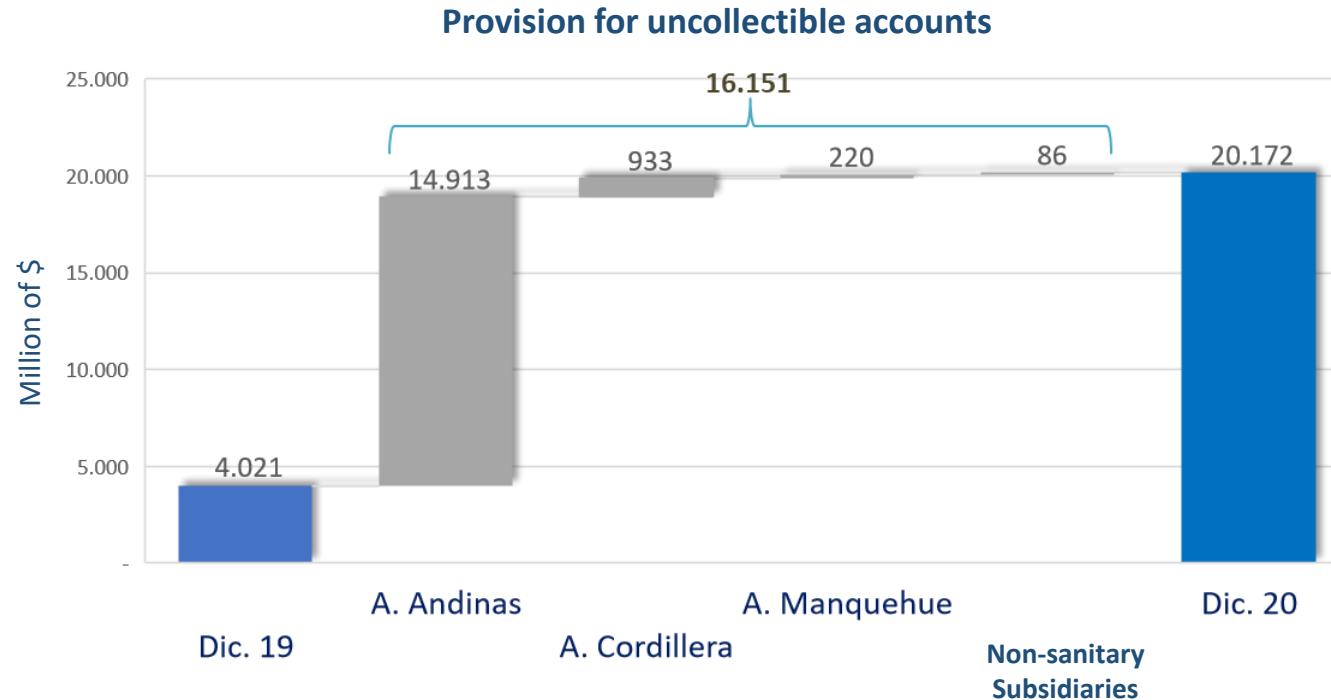


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COBRABILITY

Increase in delinquencies from 0.8% in 2019 to 4.2% in 2020, leading to a higher provision for bad debts of \$16,151 million.

