



**Annual Report
Enel Chile
2018**



Santiago Stock Exchange

ENELCHILE

New York Stock Exchange

ENIC

Enel Chile S.A. was initially incorporated as Enersis Chile S.A., on March 1, 2016. On October 18, of the same year, the company changed its name to Enel Chile S.A. As of December 31, 2018 the company's total subscribed and paid capital amounted to Ch\$ 3,954,491,478,786 represented by 70,134,077,818 ¹ shares. These shares are traded on the Santiago Stock Exchange and, as American Depository Receipts (ADR) on the New York Stock Exchange.

The company's business is to exploit, develop, operate, generate, distribute, transform and/or sell energy, in any form and nature, directly or through other companies.

Total assets as of December 31, 2018, amounted to ThCh\$ 7,488,020,164. Enel Chile controls and manages a group of companies that operate in the Chilean electricity market. In 2018, net income attributable to the controlling shareholder reached ThCh\$ 361,709,937 and operating income was ThCh\$ 670,604,721. At year end 2018, a total 2,062 people were directly employed by its subsidiaries in Chile.

(¹) : Total shares consider 967,520,599 shares of treasury stock generated by the process of withdrawal right carried out during the Elqui project.

Annual Report Enel Chile 2018



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1. Letter from the Chairman

Dear shareholders,

I hereby present the Annual Report and Financial Statements of Enel Chile for 2018. You will find a description of the main activities carried out by the Enel Group during the year through Enel Generación, Enel Green Power (EGP), Enel Distribución, and Enel X.

I would like to thank the directors, managers, and collaborators who work with us for everything they have done for the company throughout the year. I would also like to thank them for the trust they have placed in the company's management, and for supporting the new directions we are taking.

During 2018, EBITDA grew 20.6%, reaching Ch\$ 891,355 million by year end. This growth is mainly due to the addition of EGP and to a more efficient generation mix because of greater hydroelectric dispatch. It was a year of growth and changes in the organization, beginning with the designation of our new CEO, Paolo Pallotti that has been in Enel for almost three decades. He took on this challenge following the departure of Nicola Cotugno, who's commitment to the company was remarkable.

We are the most diversified company in the market. The reorganization, known as the Elqui Project, was a success. The Public Tender (PTO) for Enel Generación, left us with 93.55% of the capital of Enel Generación. This gave way to a corporate restructuring that meant involving Enel Chile in all the projects Enel Green Power Latin America has in the country. As a result, we now control all generation operations, including both conventional and non-conventional plants.

Within the context of the Elqui Project, in June the company issued its first bond in the United States, a one million-dollar, 10 year bond, with a 4.875% coupon rate. The demand was over 2.5 times the amount allocated. The funds will be used to refinance a large portion of the shares that were acquired through the PTO launched for Enel Generación.

In Enel Generación we take on big challenges when it comes to the environment and sustainability. In January, our Bocamina thermoelectric plant became the first generator in the company to participate in a pilot project implemented by the Government Environmental Agency to

monitor emissions in real time. Also, in 2018, Bocamina finished installing the second dome to store 140,000 tons of coal in its facility.

We have reached a good understanding with our power plant's neighboring communities. We took four women from the Cerro Obligado area in Coronel to Italy to share their eco-construction experiences as part of the Enel Group's International Encounter program. In the Antofagasta region, located in northern Chile, we inaugurated one of the first sustainable light posts built by the community along with the fishermen of Caleta Paposo. Additionally, as a result of our work with the farmers of the Maule river basin related to water management, the Recyclapolis Foundation gave Enel Generación the National Environmental Award in the water category of Large Companies.

The energy we generated during 2018 reached a total 20,046 GWh, increasing 17% when compared to the previous period. This growth is mainly due to the incorporation of Enel Green Power's generation capacity, and due to favorable hydrology.

EPG's Cerro Pabellón plant was recognized in the Geolac Awards with the Latin-American award for the Best Geothermic Project. The prize was received for being the first plant of its kind in South America in a remote geographical location, and at the highest altitude in the world. We have also kept our promise to create job opportunities and supply local nearby communities with electricity.

We inaugurated the first Renewable Energy Control Room, where all our NCRE power plants, a total 4.7 GW of installed capacity, are monitored and managed. This is the biggest control room in the country, and the only one in South America to integrate hydroelectric, solar, wind and geothermic technologies.

In August, the Enel Distribution Board appointed Ramón Castañeda as the new CEO, replacing Andreas Gebhart, who worked for the Group for 25 years. I would like to personally thank Andreas for his excellent contribution to the company and wish Ramón a successful administration.

Throughout 2018, the distribution business focused on improving service standards. As an example, the massive 1,250-kilometer helicopter inspection of medium and high voltage lines. This allowed us to detect sensitive spots in the network, repair them, and prevent potential future service interruptions.

We also installed 180 thousand smart meters in the Metropolitan Region this year, reaching a total of almost 292 thousand meters installed this far, contributing to the efficiency of the electricity industry in the country.

We want to be a diversified company that goes beyond electricity generation and distribution by promoting electromobility, among other things. In February, we launched Enel X, the new brand and division of products and services that, with innovative, sustainable and digital solutions, offers new applications to energy, with four new business lines: e-City, e-Home, e-Industries, and E-Mobility.

Additionally, seeking to promote technological developments in infrastructure and electric mobility, we participated as the Official Power Partner in the Formula E, which took place in Santiago for the first time.

We offered our workers electric vehicles and also inaugurated the Green Parking Lot, equipped with 20 chargers that can operate simultaneously making us the company with the greatest electric car charging ecosystem in the country.





We continue to grow in public transportation. Enel X purchased the first 100 electric BYD buses that will be operated by Metbus under a leasing arrangement. This fleet of buses operate in the Grecia Avenue corridor since December. We also installed Latin-America's first electroterminals, one in the Peñalolen district and one in Maipu. I have no doubt that these first 100 electric buses we imported with the support of the Government, represent an auspicious beginning to a new public transportation system that will integrate the subway and a significant number of bus routes.

During 2018, we also expanded into other cities in Chile, other than Santiago. We brought the first electric bus to Concepción, and along with the municipality and the Department of Transportation, we inaugurated the first free electric bus route in this city.

Such developments have led us to be included in the Dow Jones Sustainability Emerging Markets Index, in the Dow Jones Sustainability MILA 1 Pacific Alliance Index, and in the Dow Jones Sustainability Chile Index for the first time. This recognizes the importance the Company has placed on responsible corporate governance and sustainability.

Looking beyond the work we perform on a daily basis, we also aspire to contribute to the community in other ways. This year we were part of the Code Blue Plan and offered our corporate gymnasium in Santiago as a shelter for homeless people on the coldest and rainiest nights of the winter season. We continued to encourage youngsters to participate in sports through the Enel Cup that received more than 150 teams from three regions of the country, making it the most important scholastic soccer tournament in Chile. We are also proud to tell you that Enel Chile participated in the 40th Annual Telethon, an opportunity to contribute to a special cause that also motivates and brings joy to our collaborators.

Internationally, our brand has strengthened substantially and was distinguished with the Brand of the Year Award, National Tier, 2018-2019, as part of the World Branding Forum.

We were recognized by Mujeres Empresarias, an organization that supports women in business, and by Pontificia Universidad Católica's Center for Social Studies in their IMAD ranking, for women participation in the Company. We also received the Impulsa Female Talent Award in the Utilities category granted by PwC Chile, ChileMujeres Foundation and Pulso. Both distinctions fill us with pride, because in Enel Chile we value women's contributions. Hence, this year, on International Women's Day, we recognized those women who stand out in diverse areas, such as art, environment, communications, and entertainment, with the Woman's Energy Award.

I want to take advantage of this opportunity to highlight the permanent contribution we receive from our controlling shareholder in numerous matters. The importance and concern the directors at Enel SpA place on the Company has allowed us to learn and grow from the experience they have gained through their many years in the industry.

Enel stands out for being at the forefront of innovation and technology in the field. We have focused on increasing our solar, wind, and geothermic capacity for years. I must mention the construction of our Los Córdobres plant, a hydroelectric facility that will contribute with more than 150 MW to the system. This balance between different types of generation allows us to be relevant players in an increasingly competitive market. Similarly, in distribution, we are working on improving energy efficiency to better respond to the needs of an electro dependent society. I refer to efficiency in electricity distribution in a broad sense, including digital metering devices, among other things. The improve-


ments in terms of energy efficiency and distribution have no other objective than to satisfy our customers' needs. Hence, we need to keep moving forward, to implement all innovations available in the market to satisfy our customer.

The country is growing and developing at a heady pace, accompanied by social changes that indicate the beginning of a new era, in which service will become a fundamental component of business.

Our efforts, and all our organization's efforts, are directed towards professionalism and service excellence, contributing to the creation of value for all our shareholders. We seek to create a good place to work for our collaborators, and of course, be leaders in energy transformation, caring for our country, our customers, and our communities.

I would like to thank the shareholders for their ongoing support and trust in this administration.

Sincerely,



Herman Chadwick Piñera
Chairman of Enel Chile

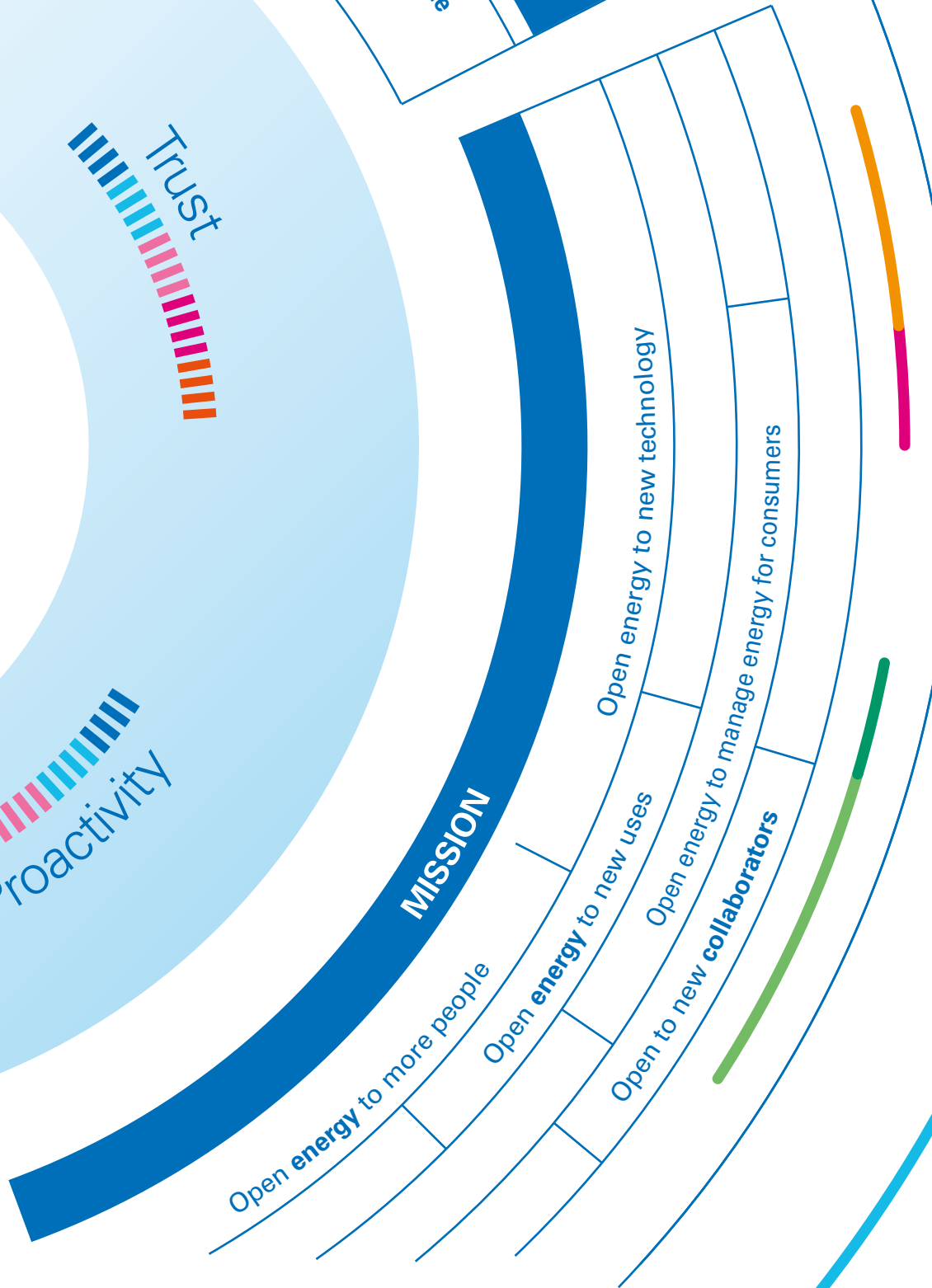


2. Enel Chile is Open Power





VISION
Open Power to face some of the major world challenges



Open energy to more people

Open energy to new uses

Open energy to new technology

Open energy to manage energy for consumers

Open to new collaborators



3. Milestones 2018



JANUARY

SMA and Enel Generación Chile started up the continuous emissions monitoring system

The Superintendence of the Environment (SMA in its Spanish acronym) implemented a pilot project to obtain real time data of thermal electric power plant emissions. It began operations in Bocamina. Enel Generación Chile took on the challenge to be the first power plant in the country to participate.