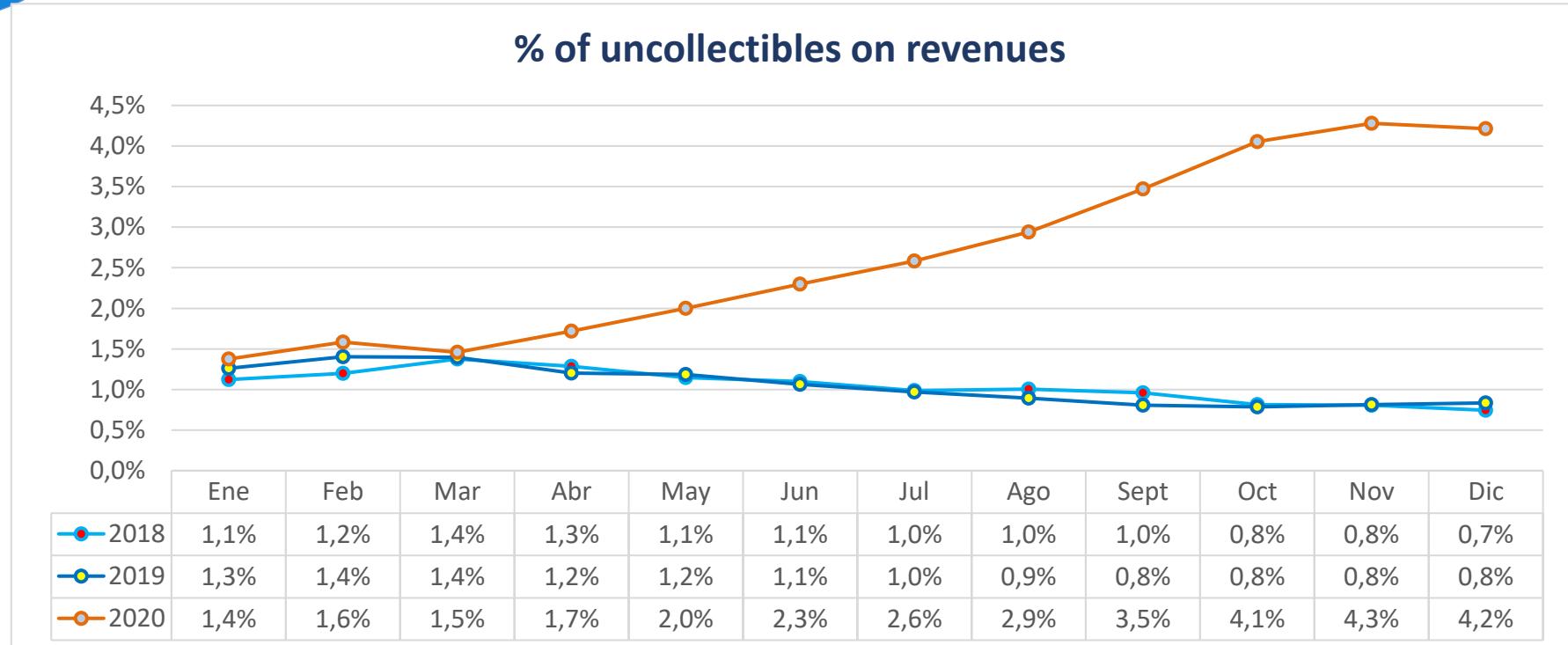


The bad debt recognition policy used by the Company is based on collection statistics according to the age of invoicing:

- Customer debt with more than 8 balances is provisioned at 100%.
- Debts for consumption transformed into payment agreements are provisioned at 100% of the agreed balance.



COBRABILITY



- a) Figures for year 2020 correspond to Aguas Andinas Group without Essal.
- b) Accumulated data for each month