FEBRUARY

Chile hosted the third Formula E race and Enel was the Official Power Partner

The single seater electric car race took place on February 3 in the Parque Forestal streets of Santiago. Enel Chile was the Official Power Partner to promote the development of the electrical infrastructure of this sport event.

Enel presents Enel X Chile, the new division in charge of developing products and services based on innovative, sustainable and digital solutions

Enel presented Enel X in Chile to open energy to new uses, new technologies and new services using a strategy based on digitalization, innovation and sustainability. The purpose of this new global brand and division of Enel is to satisfy customer needs through four new business lines: e-city, e-Home, e-Industries, E-Mobility.

Fitch Ratings begins the local rating of Enel Chile S.A.

Fitch Rating gave Enel Chile a AA local credit rating with a stable outlook.

Women from Coronel travel to Italy to share their bioconstruction experience

Four women from the Cerro Obligado area were invited to Italy to participate in an International event of the Enel Group to share their experience with bioconstruction. These four artisans participated in Enel Generación Chile's program to promote sustainable entrepreneurship within the communities. Letty Nuñez, Claudia and Lorena Sandoval and Elba Gutierrez told their stories and described how their motivation to work for their community encouraged them to learn this new eco carpentry trade that, in addition to being sustainable and profitable, also benefited their neighbors in Coronel.

MARCH

Enel Chile declares the Enel Generación PTO a success ending the Elqui Plan successfully

Enel Chile submitted a Significant Event to the Financial Market Commission declaring the PTO to purchase the shares of Enel Generación Chile a success, reaching a 93.55% ownership share. The success of this PTO allowed Enel Chile to carry out the corporate reorganization involving the merger of Enel Green Power Latin America S.A.

Enel Chile acknowledges 13 Chilean women for their outstanding contribution to the development of the country

Within the context of the International Women's Day, the twelfth version of the Women Energy Award acknowledged thirteen outstanding Chilean women for their contribution in fields, such as, art; music and lyrics; public service; environment; energy efficiency and sustainability; education; innovation and new ventures; public debate; community work; journalism and social communication; entertainment and sports.

Enel began the aerial inspection of 1,250 kilometers of medium and high voltage power lines

A specially designed helicopter with state-of-the-art technology flew over a total 1,250 kilometers of medium and high voltage power lines from 33 districts of the Metropolitan Region of the country to detect the weak spots of Enel Distribución network to anticipate and prevent potential service interruptions during the winter months.

Young students from Calama and the Innovation formula

Three students from the Kamar Mayu elementary school in Calama won the Play Energy Chile 2017 program carried out by Enel Chile to encourage learning about energy. Within this context, the three students were invited to the Formula E electric car race in Punta del Este.



MAY

Standard & Poor's maintained Enel Chile's International Rating

The international risk rating agency gave Enel Chile a "BBB+" rating with a stable outlook, an "Investment grade" rating.

Moody's begins International rating of Enel Chile S.A.

The company received a "Baa2" rating with a stable outlook. The Company's leadership position in the generation market and distribution market in Chile was highlighted.

JUNE

Enel Chile successfully carries out first bond issuance in the United States

The Company issued its first U.S. bond, a 10 year, 1-billion-dollar bond with a 4.875% coupon rate. The funds are primarily to be used to refinance the bridge loan obtained within the context of the Enel Generación PTO of the Elqui Project. Demand for the bond issued was 2.5 times greater than the amount placed.

Enel Chile received the Female Talent Promotion Award in the utilities category

PwC Chile, Fundación Chile Mujeres and PULSO together offer this award to acknowledge the companies within each category that promote women in the workplace by hiring a significant number of women and offering equal pay. It is based on public information to December 2017 provided by the CMF's norm NCG 386.

The Legal Department of Enel Chile receives the Silver Award in the "Best Legal Department in Latin America 2018" category.

This award was presented in the eleventh version of the International Legal Alliance Summit & Awards (ILASA 2018). It acknowledges the best legal departments in the world within three categories, Latin American, North America and Europe.

Feller Rate maintains Enel Chile's risk rating

The Company was locally rated "AA" with a stable outlook by Feller Rate in 2017 for the first time.

Enel Chile participates in the Blue Code Plan and transforms the corporate gymnasium into a shelter

The Company contributed to the Government's campaign to protect homeless people from the cold and rain during days with critical weather conditions in winter by making the corporate gymnasium available as a shelter.

Gas is exported to Argentina for the third consecutive year

Natural gas was exported from Chile to Argentina once again after both countries signed an agreement establishing the general terms of the fuel supply transaction to take place during the winter for the following three years. ENAP, Enel Generación Chile and Aprovechadora Global de Energía S.A. (AGESA) would supply the natural gas using the pipelines of Electrogas and GasAndes. GasAndes has a 450 km pipeline that crosses the Andes Mountains from Chile's Metropolitan Region Chile to the Mendoza Region in Argentina

The construction of Bocamina's second dome concludes

The south dome of the Bocamina power plant may store up to 140 thousand tons of coal. This south dome is additional to the north dome that was built in 2017. This makes Bocamina the first electricity generation facility to implement this type of system to improve coal management. The roof on the south coal field is in addition to the one in the north field built in 2017. The dome is a civil engineering and thermal construction project, a milestone for domestic and regional engineering because they were built in record time and with no one injured.

JULY

Enel Chile receives the Brand of the Year Award National Tier 2018-2019

The Company received the Brand of the Year Award National Tier 2018-2019 in a ceremony that took place in the Plaza Hotel in New York. This award is part of the World Branding Forum program that evaluates different brands within three categories: national, regional and global, based on three criteria: brand valuation, online public vote and market consumption research.

Board of Directors of Enel Distribución Chile appoints Ramon Castañeda as new Chief Executive Officer

The decision was announced through a Significant Event. He took office on August 16, 2018. Ramon Castañeda is a civil engineer from Universidad Católica de Chile and also holds a masters degree in engineering from the same university and a MBA from Universidad Adolfo Ibañez. He began his career in the Enel group in 1995 and has held positions in Chile and overseas. His previous position was CEO of Enel Distribución Río.





Cerro Pabellón power plant is recognized as the best Geothermal Project at the 2018 Geolac Awards

The geothermal power plant was acknowledged as the "Best Project" at the GEOLAC awards that was organized by the Geothermal Congress for Latin America and the Caribbean. According to the jury, which included a world leading advisory committee, Cerro Pabellón received the award, among other things, for being the first geothermal plant in Chile and South America, being built in a very remote geographic location, and at the highest altitude in the world and for the commitment to the surrounding local communities, creating job opportunities and permanently supplying electricity to nearby towns.

AUGUST

Enel X inaugurated "Green Parking", a parking lot with more than 20 electric car chargers and also provided new electric cars for employees.

As a milestone in electric mobility and its massification in the country, Enel X provided the employees of the Enel Group in Chile with a new fleet of 100% electric cars and inaugurated a parking lot designed for this type of vehicle named "Green Parking". It has more than 20 chargers that can operate simultaneously. This makes the company the one with the largest electric car charging ecosystem in the country.

Enel X, the Municipalidad de Concepcion and the Ministry of Transportation, together, inaugurated the first electric bus route in the Bio Bio Region

Enel X inaugurated the first bus route to use a 100% electric bus in the capital city of the Bio Bio Region. The electric bus with air conditioning, Wi-Fi and mobile device charging connections, offers a free tour to the city's emblematic locations.

SEPTEMBER

Board of Directors of Enel Chile appoints Paolo Pallotti as new Chief Executive Officer of the Company

The Board of Directors informed that Paolo Pallotti would become the new Chief Executive Officer on October 1. Paolo Pallotti is an electronic engineer from the Università Degli Studi di Ancona and joined the Enel Group in 1990. He was previously the Chief Finance and Control Officer of Enel Américas.

Enel Chile inaugurates the largest renewable energy control room in the country

Enel Chile inaugurated the Renewable Control Room in its corporate building, where all the Company's renewable energy power plants are monitored and managed. The total 4.7 GW of renewable generation capacity is remotely operated from this room, the largest of its kind in the country. It is also the only one in South America with all four renewable energy generation technologies, hydro, solar, wind, and geothermal.

Enel Chile announces changes to the Finance, Management and Control Department

The Board of Directors appointed Marcelo Antonio De Jesus as Chief Finance, Management and Control Officer of the Company. He holds a degree in Business Management from USCS - Universidad de São Caetano do Sul, 1993, and an MBA from Fundación Dom Cabral. His previous position was CFO and Investor Relations Director in Electropaulo.

Enel Chile confirms its leadership position in sustainability by being included in the Dow Jones Sustainability Index.

The Company was included in the Dow Jones Sustainability Emerging Markets Index, Dow Jones Sustainability MILA1 Pacific Alliance Index, and the Dow Jones Sustainability Chile Index for the first time. The ranking acknowledges the company's sustainable energy model and its corporate responsibility practices.

Significant participation of non-Metropolitan Regions in Copa Enel 2018

More than 150 teams from three regions in the country participated in this event that is becoming the most important grade school championship in Chile. The famous former captain of Chile's soccer team, Ivan Zamorano that continues to be the ambassador of this event, highlighted the participation and second place of the women's team of the Universidad Católica de Concepcion. For the first time in the seventeen years of existence of Copa Enel a team from outside the Metropolitan Region came in second and won a trip to Brazil.

OCTOBER

Enel Chile's Cerro Pabellón project won first place in the Good Practices contest awarded by Chile's Electricity Generation Company Association.

The goal of this contest, performed for the first time, was to disseminate best practices in electricity use and generation. The companies participating had to quantitatively and qualitatively demonstrate their contribution to sustainable development objectives. Cerro Pabellón project won first place for its plan to offer electricity in isolated communities.

Teams from Independencia are the champions of Copa Enel 2018 and travel to Italy to face Inter from Milan.

The teams from Independencia, the girls in the 15 and under category and the boys in the 13 and under, surprised the teams of Inter from Milan in their own field, by winning the "Integration Cup" trophy in exciting and tight matches. They traveled accompanied by the captain of Chile's team, Ivan Zamorano.



Enel Generación Chile receives the National Environment Award Recyclapolis 2018

The Recyclapolis Foundation gave Enel Generación Chile the National Environment Award 2018 in the water category of large companies for implementing their Water Management for Farmers Program in the Maule Region. This fifth edition of the Recyclapolis Award, focused on highlighting the best projects that foster and promote new sustainable trends, acknowledging companies, institutions or individuals that show their commitment to environmental innovation and improving efficiency.



NOVEMBER

Enel Chile was recognized for having women in executive positions by the Iamad Company Ranking 2018.

This initiative is carried out by Mujeres Empresarias jointly with the Social Studies Department of the Pontificia Universidad Católica (DESUC in its Spanish acronym) to monitor objectives and progress in female participation and promotion to executive and board positions in the country's most important companies.

Liter of Light program illuminates areas of Paposa Community

Since November, new light poles began to illuminate Caleta Paposo, located in the Antofagasta Region. These were the first sustainable poles built by the community itself as part of a project carried out jointly with Enel Generación Chile and the ideas of the Liter of Light program.

Enel Chile contributes to the 40 years of Telethon

In 2018, Enel Chile was an official sponsor of the Telethon for the first time. The slogan used in this 40th version of the telethon was "Enel, the energy of the Telethon". This was not only an opportunity for the company to contribute with a donation, but also created an environment of motivation and pride among committed employees who proactively and responsibly developed several activities to contribute to this crusade.



DECEMBER

Enel Chile confirms its position in FTSE4GOOD

After the second semester review, the company was confirmed in its position in the FTSE4GOOD Index Series, including the Emerging Markets Index and Latin American Index. FTSE4GOOD is a series of indexes developed to measure the performance of companies that stand out for their environmental, social and corporate governance practices. It was developed by FTSE Russel that belongs to the London Stock Exchange Group.