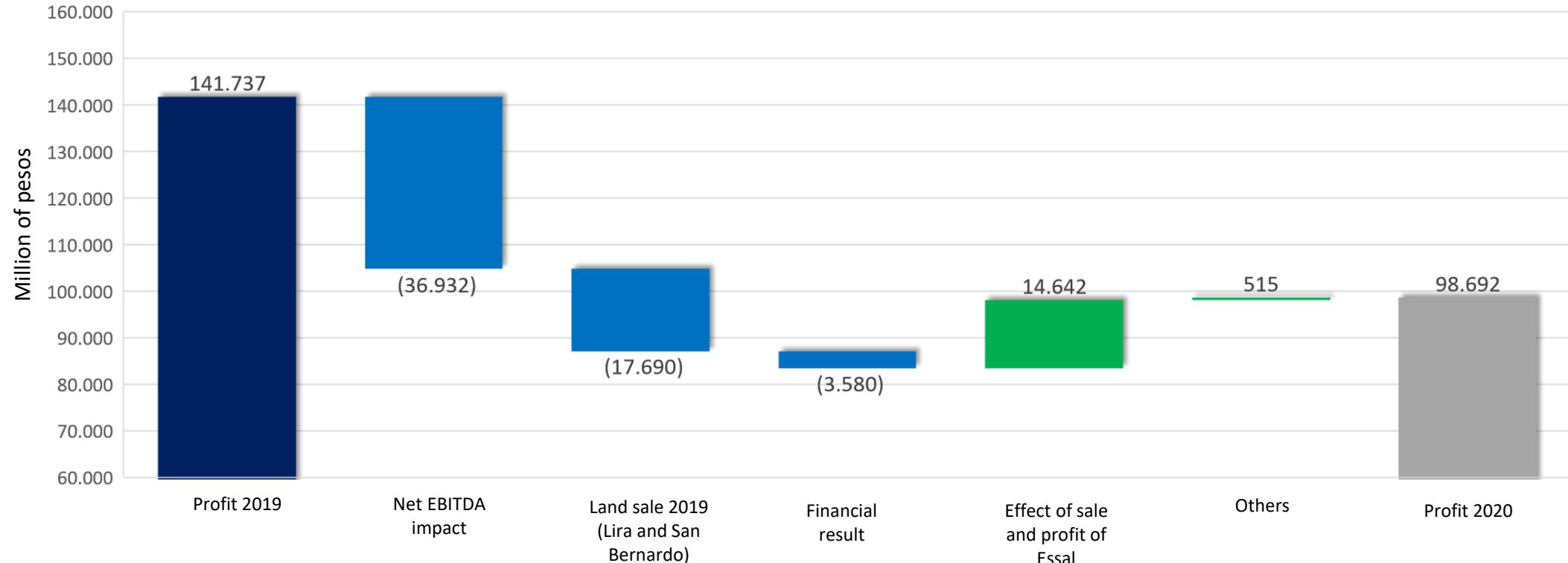




EVOLUTION UNDER EBITDA

Net impact of the sale of ESSAL in 2020 amounts to \$7,325 million.