Enel X, Metbus and BYD presented the first 100 electric buses to become part of Santiago's public transportation system

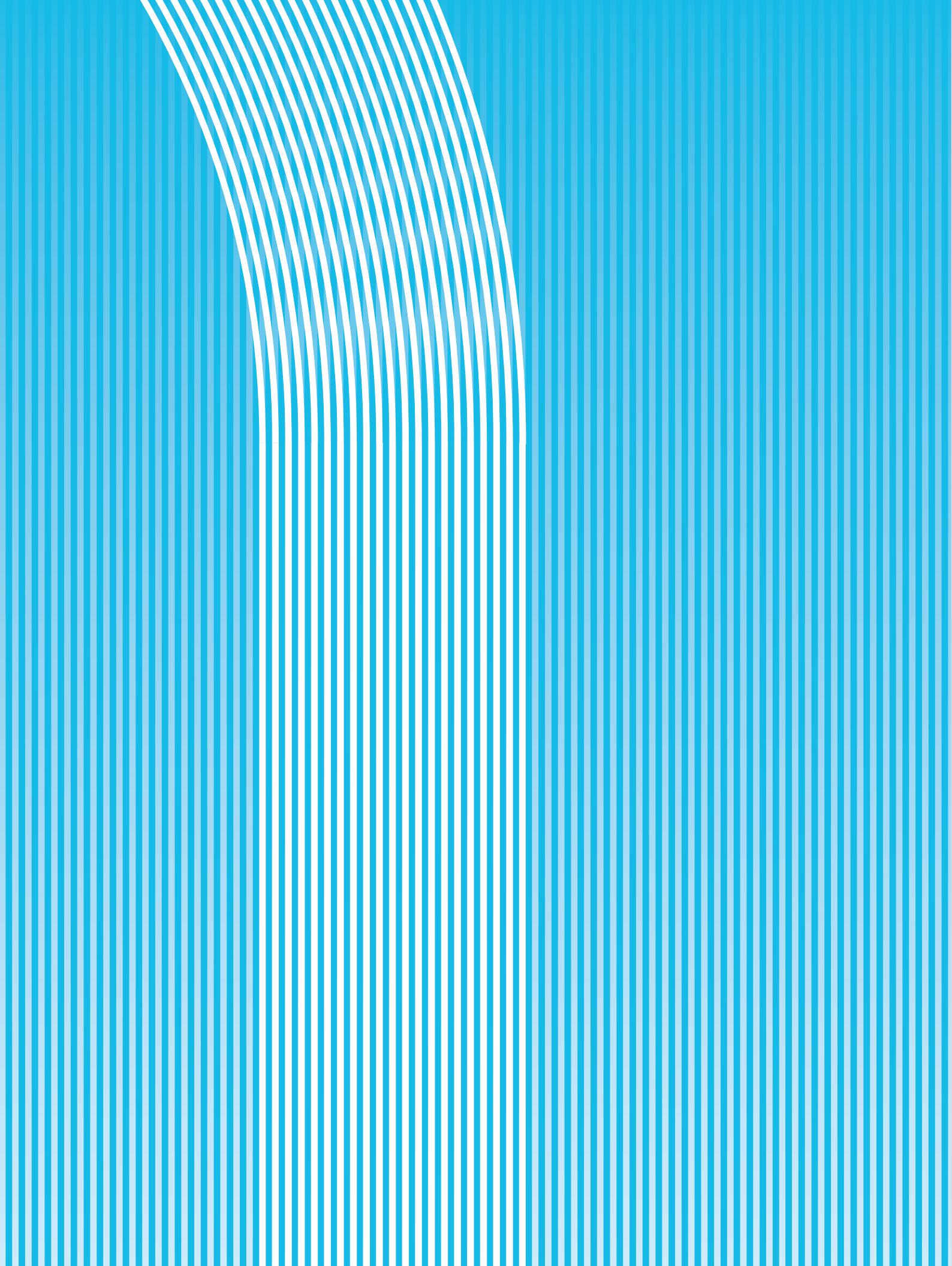
It is the second largest fleet in one sole city in the world and the first in Latin America. The first Latin-American electro terminal for the first 100 Chinese BYD electric buses was also inaugurated. These buses were purchased by Enel X and leased to Metbus to be part of Santiago's public transportation system.

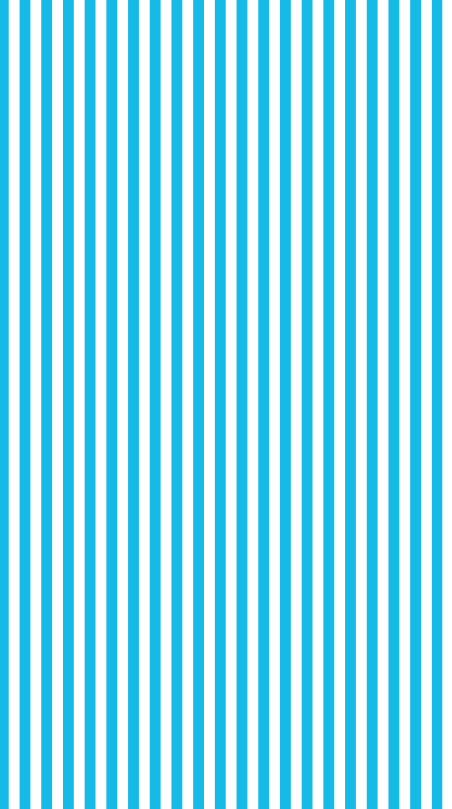


SMA and Enel Generación Chile start up the second phase of the continuous monitoring system of emissions

Enel Generación Chile successfully connected the continuous monitoring system of emissions of the second unit of Bocamina located in Coronel to the Superintendencia of the Environment as a voluntary act of transparency to transmit the raw data registered by the system in real time. Enel Generación Chile is the first electricity generation company to successfully implement this type of system. It exceeds the requirements of the law and was inaugurated with the SMA In January 2018.







04

Main financial
and operating
data



As of December 31st of each year (figures in millions of Chilean pesos)⁽¹⁾

	2012	2013	2014	2015	2016 ⁽⁵⁾	2017	2018
Total Assets					5,398,711	5,694,773	7,488,020
Total Liabilities					1,935,717	1,907,811	3,813,856
Operating Revenue					2,136,041	2,522,978	2,457,161
EBITDA					627,547	739,252	891,355
Net Income ⁽²⁾					317,561	349,383	361,709
Current Ratio					1.13	1.29	0.82
Debt Ratio ⁽³⁾					0.56	0.50	1.04

As of December 31 of each year

	2012	2013	2014	2015	2016	2017	2018
Generation Business							
Number of employees	1,141	1,141	1,261	995	883	848	930
Number of Generation units	105	105	111	111	111	111	130
Installed capacity (MW)	5,571	5,571	6,351	6,351	6,351	6,351	7,463
Electricity generated (GWh)	19,194	19,432	18,063	18,294	17,564	17,073	20,046
Energy sales (GWh)	20,878	20,406	21,157	23,558	23,689	23,356	24,369

As of December 31 of each year

	2012	2013	2014	2015	2016	2017	2018
Distribution Business							
Energy sales (GWh) ⁽⁴⁾	14,445	15,152	15,690	15,893	15,924	16,438	16,782
Number of customers	1,658,637	1,693,947	1,737,322	1,780,780	1,825,519	1,882,394	1,924,984
Energy losses	5.40%	5.30%	5.32%	5.31%	5.33%	5.10%	5.02%
Number of employees	734	745	690	686	690	669	681
Customers/Employees	2,260	2,274	2,518	2,596	2,653	2,814	2,827

(1) Accounting figures as determined by the instructions and regulations issued by the SVS (currently Financial Market Commission or "CMF").

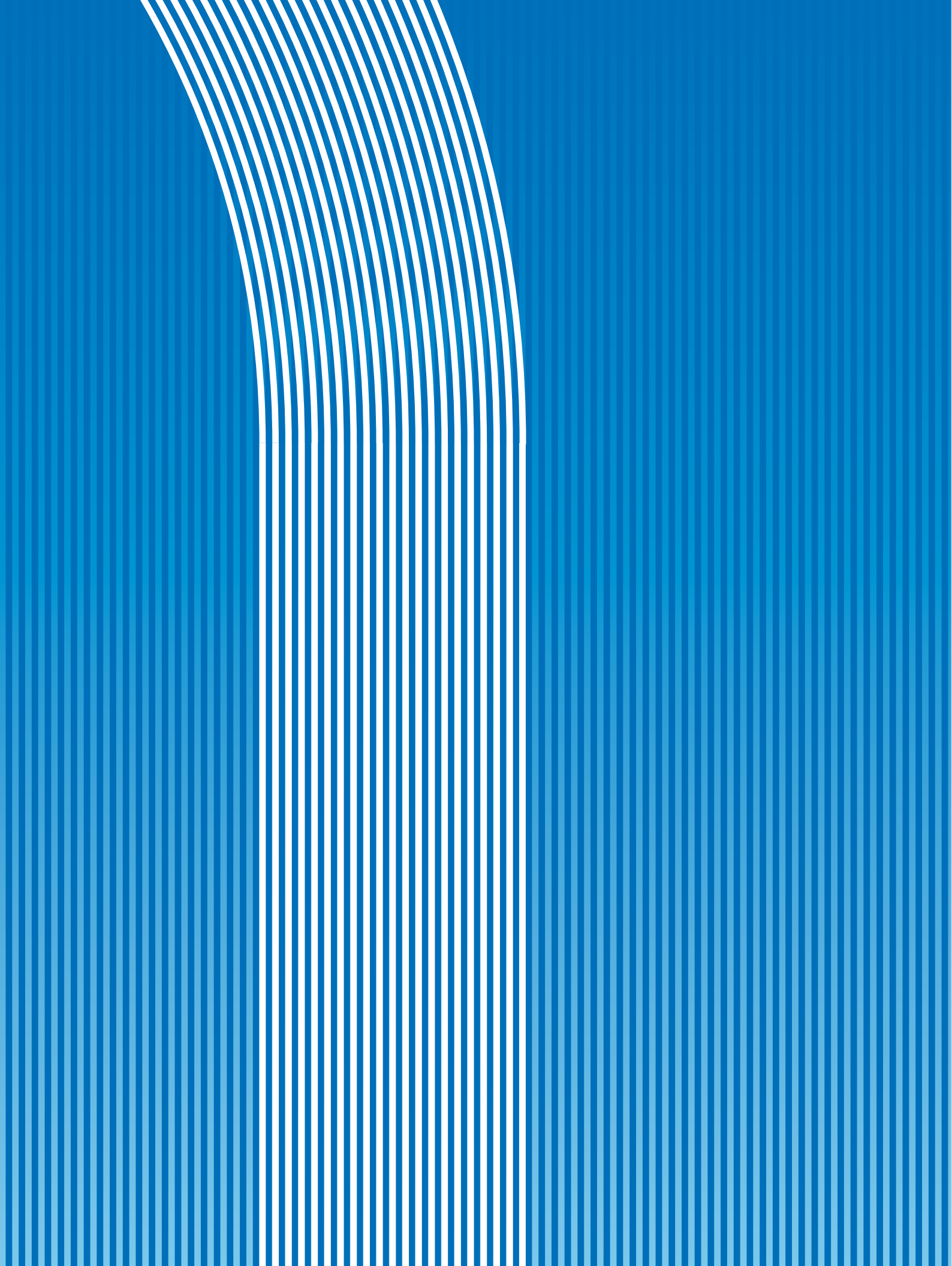
(2) Net earnings attributable to the controlling shareholder.

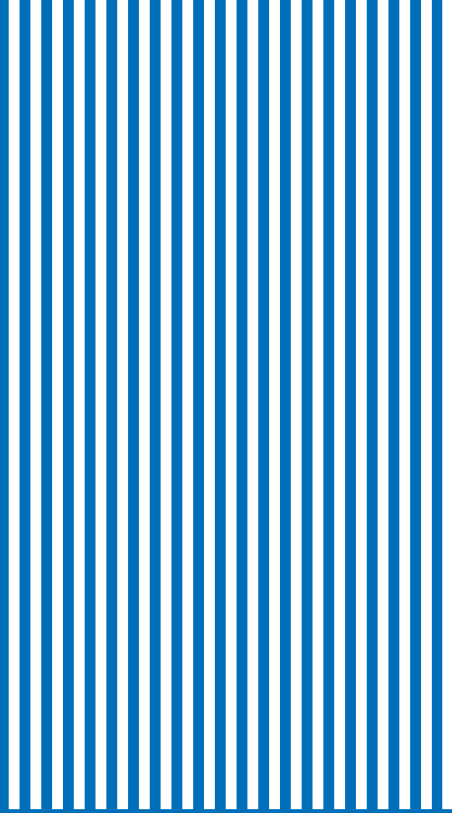
(3) Total Liabilities/Equity plus Minority Interest.