Variation under EBITDA Actual 2019 vs Actual 2020

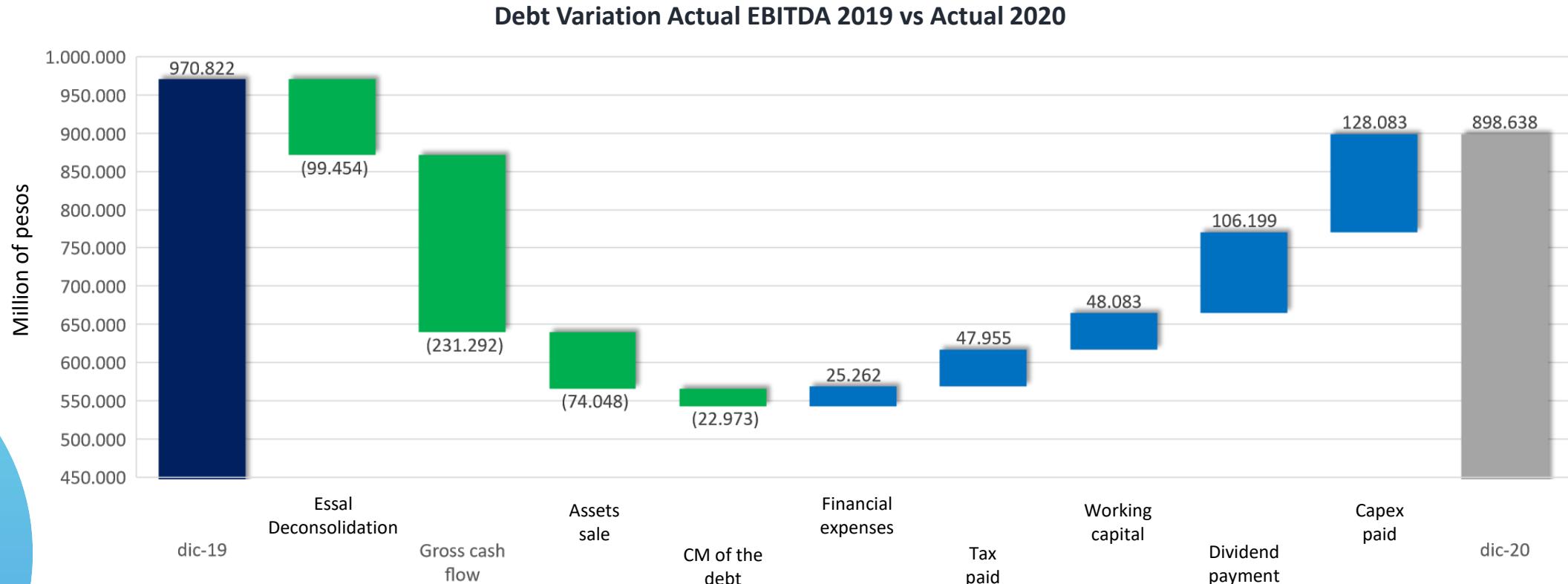


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NET DEBT EVOLUTION

The company's strong cash flow generation has allowed it to maintain its investment program and dividend distribution to shareholders, despite the pandemic.

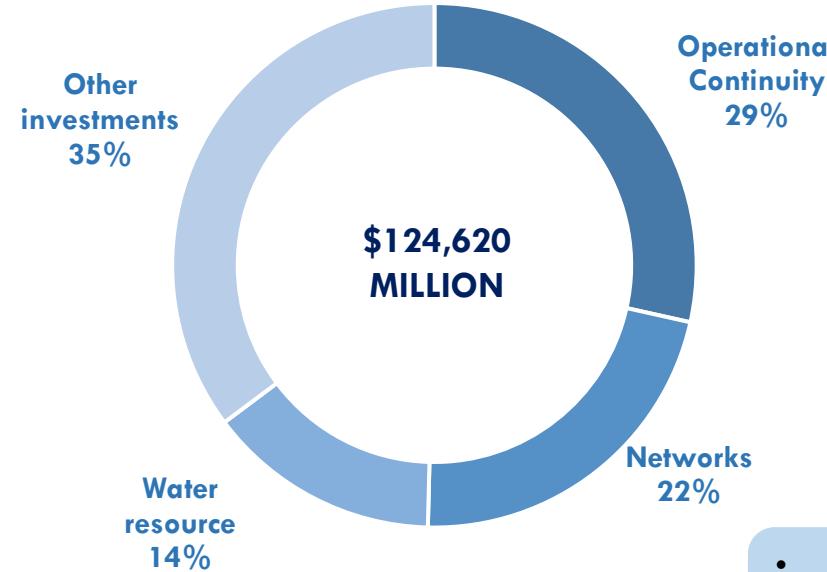


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INVESTMENTS

A COMPANY IN CONSTANT GROWTH



- Drilling and reinforcement of water supply system.
- Hydraulic Efficiency Plan.
- Purchase of Water Rights.
- Reuse of Regenerated Water.

- Nitrate Treatment Farfana-Trebal Wastewater Treatment Plant.
- Replenishment of Assets of La Farfana-Trebal Biofactories.
- Construction of Pirque Tanks.
- Padre Hurtado Potable Water Treatment Plant Expansion.
- Expansion of Arsenic Treatment Plant Quilicura Q=50l/s <

- Renovation of sewage networks.
- Renovation of Potable Water networks.
- Starters and Meters.

Figures do not include ESSAL 2020 investments.



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The Company has continued its investment program during 2020 with 2 clear pillars:

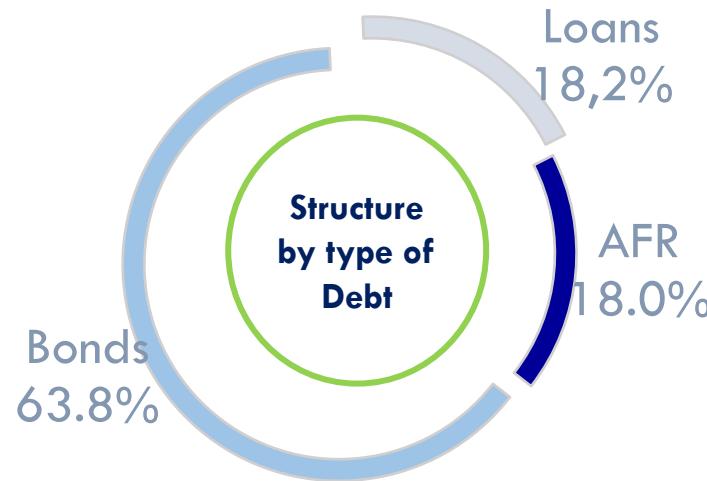
- securing supply in the event of climatic crisis.
- securing water resources.





FINANCIAL STRUCTURE DECEMBER 2020

Healthy financial structure that ensured normal operations in a pandemic year.

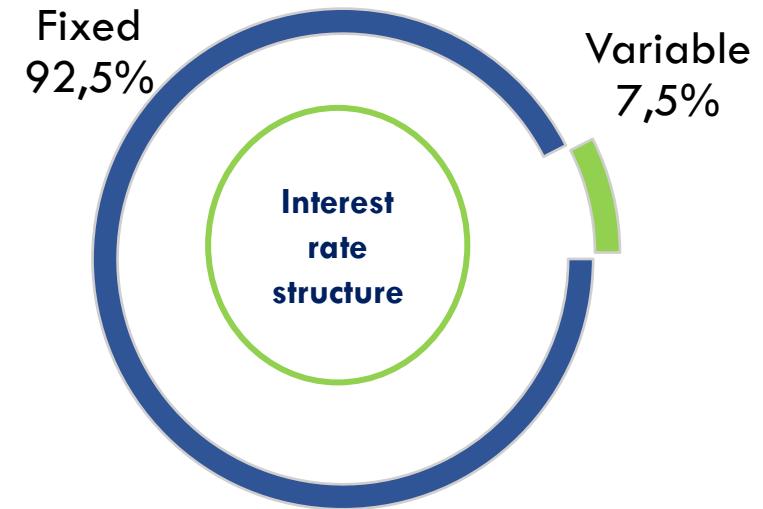


Leverage: **1.55**

Coverage of annualized financial expenses : **5.11x**

Local risk classification : **AA+**

*Considering EBITDA without COVID impact.



Total Net Financial Debt : **\$898,638 million**

Cash and Equivalent: **\$174,946 millions**

Net Financial Debt/EBITDA: **3.8x**

Net Financial Debt/EBITDA_{adjusted*}: **3.3x**



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ECONOMIC AND SUSTAINABLE VALUE FOR OUR SHAREHOLDERS

These financial ratios reflect the Company's resilience, despite the extremely complex fiscal year.



Sustainability Yearbook
Member 2021
S&P Global

2020
EPS
\$16.13

2020
Leverage
1.55

2020
**Net
Debt/EBITDA_{adjusted*}**
3.3

2020
**Current
liquidity**
1.24

2020
**Net
Debt/EBITDA**
3.8

*Considering EBITDA without COVID impact.



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Regulatory Aspects

Alejandro Riquelme H.