(4) Due to changes in the criteria, non-billable consumption (CNF in Spanish acronym) is not included in 2014 and 2015.

(5) Only ten months since its creation (March 1, 2016).







05

Identification of
the Company
and documents
of incorporation



Identification of the Company

Name	Enel Chile S.A.
Address	Santiago, although able to establish branches or agencies in other parts of the country or abroad
Company Type	Publicly held Limited Liability Stock Corporation
Taxpayer ID No	76,536,353-5
Address	76 Santa Rosa St., Santiago, Chile
Zip Code	833-0099 SANTIAGO
Telephone No	(56) 22353 4400 – (56) 22378 4400
P.O. Box	1557, Santiago
Securities Registration No	1,139
External Auditors	Ernst & Young
Subscribed and paid-in capital (Ch\$)	3,954,491,478,786
Website	www.enel.cl; www.enelchile.cl
Email	comunicacion.enelchile@enel.com
Investor Relations Telephone	(56) 22353 4682
Ticker in Chilean stock exchanges	ENELCHILE
Ticker in New York stock exchange	ENIC
Custodial Bank-ADR's	Banco Santander Chile
Depository Bank-ADR's	Citibank N.A.
Domestic Risk Rating Agency	Feller Rate and Fitch Chile Clasiificadora de Riesgos Limitada
International Risk Rating Agency	Standard & Poor's and Moody's

Documents of incorporation

Enel Chile S.A., formerly "Enersis Chile S.A.", was created as a consequence of the corporate reorganization that began in April 2015. Enersis S.A. controlled the generation, transmission and distribution business in Chile and four other countries in the region (Argentina, Brazil, Colombia, and Peru).

The Extraordinary Shareholders' Meeting of Enersis S.A. held on December 18, 2015, approved the first phase of the reorganization plan named "the Division," which created Enersis Chile S.A. as the only vehicle to control the

Group's generation and distribution assets in Chile. Enersis S.A became Enersis Americas S.A., the vehicle to control all assets of the businesses in other countries in the region. The Division was recorded in a public deed issued on January 8, 2016 by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo, and its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 4,288 No 2,570 of 2016 and published in the Official Gazette on January 20, 2016.

Later, on October 4, 2016, the shareholders of Enersis Chile S.A. approved changing the name of the Company to "Enel Chile S.A." This agreement was recorded in a public deed on October 18, 2016 by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo. Its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 79,330 No 42,809 of 2016 and published in the Official Gazette on October 28, 2016.

Finally, on December 20, 2017, the shareholders approved amending the bylaws to include the agreements regarding the merger of Enel Green Power Latin America S.A. into Enel Chile, its capital increase and other agreements adopted during said Shareholders' Meeting, replacing the articles referring to its capital, and corporate purpose to include information technology and communications , among other amendments, and agreeing to the rewritten and updated text of the bylaws, subject to the conditions approved at the Meeting. The minute of said Shareholders' Meeting was recorded as a public deed dated December 28, 2017, by the Santiago Notary Public, Mr. Ivan Torrealba Acevedo, and its extract was registered in the Commercial Register (Registro de Comercio del Conservador de Bienes Raíces y Comercio de Santiago) on pages 1154 No 629 of 2018 and published in the Official Gazette on January 5, 2018.

Corporate purpose

The corporate purpose of the company appears in the by-law's amendment approved by the Extraordinary Shareholders Meeting held on December 20, 2017 and recorded as a public deed dated December 28, 2017 granted by the Santiago Notary Public Mr. Iván Torrealba Acevedo, and its extract was registered on pages 1154 No 629 of 2018 and published in the Official Gazette on January 5, 2018.

The Company's purpose is to perform the exploration, development, operation, generation, distribution, transmission, transformation and sales of energy in any of its forms and nature, directly or through other companies, and also research, development, operation, commercialization, purchase, sale, imports and maintenance of any goods related to information technology and telecommunications, such

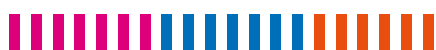
as, software, hardware, licenses, software development, and in general, any product related to the aforementioned activities; and consulting services in all subjects related to the previously mentioned subjects. It may also invest and manage its subsidiaries and associate companies, whether generators, transmitters, distributors or traders of electricity or whose business is any of the following: (i) energy, in any of its forms or nature, (ii) the supply of public utilities or whose main input is energy, (iii) telecommunications and information technology, and (iv) intermediation over the internet. In complying with its main purpose, the company will carry out the following functions:

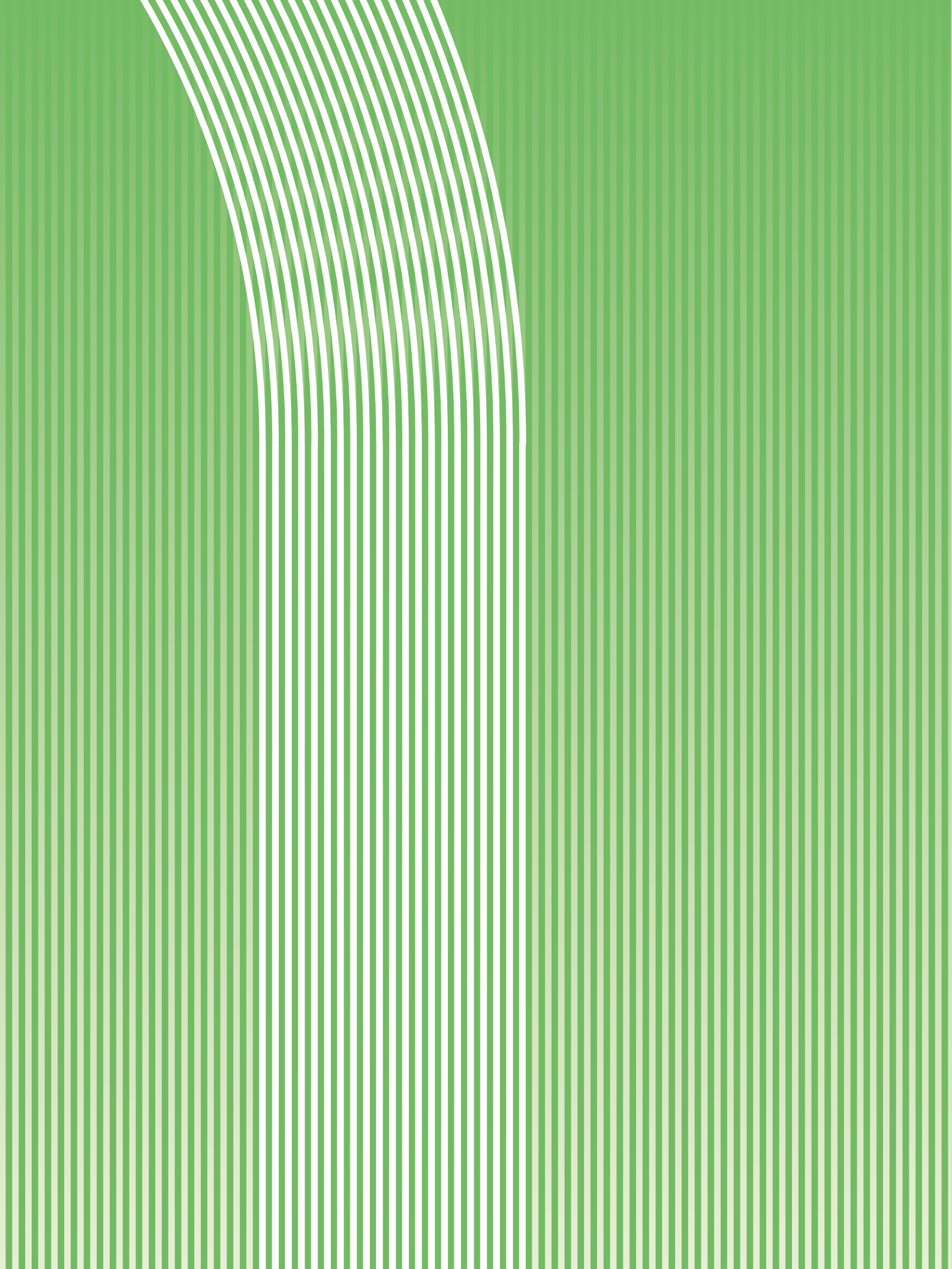
- a) Promote, organize, incorporate, modify, dissolve or liquidate companies of any nature that have a corporate purpose similar to the Company's corporate purpose.
- b) Propose investment, financing and business policies to subsidiary companies, as well as accounting criteria and systems that these should follow.
- c) Supervise the management of subsidiaries.
- d) Provide subsidiaries or associate companies with the necessary financing to develop their business and provide them management services; financial, technical, legal and auditing advice; and in general, any service that appears necessary to improve their performance.

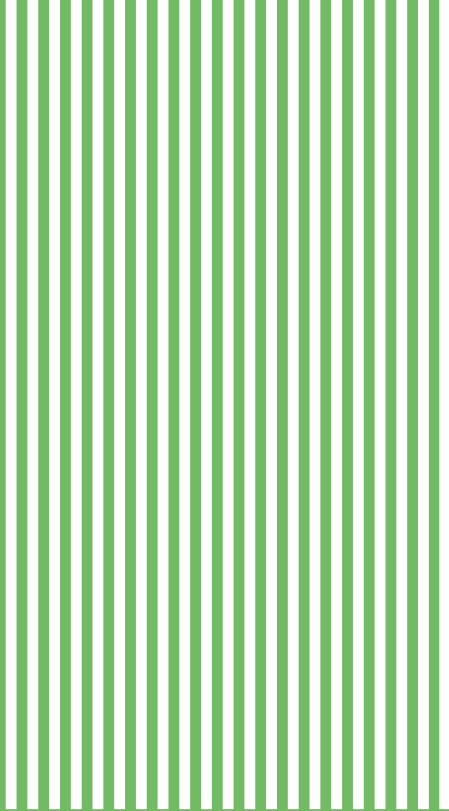
In addition to its main purpose and always acting within limits established by the Investment and Financing Policy approved by the Shareholders Meeting, the Company may invest in:

First. the acquisition, operation, construction, rental, administration, intermediation, trading, and disposal of all kinds of movable and immovable assets, either directly or through subsidiaries or associate companies.

Second. all kinds of financial assets, including shares, bonds and debentures, commercial paper and in general all kinds of titles or securities and company contributions, either directly or through subsidiaries or affiliate companies.







06

Ownership and
control



Ownership structure

Ownership structure

The total share capital of the Company was divided into 70,134,077,818¹ shares of a single series with no par value in which each share represents the right to one vote. No shares give the State the right to veto.

During the reorganization process known as the Elqui Project, 967,520,599 company shares were repurchased as a consequence of shareholders withdrawal rights and at December 31, 2018 they belong to Enel Chile.

As of December 31, 2018, all shares were subscribed and paid, and ownership was distributed as follows:

Shareholders	Number of shares	Ownership share
Enel S.p.A.	42,832,058,392	61.93%
Pension Funds (A.F.P)	9,808,247,640	14.18%
Foreign Investment Funds	7,577,686,633	10.96%
Stock Brokers, Insurance companies and Mutual Funds	4,784,113,081	6.92%
Citibank N.A. (Circular 1375 S.V.S)	2,707,448,873	3.91%
Others	1,457,002,600	2.11%
Total Outstanding Shares	69,166,557,219	100.00%
<i>Own shares held by the Company</i>	<i>967,520,599</i>	
Total Shares	70,134,077,818	

Identification of the Controlling Shareholder

As defined by Title XV of Law 18,045, Enel Chile S.A. is controlled by Enel SpA., a publicly traded Italian company, that owns 61.93% of the shares issued by Enel Chile S.A.

On December 19, 2016, Enel Latinoamérica, S.A. and Enel Iberoamérica, S.R.L. agreed to merge by the latter absorbing the first and therefore dissolving Enel Latinoamérica, S.A., and Enel Iberoamérica, S.R.L. becoming the surviving entity with all legal rights, obligations, and third-party relationships. On December 20, 2016, the agreement was formalized and recorded in a public deed granted by the Madrid Notary, Mr. Andrés Domínguez Nafría. The merger was registered in the Commercial Register of Madrid and the Company's Shareholder Registry on February 13, 2016, although the registration was retroactively effective

as of the date of its presentation, which took place on December 21, 2016.

The Board of Directors of Enel Iberoamérica S.R.L., in its session held on April 6, 2017, agreed to divide Enel Iberoamérica S.R.L. and incorporate, according to Italian regulation, Enel South América S.R.L. that would become the sole owner of the interests held by Enel Iberoamérica S.R.L. in Enel Chile and Enel Américas S.A. According to such agreement, the incorporation of Enel Americas S.R.L. was registered in the Company Register of Roma on June 8, 2017 and from that date on, Enel SpA controlled Enel Chile S.A. through Enel South America S.R.L.