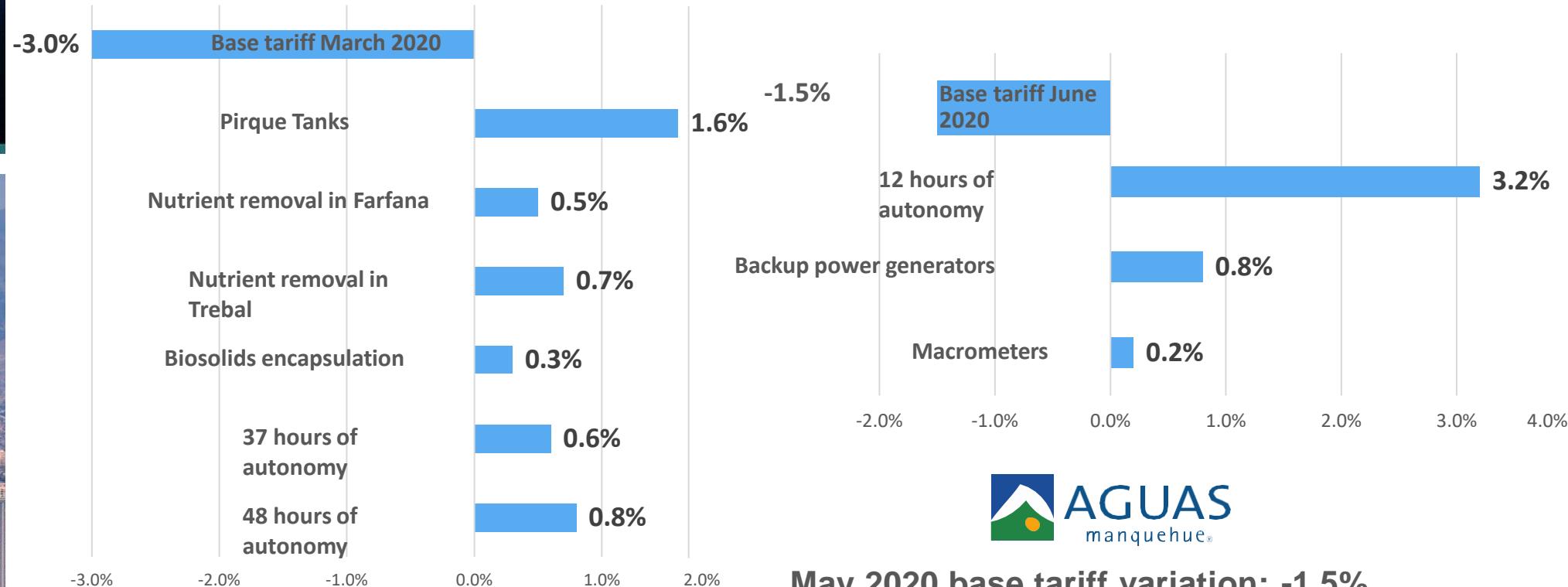


Resolution Seventh Tariff Process

2020-2025



Tariff Variation regarding Revenue (CTLP) Base



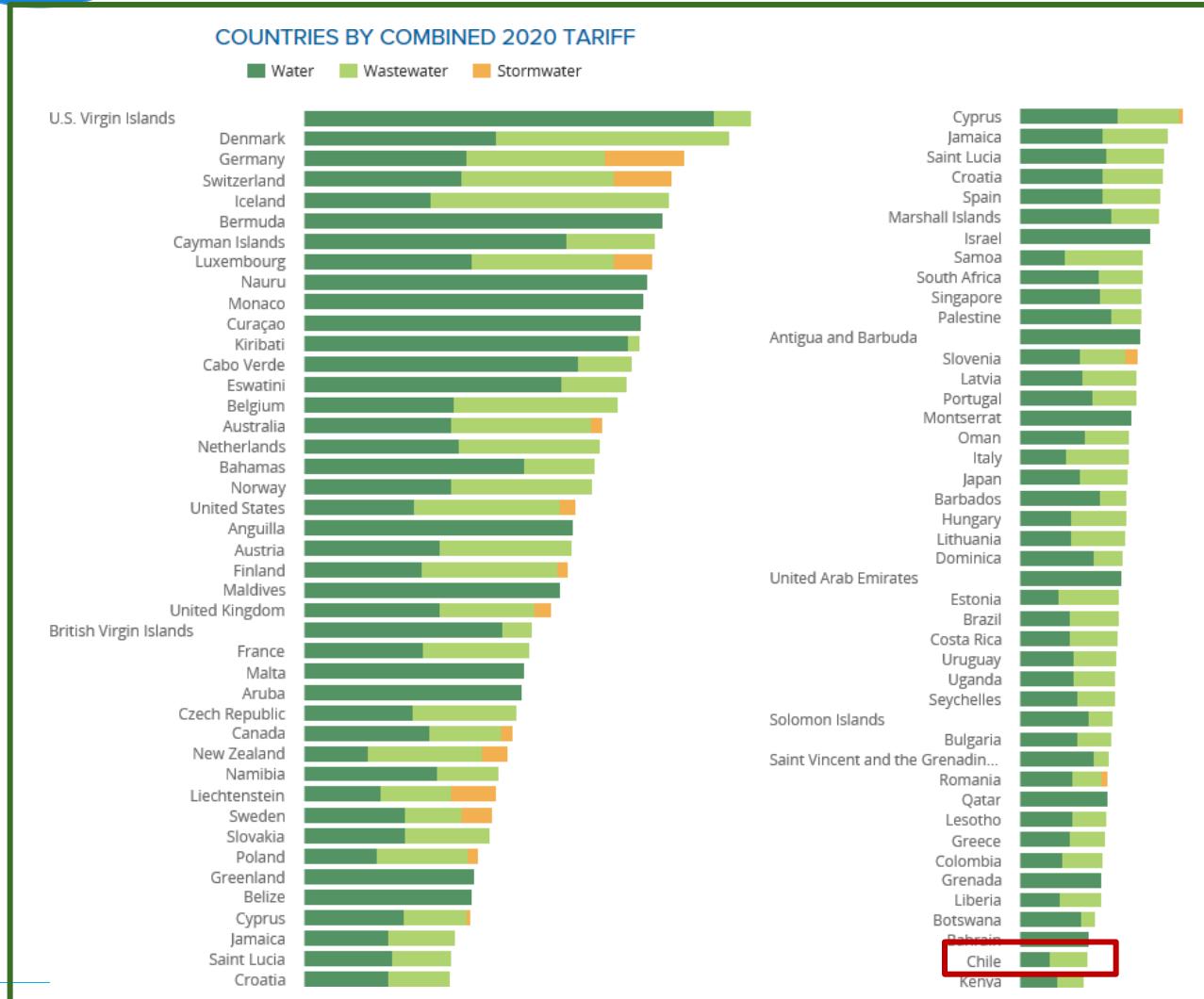
Tariff Variation regarding Revenue (CTLP) Base