On November 16, 2017, the merger of Enel South America S.R.L. with and into Enel S.p.A. was registered in the Company Register of Roma, Republic of Italy. As a result of the merger, Enel SpA was the surviving entity with all legal rights, and obligations of Enel South America S.R.L.

¹: Total shares consider 967,520,599 shares of treasury stock generated by the process of withdrawal right carried out during the Elqui project.

Consequently, as of that date, Enel SpA directly controls Enel Chile S.A. (at the time with a 60.62% ownership share).

The merger of Hydromac Energy S.R.L. and Enel Holding Chile S.R.L., companies that held 18.62% and 0.02% shareholding in Enel Chile S.A. respectively, with and into

Enel SpA was registered in the Company Register of Roma, Republic of Italy on December 12, 2018.

As a result of the merger of Hydromac Energy S.R.L. and Enel Holding Chile S.R.L. with and into Enel SpA, as the surviving entity, all legal rights and obligations of Hydromac Energy S.R.L. and Enel Holding Chile S.R.L. are transferred to Enel SpA.

Consequently, as of December 12, 2018, Enel SpA increases its direct shareholding in Enel Chile S.A. to 61.93%.

Shareholders of Enel SpA at December 31, 2018

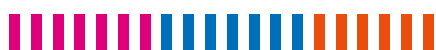
Ministero dell'Economia e delle Finanze de Italia	23.6%
Other Investors (Institutional or Retail)	76.4%
Total	100.0%

The shareholders of the controlling entity do not have a shareholders' agreement.

Twelve Major Shareholders of the Company at December 31, 2018:

Name	Taxpayer ID.	Number of Shares	Shareholding
Enel SpA	59,243,980-8	42,832,058,392	61.93%
Banco de Chile on behalf of nonresident third parties	97,004,000-5	2,938,360,307	4.25%
Citibank N.A. (Circular 1375 S.V.S.)	59,135,290-3	2,707,448,873	3.91%
Banco Itaú Corpbanca on behalf of foreign investors	97,023,000-9	2,412,256,213	3.49%
Banco Santander on behalf of foreign investors	97,036,000-K	2,036,665,979	2.94%
AFP Habitat S.A. Pension Fund C	98,000,100-8	1,422,453,411	2.06%
AFP Provida S.A. Pension Fund C	76,265,736-8	1,387,032,334	2.01%
AFP Cuprum S.A. Pension Fund C	76,240,079-0	946,846,342	1.37%
AFP Capital S.A. Pension Fund C	98,000,000-1	929,478,209	1.34%
Banchile C DE B S.A.	96,571,220-8	785,741,357	1.14%
AFP Habitat S.A. Pension Fund A	98,000,100-8	599,585,771	0.87%
AFP Habitat S.A. Pension Fund B	98,000,100-8	560,370,600	0.81%
Subtotal 12 shareholders		59,558,297,788	86.11%
Other 6,290 shareholders*		9,608,259,431	13.89%
TOTAL 6,302 SHAREHOLDERS		69,166,557,219	100.00%

*No current shareholders belong to families of the Company's founders. The government nor any state-owned entity holds more than 5% ownership of the Company.





Most important changes in ownership share

NAME	Taxpayer ID.	N° of shares at 12/31/2017	N° of shares at 12/31/2018	Variation Shareholding percentage points
Enel SpA	59,243,980-8	29,762,213,531	42,832,058,392	1.3015
Citibank N.A. (Circular 1375 S.V.S.)	59,135,290-3	3,477,135,400	2,707,448,873	-3.1684
Banco de Chile on behalf of non-resident third parties	97,004,000-5	2,889,586,476	2,938,360,307	-1.6377
Banco Itau Corpbanca on behalf of Foreign Investors	97,023,000-9	2,345,100,592	2,412,256,213	-1.2893
Banco Santander on behalf of Foreign Investors	97,036,000-K	1,574,876,510	2,036,665,979	-0.2634
AFP Provida S.A.	76,265,736-8	1,379,706,719	2,399,448,619	0.6587
AFP Cuprum S.A.	76,240,079-0	1,119,912,164	1,953,111,703	0.5426
AFP Capital S.A.	98,000,000-1	1,108,850,445	1,863,888,401	0.4361
AFP Habitat S.A.	98,000,100-8	1,016,399,034	2,674,373,869	1.7962
Banchile C de B S.A.	96,571,220-8	395,718,609	785,741,357	0.3300
Larraín Vial S.A. Stock Broker	80,537,000-9	368,863,381	426,433,848	-0.1348
AFP Modelo S.A.	76,762,250-3	302,905,090	592,213,839	0.2392
BTG Pactual Chile S.A. Stock Broker	84,177,300-4	225,359,878	387,425,204	0.1011
Santander Corredores de Bolsa Limitada	96,683,200-2	190,942,944	276,582,649	0.0109
AFP Planvital S.A.	98,001,200-K	187,665,115	325,211,209	0.0879
Credicorp Capital S.A. Stock Brokers	96,489,000-5	176,349,167	84,617,434	-0.2369

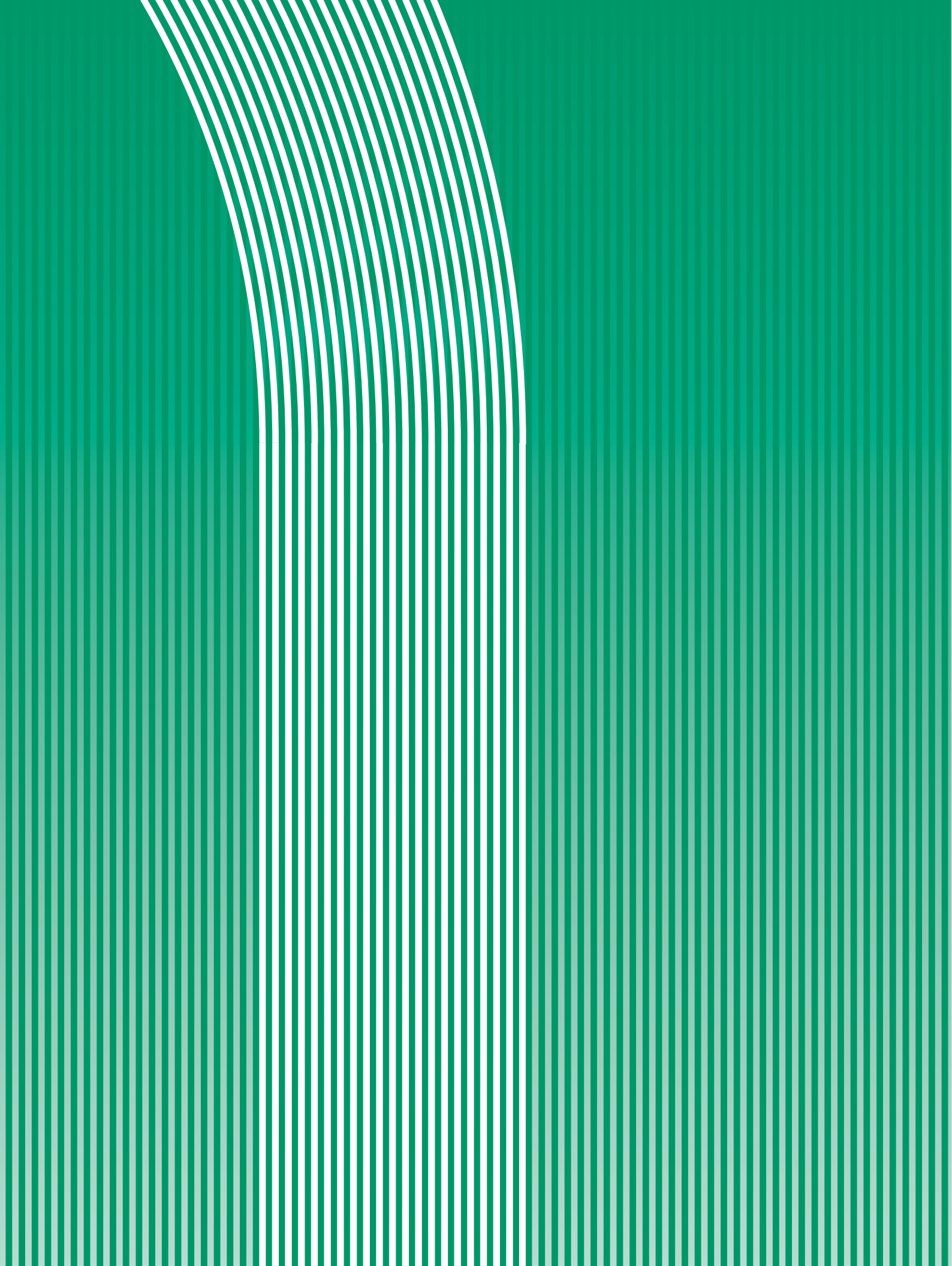
Stock market transactions among related parties during 2018

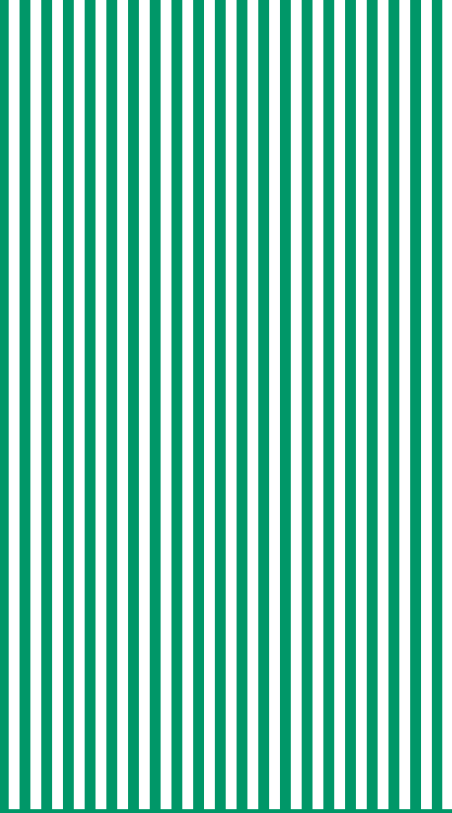
There were no transactions among related parties during 2018.

Summary of comments and proposals by the Directors Committee and shareholders

Enel Chile received no comments or proposals regarding the progress of corporate businesses between January 1 and December 31, 2018, from the Directors' Committee or shareholders that own or represent 10% or more of the shares issued with voting rights, in accordance with the provisions of Article 74 of Law 18,046 and Articles 136 of the Rules and Regulations to the Chilean Corporations Law.







07

Management



Board of Directors

Enel Chile is managed by a Board of Directors comprised of seven members for a three-year term and may be reelected. The Board of Directors was elected at the Ordinary Shareholders' Meeting held on April 28, 2016. As stated by the Chilean Corporations Law, in the event of a vacancy, the Board must be totally renewed at the Company's forthcoming Ordinary Shareholders' Meeting, and the Board may appoint a substitute in the interim. The Board does not have alternate members.



1. CHAIRMAN

Herman Chadwick Piñera
Graduate of Legal and Social Sciences
Pontificia Universidad Católica de Chile
Lawyer
Taxpayer ID: 4,975,992-4
Since 04.25.2018

2. DIRECTOR

Giulio Fazio
Graduate of Legal and Social Sciences
Universidad de los Estudios de Palermo
Lawyer
Passport: YA 4656507
Since 04.25.2018

3. DIRECTOR

Salvatore Bernabei
Industrial Engineer
Università degli Studi di Roma "Tor Vergata"
Master's Degree in Business Administration
Politécnica di Milano
Passport: YB 0600187
Since 04.25.2018

4. DIRECTOR

Fernán Gazmuri Plaza
Commercial Engineer
Pontificia Universidad Católica de Chile
Taxpayer ID: 4,461,192-9
Since 04.25.2018

5. DIRECTOR

Daniele Caprini
Graduate of Economics
Università degli Studi di Siena
Universidad de LUISS-Rome
Passport: YA 9188092
Since 04.25.2018

6. DIRECTOR

Gerardo Jofré Miranda
Commercial Engineer
Pontificia Universidad Católica de Chile
Taxpayer ID: 5,672,444-3
Since 04.25.2018

7. DIRECTOR

Pablo Cabrera Gaete
Graduate of Legal and Social Sciences
Pontificia Universidad Católica de Chile
Diplomat
Academia Diplomática Andrés Bello
Taxpayer ID: 4,774,797-K
Since 04.25.2018

Over the last few years the following individuals were also directors of Enel Chile:

Vincenzo Ranieri
Graduate of Business Administration
Universidad de LUISS- Rome
Passport: YA 7616919
From 04.28.2016
Until: 02.28.2018

Board of Directors' and Directors' Committee Compensation

Under Article 33 of Law 18,046, the Chilean Corporations Law, the Ordinary Shareholders' Meeting held on April 25, 2018 approved the compensation of the Board of Directors and Directors' Committee for 2018.