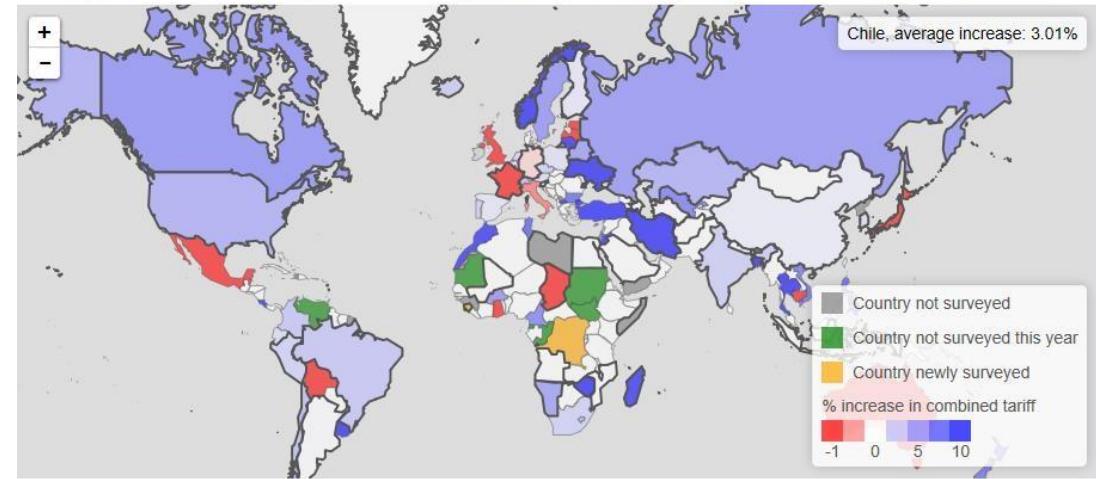
May 2020 base tariff variation: -1.5%



Water and Sanitation Tariffs AROUND THE WORLD



MAP OF SURVEYED COUNTRIES SHOWING PERCENTAGE CHANGE IN COMBINED TARIFF (2019-2020)



Water and sanitation tariffs in Chile are lower than those in most countries in the world. In addition, in Chile, the tariff includes 100% of Wastewater treatment.

Source: Global Water Intelligence 2020



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REGULATORY ISSUES

Basic Services Law by COVID 19:

1. Enacted on August 8th.
2. Prohibits service cuts triggered by debts.
3. Effective since 03/18/20, and until 90 days after the law comes into force (7 nov.).
4. Extension of debts in 12 installments + 5 previous UF, without fines, interest or expenses.
5. **Beneficiaries:** economically vulnerable population (60%), elderly people, unemployment insurance users, employment protection users, independent or informal workers with reduced income, hospitals and health centers, minor and elderly homes, firefighters, prisons and penitentiaries, non-profit organizations and micro-enterprises, as well as end users who prove to be unable to pay and express it through a simple affidavit, may apply for the benefit.



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REGULATORY ISSUES

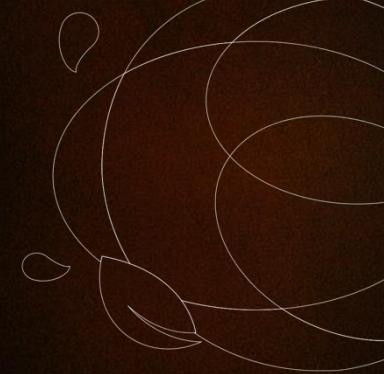
Law published in the Official Gazette on January 5:

1. Extend the law until the beginning of May 2021, that is, 270 days from its promulgation.
2. Extension of the maximum from 12 months to 36.





OTHER TOPICS OF INTEREST





SUCCESSFUL SALE OF ESSAL



On September 11, Aguas Andinas S.A. officially agreed to the sale and assignment of ESSAL to the Canadian-based company Algonquin Power & Utilities Corp.



In this way, on October 13, 2020, Aguas Andinas S.A. received the total amount of US \$ 92.3 million from the sale of all its direct and indirect participation in ESSAL.



Said transaction generates for the Company an expected impact on net results, after taxes, of approximately CLP 7,000 million



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SERNAC- CLOSING PROCESS FOR CUTS IN 2016 AND 2017



Aguas Andinas compensará con hasta 13.745 pesos a hogares por cortes masivos de 2016 y 2017

Publicado: Lunes, 28 de Diciembre de 2020 a las 20:50hrs. Autor: Cooperativa.cl

Tras un acuerdo alcanzado con Sernac y Conadecus, la sanitaria deberá desembolsar 14 millones de dólares para compensar a usuarios de 30 comunas de Santiago.

Una vez que el mecanismo reciba la luz verde de la Justicia, se aplicará un descuento en las boletas de los afectados.

Foto: ATON (Referencial)



Approximate impact of \$11.000 million.



This closes the SERNAC lawsuits for the 2016 cut and for the two 2017 cuts.



Outages were caused by turbidity events that exceeded the Company's obligations.



With this agreement the company closes a relevant contingency due to past events and with the completion of the Pirque tank and the future construction of the Pirque - Manzano Pipeline, the company is significantly mitigating the possibility of this type of situation occurring in the future.



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AGUAS
andinas®

Results Report

DECEMBER 2020