The compensation of the Board of Directors consists of a monthly compensation paid to each director. A portion of such monthly payment is unconditional and equal to 216 Unidades de Fomento (UF in its Spanish acronym) Chilean inflation-indexed, Chilean peso-denominated monetary unit, and an additional 79.2 UF per session attended with a maximum of 16 sessions in total, either ordinary or extraordinary.

The compensation of the Directors' Committee is a monthly payment that includes an unconditional amount equal to 72 UF and an additional 26.4 UF per session attended with a maximum of 16 sessions in total, either ordinary or extraordinary within each fiscal year.

The total compensation expense during 2018 amounted to Ch\$ 547,524,550 and is detailed in the following table.

Board of Directors' compensation in 2018

Figures in Ch\$

Board Member Name	Position	Fixed Compensation	Ordinary and Extraordinary Sessions	Committee's Fixed Compensation	Directors Committee Ordinary and Extraordinary Sessions	Variable Compensation	TOTAL 2018
Herman Chadwick Piñera	Chairman	133,016,070	48,772,559	-	-	-	181,788,628
Giulio Fazio ⁽¹⁾	Director	-	-	-	-	-	-
Salvatore Bernabei ⁽¹⁾	Director	-	-	-	-	-	-
Vincenzo Ranieri ⁽¹⁾	Director	-	-	-	-	-	-
Fernán Gazmuri Plaza	Director	66,508,035	24,386,279	22,175,787	8,841,872	-	121,911,974
Juan Gerardo Jofré Miranda	Director	66,508,035	24,386,279	22,175,787	8,841,872	-	121,911,974
Pablo Cabrera Gaete	Director	66,508,035	24,386,279	22,175,787	8,841,872	-	121,911,974
Total		332,540,174	121,931,397	66,527,362	26,525,616	-	547,524,550

(1) The Directors waived their compensation for being an executive of the Enel SpA Group

The total compensation expense for 2017 was Ch\$ 530,674,977 and is detailed in the following table. The Board of Directors did not have additional expenses for consulting services.





Board of Directors' compensation in 2017

Figures in Ch\$

Board Member Name	Position	Fixed Compensation	Ordinary and Extraordinary Sessions	Committee's Fixed Compensation	Directors Committee Ordinary and Extraordinary Sessions	Variable Compensation	TOTAL 2017
Herman Chadwick Piñera	Chairman	114,858,878	63,205,976	-	-	-	178,064,854
Giulio Fazio ⁽¹⁾	Director	-	-	-	-	-	-
Salvatore Bernabei ⁽¹⁾	Director	-	-	-	-	-	-
Vincenzo Ranieri ⁽¹⁾	Director	-	-	-	-	-	-
Fernán Gazmuri Plaza	Director	57,429,439	31,602,988	19,143,146	9,361,134	-	117,536,707
Juan Gerardo Jofré Miranda	Director	57,429,439	31,602,988	19,143,146	9,361,134	-	117,536,707
Pablo Cabrera Gaete	Director	57,429,439	31,602,988	19,143,146	9,361,134	-	117,536,707
Total General		287,147,196	158,014,940	57,429,439	28,083,402	-	530,674,977

(1) The Director waived his compensation for being an executive of the Enel SpA Group

Incentive plan

Director's compensation for 2018 did not include an incentive plan.

Board of Directors' consulting expenses

The Board of Directors did not spend on consulting services in 2018.

Diversity in the Board of Directors

Number of people by gender:

Female	0
Male	7
Total	7

Number of people by nationality:	
Chilean	4
Italian	3
Total	7

Number of people by age group:	
Between 41 and 50 years	3
Between 51 and 60 years	0
Between 61 and 70 years	1
More than 70	3
Total	7

Number of people by years of service:	
Less than 3 years	7
From 3 to 12 years	0
More than 12 years	0
Total	7

Ownership in Enel Chile S.A.

As of December 31, 2018, according to the shareholder's register, none of the Directors in office owned shares of the Company.

Directors' Committee

On April 25, 2018, the Ordinary Shareholders' Meeting appointed the members to the Board of Directors. On that same date, after the shareholders' meeting, the Board of Directors designated Mr. Fernán Gazmuri Plaza, Mr. Gerardo Jofré Miranda and Mr. Pablo Cabrera Gaete as members to the Directors' Committee, all independent directors as defined by Article 50 bis of the Chilean Corporations Law 18,046. Mr. Fernán Gazmuri Plaza was appointed financial expert and Chairman of the Directors' Committee during the ordinary session of the Directors' Committee and Mr. Domingo Valdés Prieto was appointed Secretary to the Directors' Committee.

Annual Report

The Directors' Committee of the Company held 13 sessions during 2018, including the present session, therefore fully complying with the obligations established in Article 50 bis of the Chilean Corporations Law 18,046 and additional applicable regulation.

During 2018, the Directors' Committee addressed the matters that are summarized below:

1.- Financial statements:

- During the session held on February 27, 2018, the Directors' Committee analyzed the financial statements to register the Company and its shares in the SVS and unanimously agreed to approve the Combined Financial Statements as of December 31, 2017, including its notes, significant events as well as the respective external auditors' reports and account inspectors' reports.
 - During the extraordinary session held on May 4, 2018, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of March 31, 2018 and its Notes, Income Statement and Significant Events.
 - During the ordinary session held on May 28, 2018, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of March 31, 2018 and a limited audit review report, under the PCAOB standard, performed by EY Audit SpA.
- During the same session, the Directors' Committee unanimously resolved declaring having examined the Proforma Consolidated Financial Statements of Enel Chile as of December 31, 2017, and its Notes.
- During the ordinary session held on July 26, 2018, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of the Company as of June 30, 2018 and its Notes,





Income Statement and Significant Events, and also declared having examined the Consolidated Financial Statements of Enel Green Power Latin America as of March 31, 2018, which merged with and into Enel Chile S.A.

- During the extraordinary session held October 30, 2018, the Directors' Committee unanimously declared having examined the Consolidated Financial Statements of Enel Chile as of September 30, 2018, and its respective Notes, Income Statement and Significant Events and the report regarding related party transactions prepared by the external auditors.

2. **External Auditors' report on bank transfers and money brokerage:** During the session held on February 27, 2018, the Directors' Committee unanimously agreed to acknowledge that they had formally and expressly noted the report on money brokerage and bank transfers prepared by Ernst & Young, the external auditors of Enel Chile S.A., dated February 27, 2018.

3. **Examination of internal control letter SVS Circular 422:** The Directors' Committee examined the subject during the ordinary session held on February 27, 2018. On December 6, 2007, the Financial Market Commission issued Circular 422, which supplements Circular 980 dated December 24, 1990. This Circular offers specific instructions on internal control procedures, providing for the submission of a provisional report and a broad time frame for the external auditors to submit a final internal control report, allowing it to be delivered until the date in which the Board of Directors takes note of the Financial Statements at year end of each fiscal year. The President of the Directors' Committee, Mr. Fernán Gazmuri Plaza, stated that the rules referred to above had been revoked, but even so, Article 246 of the Securities Market Law, among other issues, establishes that the external auditors are responsible for informing the Board of Directors and the Directors' Committee on the deficiencies regarding accounting practices, management systems and internal auditing practices detected while performing the external audit. Also, identify the discrepancies between the accounting practices used by the Company in its Financial Statements and the relevant criteria generally applied in the company's specific industry.

Additionally, inform on the company and its subsidiaries' compliance with tax related obligations. Consequently, EY was still required to inform on internal control issues detected while performing the external audit. The revocation of the rules did not affect the deadline established by the Financial Market Commission (CMF in its Spanish acronym) rule NCG No 30 to submit the Financial Statements and consequently it was understood that the internal control report, as part of the information to be submitted, should be provided by the external auditors during the first quarter of each year to be available for the review and approval of the annual financial statements. During this same session, the Directors' Committee agreed to state that the directors, unanimously, had formally and expressly taken note of the Internal Control Letter dated February 27, 2018, prepared by Ernst & Young to comply with regulation.

4. **Directors' Committee Budget:** On February 27, 2018, the Directors' Committee unanimously agreed to approve the Directors' Committee 2018 Budget amounting to 10,000 UF for the Committee and its consultants' expenses and operations. The members of the Directors' Committee also unanimously decided to submit this 2018 Directors' Committee Budget proposal to the approval of the Board of Directors so that, if approved, they submit it to the Ordinary Shareholders Meeting for final approval as required.

5. **External auditors' examination of subjects covered by NCG 385:** During the ordinary session held on February 27, 2018, the Directors' Committee unanimously declared having examined the subjects voluntarily presented, as good corporate governance, included in numeral 1 d) of the SVS General Norm 385 based on the presentation performed by External Auditors and highlighted that none of the subjects referred to by items ii, iii and v of such numeral had taken place.

6. **External auditors' fees in fiscal year 2017:** During the ordinary session held on January 30, 2018, the Directors' Committee unanimously agreed to declare having examined the fees paid during 2017 by the Company to the external auditing firms concluding that they had not affected the competence nor the independence of such firms.

7. **External auditors' fees in fiscal year 2017 and estimate for 2018:** During the ordinary session held on February 27, 2018, the Directors' Committee unanimously agreed to declare having examined the fees paid during 2017 by the Company to the different auditing firms hired and also having analyzed the estimate of recurrent auditing service fees for 2018.

8.- **Supervision and evaluation of external auditors:** During the ordinary session held February 27, 2018, the Directors' Committee unanimously agreed to evaluate the work performed in 2017 by the Company's external auditors, Ernst & Young, as reasonable.

9.- **Services to be rendered by external auditors:** During the ordinary session held January 30, February 27, March 29, May 28, July 26, October 30 and November 29 and in the extraordinary session held May 4, all in 2018, the non-recurrent services to be rendered by the external auditors were examined. The Committee unanimously agreed to declare that such services do not compromise the technical competence nor the independent judgement of the respective external auditing firms, as stated in Section 202 of the Sarbanes Oxley Act, in the last paragraph of Article 242 of the Capital Markets Law 18,045 and in the Directors' Committee Regulations.

During session held on August 31, 2018, the Directors' Committee unanimously agreed to declare having examined the appointment of BDO as the external auditor to provide the calculation of inflation adjustments to the Gasoducto Atacama Chile Branch.

10.- **10. 20-F Form submitted to the SEC (Securities and Exchange Commission of the United States of America):** During the ordinary session held on April 25, 2018, the Directors' Committee unanimously declared having examined the financial statements under IFRS to be included in the 20-F Form to be presented to the Securities and Exchange Commission of the United States of America in compliance with the rules and requirements of the SEC regarding securities issued in the United States of America.

11.- **11. Examination of related party transactions:** During the ordinary session held on May 4, 2018, the

Directors' Committee unanimously declared having examined the Related Party Transactions with Enel Green Power Chile that consist of: (i) the guarantees granted by Enel Chile to back up Enel Green Power Chile and its subsidiaries' obligations, replacing the ones granted by Enel SpA, and (ii) a contract in which Enel Chile S.A. provides Enel Green Power Chile or any of its subsidiaries with credit letters, standby credit letters, comfort letters, corporate guarantees and bank guarantees to back up its obligations for up to a total US\$ 30 million with a 3 year renewable credit line. Enel green Power Chile is to compensate Enel Chile for each guarantee granted. The Directors' Committee declared that the transactions examined contributed to the best interest of the Company and adjusted in price, terms and conditions to those prevailing in the market at the time of its approval.

12.- **12. Proposed Private Risk Rating agencies:** During the ordinary session held on February 27, 2018, the Directors' Committee unanimously agreed to propose to the Company's Board of Directors to suggest Feller Rate Clasificadora de Riesgo Limitada and Fitch Chile Clasificadora de Riesgo Limitada to the shareholders meeting as the local private risk rating agencies and Standard & Poors International Rating Services and Moody's as the international private risk rating agencies for fiscal year 2018.

13.- **Proposed External Auditors:** During the ordinary session held on March 29, 2018, the Directors' Committee unanimously agreed to propose to the Company's Board of Directors to propose to the Ordinary Shareholders' Meeting the following auditing firms, in the order of preference presented, as the external auditor firm of Enel Chile S.A. for 2018: 1-E&Y; 2-BDO; 3-PKF and 4-RSM. The arguments considered relevant in proposing E&Y in first place as external auditor of the Company are the following: (i) it presented the most competitive proposal based on the technical and economic evaluations performed on the proposals received; (ii) it is highly qualified in terms of available resources and experience in the electricity sector; (iii) it is one of the four most important external auditing firms on the national and international level; (iv) it is the external auditing firm with greatest synergies with Enel Chile S.A. because E&Y is the main external auditing firm of Enel SpA, Enel Chile's controlling shareholder.



14.- **14. Approval of external auditor contracts:** During the extraordinary session held May 4, 2018, the Directors' Committee unanimously agreed to declare having examined and approved the contract to be subscribed between Enel Chile S.A. and external auditors Ernst & Young.

15.- **15. Analysis of Ethics Channel complaints:** During the ordinary session held January 30, 2018, the Directors' Committee, unanimously, gave its opinion on each one of the complaints received, offering guidelines on how to proceed with each complaint and confirming what had been already resolved by the Committee. In this regard, the Chairman of the Directors' Committee is to summon an extraordinary session if he considers that it is necessary to resolve a certain complaint.

During the same session, the Chairman of the Directors' Committee, Mr. Fernán Gazmuri Plaza, requested that a benchmark analysis be performed with other countries in which the Enel Group has operations to determine the number of complaints that are normally received through the Ethics Channel. The Director, Mr. Gerardo Jofré, requested a benchmark analysis with other companies in the country because he considered the number of complaints to be low. The requests were approved by the Committee and were transferred to the Internal Audit Officer of the Company.

During the ordinary session held August 31, 2018, the Directors' Committee, unanimously, gave its opinion on every complaint received, as indicated in the previous paragraph. In this same session, the Chairperson of the Directors' Committee Mr. Fernán Gazmuri Plaza proposed evaluating the convenience of legally prosecuting the individuals who commit a crime. His proposal was approved by the Committee.

16.- **16. Examination of the Company's compensation plan for senior executives, managers and employees:** During the ordinary session held June 21, 2018,

the Directors' Committee, unanimously declared having examined the compensation plan of senior executives, managers and employees of the Company.

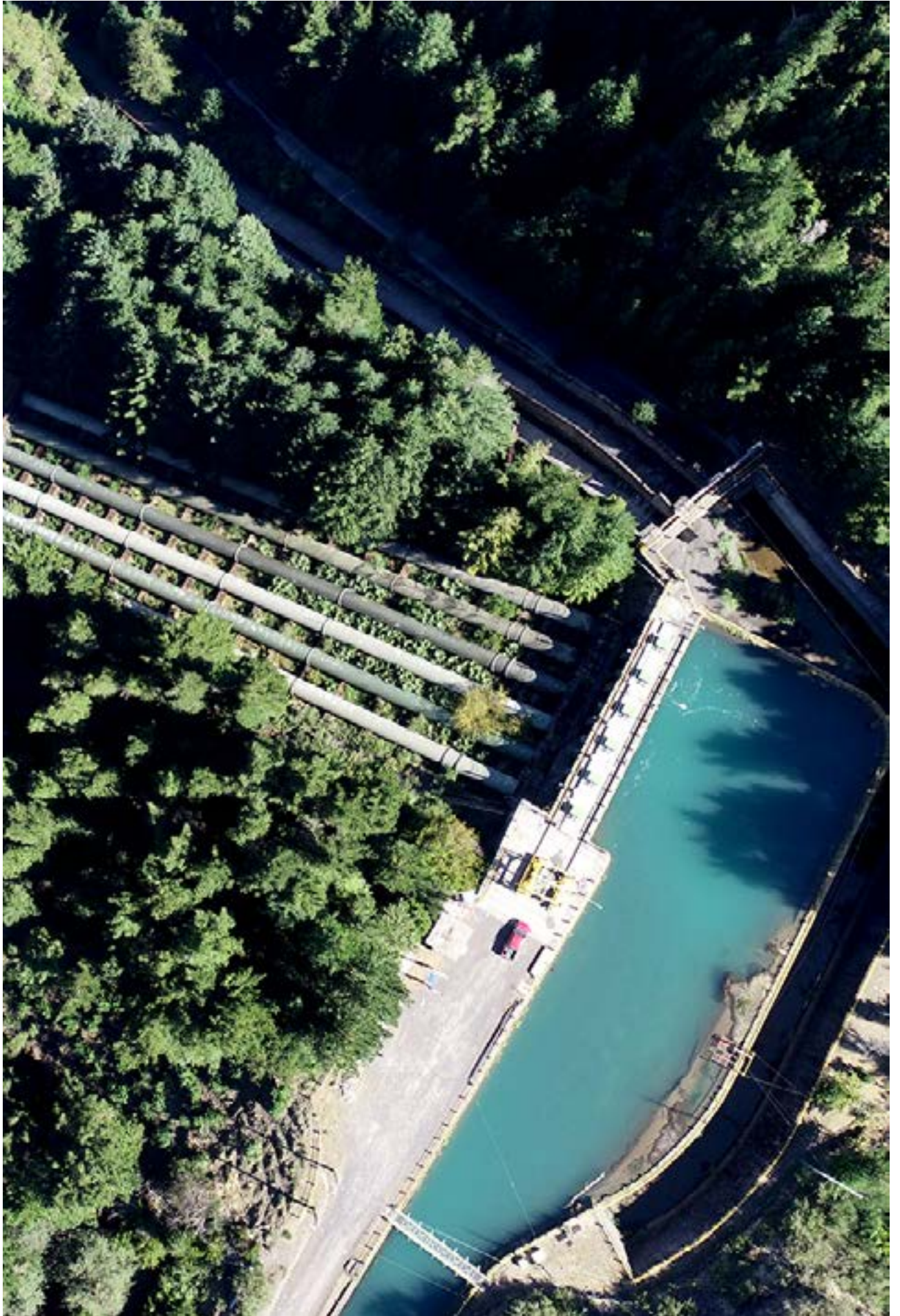
17.- **Self-evaluation and Company's internal control review:** During the ordinary session held July 26, 2018, the Directors' Committee, unanimously declared having examined the internal controls self-evaluation structure and procedures of Enel Chile S.A.

18.- **Various other matters:** During the ordinary session held March 29, 2018, the Chairman of the Directors' Committee Mr. Fernán Gazmuri Plaza proceeded to report on his meeting with Enel SpA's Collegio Sindacale to discuss the Committee's main concerns and listen to the matters that concern the Collegio.

During the ordinary session held July 26, 2018, the Directors' Committee unanimously, agreed to recommend the Board of Directors of Enel Chile S.A. to give consent to EY, the external auditors, to make all documentation pertinent to the external audit performed by EY to the Consolidated Financial Statements of Enel Chile S.A. available to the Public Company Accounting Oversight Board (PCAOB) of the United States of America and to answer all the questions they have regarding such documentation, as requested by EY. EY stated that such documentation would not be distributed nor used for any other purpose, without previous explicit approval by the Company and confirmed that the PCAOB is obliged by law to maintain confidentiality of actions and information.

Enel Chile S.A. Directors' Committee Expenses

The Directors' Committee did not spend its operational expense budget approved by the Ordinary Shareholders Meeting held April 25, 2018.



Organizational structure



(1) Was appointed on 10.01.2018 to replace Nicola Cotugno
 (2) Was appointed on 10.01.2018 to replace Raffaele Grandi
 (3) Was appointed on 02.01.2018 to replace Alain Rosolino
 (4) Was appointed on 01.01.2018 to replace Antonio Barreda Toledo
 (5) Was appointed on 08.01.2018 to replace Bruno Stella

Senior Executives



1. CHIEF EXECUTIVE OFFICER

Paolo Palloti

Electronic Engineer
 Universidad de Ancona
 Leadership for energy executive program
 Harvard Business School
 Taxpayer ID: 26,102,661-9
 Since 10.01.2018

2. MANAGEMENT, FINANCE & CONTROL OFFICER

Marcelo de Jesús

Business Administration
 USCS/ Brazil
 Master Business Administration (MBA)
 Fundação Dom Cabral
 Taxpayer ID 26,562,488-k
 Since 11.01.2018

3. PEOPLE AND ORGANIZATION OFFICER

Liliana Schnaidt Hagedorn

Industrial Engineer
 Pontificia Universidad Católica de Chile
 Taxpayer ID: 13.903.626-3
 Since 02.01.2018

4. INTERNAL AUDIT OFFICER

Raffaele Cutrignelli

International Business Degree
 Nottingham Trent University (United Kingdom).
 Master in Auditing and Internal Controls
 Universidad de Pisa (Italy)
 Diploma in Strategy, Innovation, Management and Leadership
 Massachusetts Institute of Technology (MIT)
 Taxpayer ID: 25,553,336-3
 Since 10.01.2016

5. GENERAL COUNSEL AND SECRETARY TO THE BOARD

Domingo Valdés Prieto

Lawyer
 Universidad de Chile
 Master of Law
 University of Chicago
 Taxpayer ID: 6,973,465-0
 Since 02.29.2016

6. REGULATION OFFICER

Mónica de Martino

Political Science Degree
 Universidad Luis LUISS Guido Carli, Roma
 Executive MBA Columbia Business School, NY, and
 London Business School, London
 Taxpayer ID: 25,629,782-5
 Since 05.31.2017

7. PROCUREMENT OFFICER

Juan Jose Bonilla Andrino

Industrial Engineer
 Escuela Superior Ingenieros Industriales Madrid.
 Universidad Politecnica/ Technische Universität Berlin
 (Germany). 01.09.2003.
 Master Business Administration MBA, ESERP Business
 School. 07.01.2010.
 Master Business Administration, San Pablo CEU University,
 07.01.2014.
 Master in Executive Business, Massachusetts Institute of
 Technology, Boston, USA
 Taxpayer ID: 25,566,577-4
 Since 01.01.2018

8. COMMUNICATIONS OFFICER

José Miranda Montecinos

Audiovisual Communicator with a degree from DUOC UC
 Management Skills Diploma, Universidad de Chile
 Corporate Entrepreneurship and Open Innovation, Berkeley
 University.
 Taxpayer ID: 15,307,846-7
 Since 02.29.2016

9. INSTITUTIONAL AFFAIRS OFFICER

Pedro Urzúa Frei

Journalist
 Universidad de Artes y Ciencias de la Comunicación
 Taxpayer ID: 11,625,161-2
 Since 02.29.2016

10. SUSTAINABILITY AND COMMUNITY RELATIONS OFFICER

Antonella Pellegrini

Marketing and Communications Degree
 European Design Institute
 Roma – Italy
 Taxpayer ID: 23,819,804-6
 Since 05.31.2017

11. SAFETY OFFICER

Andrés Pinto

Industrial Engineer
 Pontificia Universidad Católica de Chile
 Diploma in Chemical Engineering
 Pontificia Universidad Católica de Chile
 Taxpayer ID: 13,686,119-0
 Since 05.31.2017

12. PLANNING AND CONTROL OFFICER

Claudia Navarrete Campos

Civil Engineer
 Pontificia Universidad Católica de Chile
 Master's in Engineering and MBA
 Pontificia Universidad Católica de Chile
 Taxpayer ID: 12,494,825-8
 Since 08.01.2018

13. DIGITAL SOLUTIONS OFFICER

Ángel Barrios

Computer Science Engineer
 Universidad Federico Santa María
 Master's in Information Technology
 Universidad Federico Santa María
 Taxpayer ID: 10,761,436-2
 Since 01.30.2018

14. SERVICES OFFICER

Alison Dunsmore Moreira

Civil Engineer
 Universidad de Santiago de Chile
 Taxpayer ID: 13,848,428-9
 Since 05.01.2018





Senior Executive and Manager Compensation

During 2018, the compensation and benefits received by the chief executive officer and senior executives of the Company amounted to a fixed compensation of Ch\$ 2,734 million and Ch\$ 707 million in variable compensation and benefits.

This amount included managers and senior executives that held their position in the Company at year-end and also those who left the company during the respective year.

Benefits for Senior Executives and Managers

The company maintains complementary health insurance and catastrophic insurance coverage for senior executives and their accredited dependents. The company also has life insurance coverage for each senior executive. These benefits are granted according to the management level of each employee at the time executed.

In 2018, the amount spent on these benefits was Ch\$ 58 million, which is included in the compensation received by senior executives.

Incentive Plans and Senior Executives

Enel Chile has an annual bonus plan for its executives based on achieving objectives and the level of individual contribution to the company's results. This plan defines a bonus range for each management or hierarchical level. Executive bonuses are expressed as a specific number of monthly gross salaries.

Severance Payments to Managers and Senior Executives

The severance payments for years of service of senior executives and managers that left the company amounted to Ch\$ 391.4 million in 2018.

Shareholdings in Enel Chile

Based on the shareholder's register, as of December 31, 2018, no senior executive owned shares of the Company.

There are no requirements regarding the ownership of company shares by the chief executive officer or senior executives. What is mandatory by the Securities Market Law and the Manual of Information of Interest to the Market, is that the CEO and senior executives inform their share position and the respective transactions.

Management of main subsidiaries

Enel Generación Chile

Valter Moro

Mechanical Engineer

Universidad Politécnica de Marche Italia

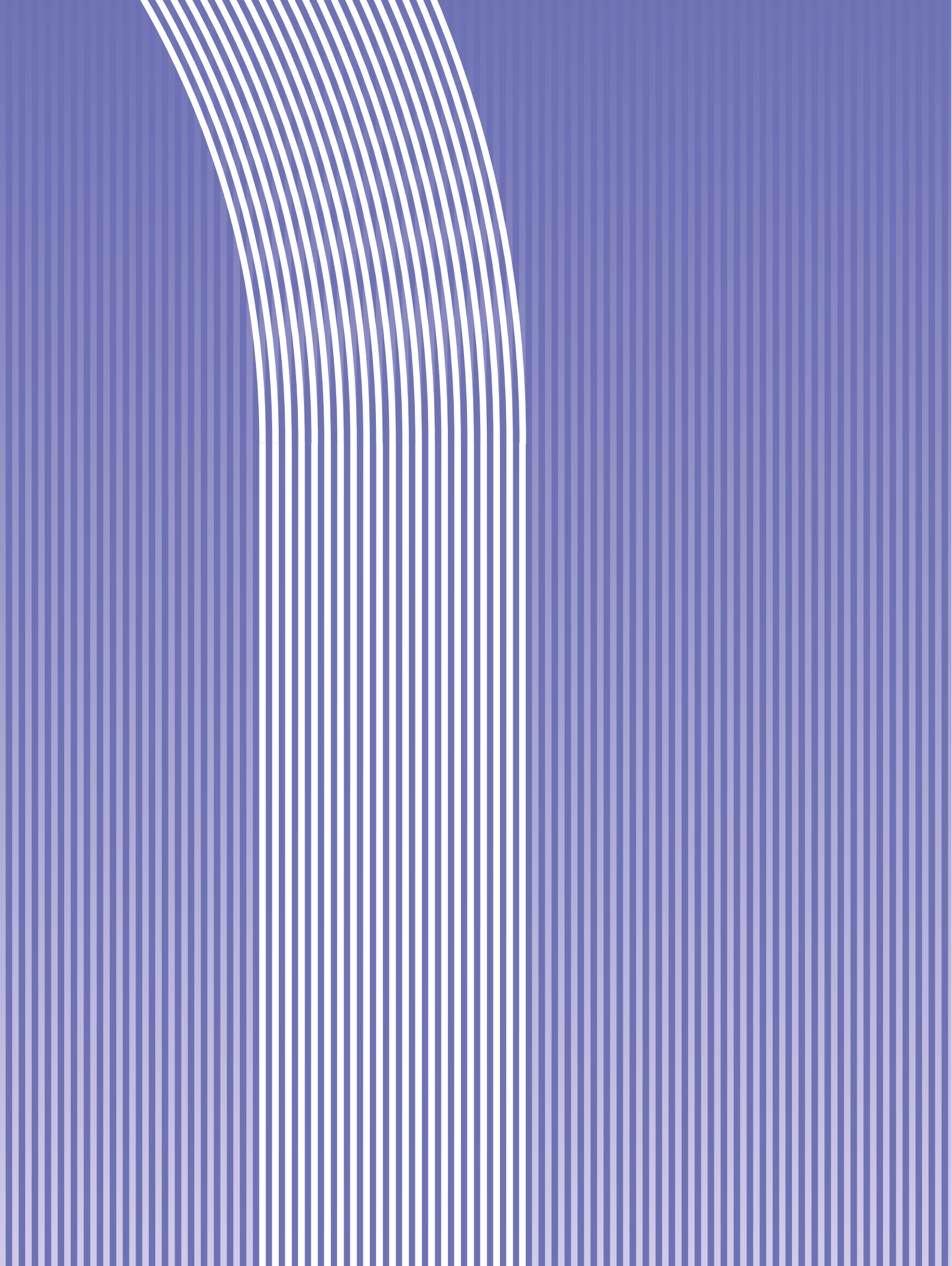
Enel Distribución Chile

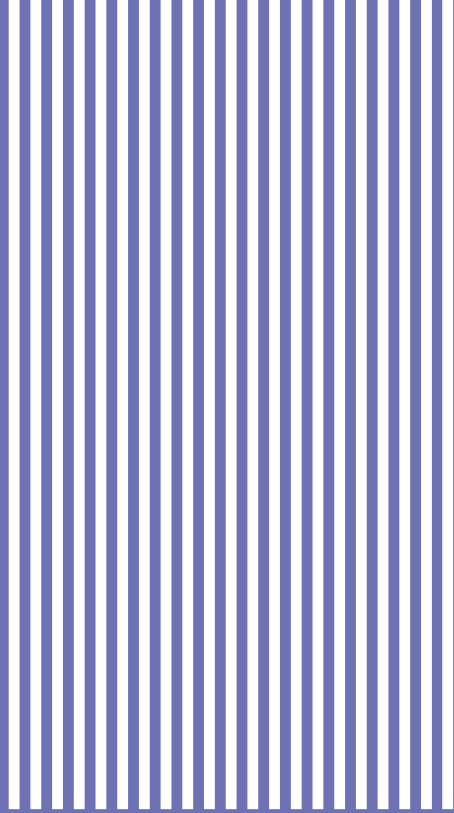
Ramón Francisco Castañeda Ponce

Industrial Engineer

Pontificia Universidad Católica de Chile







08

People and
Organization



Workforce

The employees per category of Enel Chile and its subsidiaries and jointly controlled entities as of December 31, 2018 are the following:

Company	Management and Senior Executives	Professionals and technicians	Employees and others	Total
Enel Chile	20	393	38	451
Enel Generación (1)	20	660	87	767
Enel Green Power (2)	1	156	6	163
Enel Distribución (3)	16	622	43	681
Total general	57	1,831	174	2,062

(1) Includes Pehuenche, GasAtacama Chile and GasAtacama Argentina
 (2) Includes Electrica Panguipulli and Geotérmica del Norte
 (3) Includes Empresa Eléctrica de Colina and Luz Andes

Diversity

Diversity of the Chief Executive Office and other departments that report to the CEO or Board of Directors

Gender	Enel Chile
Female	6
Male	14
Total	20

Nationality	Enel Chile
Brazilian	1
Chilean	15
Spanish	1
Italian	3
Total	20

Age	Enel Chile
Less than 30 years	-
Between 30 and 40 years	7
Between 41 and 50 years	7
Between 51 and 60 years	5
Between 61 and 70 years	1
Total	20

Years of Service	Enel Chile
Less than 3 years	7
Between 3 and 6 years	2
More than 6 and less than 9 years	-
Between 9 and 12 years	-
More than 12 years	11
Total	20

Diversity in the organization	Enel Chile
Gender	
Female	191
Male	260
Total	451

Nationality	Enel Chile
Argentine	2
Brazilian	5
Chilean	423
Colombian	7
Costa Rican	1
Spanish	1
Italian	7
Peruvian	1
Venezuelan	4
Total	451

Age	Enel Chile
Less than 30 years	13
Between 30 and 40 years	164
Between 41 and 50 years	167
Between 51 and 60 years	98
Between 61 and 70 years	9
Total	451

Years of Service	Enel Chile
Less than 3 years	85
Between 3 and 6 years	42
More than 6 and less than 9 years	63
Between 9 and 12 years	59
More than 12 years	202
Total	451

Average fixed salary of women compared to men within the same professional category

Categories	%	
Senior Management	%	80%
Professional-Level 1	%	102%
Professional-Level 2	%	91%
Professional-Level 3	%	79%
Administrative-Level 1	%	90%
Administrative-Level 2	%	93%
Administrative-Level 3	%	117%



Human resources activities

Labor relations

The company has continued having periodic meetings with the Unions in 2018, strengthening an open, frank and unrestricted dialogue with employee representatives and maintaining a good work climate.

Safety measures and occupational health

Safety and occupational health goals are closely linked to Enel Chile's business. Given the nature of the business, it is exposed to critical risks. The company, in its ongoing improvement process, plays a leadership role at integrating safety and occupational health into every level and any activity developed. The priority of safety and occupational health is key in corporate management due to its strategic importance.

Health dissemination and promotion

This program aims to educate and train workers carrying out activities that promote quality of life through massive dissemination efforts, such as posters, graphic material and emailed information. Among each month's topics are:

- > **March:** Anti-stress campaign offering practical recommendations to eliminate its causes.
- > **April:** Widespread immunization campaign to prevent the seasonal flu.
- > **May:** Anti-tobacco campaign offering advice to prevent tobacco consumption.
- > **June:** Colon and gastric cancer campaign encouraging the population to perform an annual preventive exam to detect these illnesses opportunely.
- > **July:** Respiratory disease and viral infections prevention campaign.
- > **August:** Heart care campaign, advise regarding heart care.
- > **September:** Prostate and cervical cancer campaign encouraging preventive exams for timely detection of these diseases.
- > **October:** Breast cancer prevention campaign promoting early detection and self-examination.
- > **November:** Healthy Diet Campaign recommending practical nutrition habits to improve the quality of life.
- > **December:** Skin Cancer Campaign with advice regarding ultraviolet radiation and other harmful agents..





Activities for Enel Chile Group employees

Immunization Program

The immunization of Enel Chile's employees is a preventive measure that focuses on preventing recurrent contagious illnesses.

Seasonal Trivalent Influenza Vaccine: Performed during the first quarter of the year to prevent the outbreak that begins in June.

Preventive medical exams program

The objective is to perform periodic medical evaluations for the early detection of potential illnesses. This Initiative focuses on all Company employees and is carried out following a protocol defined according to gender and age.

Cardiovascular risk program

The objective is to care for employees with cardiovascular risks based on the results of preventive exams, through specific fitness programs and nutritional evaluation controls.

Workplace gymnastics program

The workplace gymnastics program is an innovative exercise program that contributes to prevent workplace illnesses, such as, stress, tendinitis, lumbago, carpal tunnel syndrome, neck and extremity pain., among others..

Workplace climate management

Work climate management and commitment are fundamental pillars of Enel Chile's strategy. In 2018, 93% of employees in Chile participated in the workplace climate and safety survey, which is performed twice a year. The company's work environment is a priority due to its close relationship with the company's human resource. Therefore, we have continued with initiatives related to leadership, communication, meritocracy and development, conflict resolution measures, and good work practices to maintain workers' motivation, satisfaction and commitment.

The Team Building programs are worth highlighting. They are collaborative work experiences that focus on developing team work competencies to strengthen trust and align objectives to reach common goals.

Enel Chile has a program that aims towards promoting and reinforcing the important role of managers in creating organizational environments that foster workers' satisfaction and development. "Leader to Coach" is a program that was designed to encourage leadership and the role of the manager in our "Open Power" culture from a strategic and active standpoint that focuses on the mobilization of teams and the ability to help the learning process of others. It is a comprehensive coaching program, which builds an individual itinerary for each manager, including 360° evaluation, skill training workshops, and building a network of good practices in human resource management.

Enel Chile has implemented a set of communication initiatives under the title "People & Organization" to guarantee ongoing communication with workers on different matters of interest related to human resource management. Activities include updating and adding value to the website, the manual of good practices, and monthly bulletins for managers and workers, among others.

There are several programs that aim towards meritocracy and development. Professional development is managed by offering promotions based on merit, and job opportunities both locally and abroad, wherever the Group is present.

In Enel Chile, feedback between managers and employees creates closer bonds, increases transparency, aligns expectations, and supports employees' professional development. Fostering a culture of continuous feedback develops our employees' talents and leads the way towards the formation of high performing teams.

During 2018 the program "Recognizing Ourselves", continued seeking to encourage a culture of recognition within the Company. On the one hand, the "Recognizing People Program" offers formal instances for workers to recognize their teammates, and on the other hand, the "Recognizing Contributions Program" offers the organization a chance to identify initiatives that have added great value to the company. The company continued with the ceremonies to recognize workers and their professional career path, among other initiatives.

The Company also continued the program "Agent of Change" in 2018, with the participation of a team of more than 50 employees from all Group companies. This team developed cultural change initiatives that facilitate the implementation of projects by promoting collaboration and innovation. Each team had a company manager as a sponsor, to support and direct their initiatives, linking the technical project to the cultural change initiatives required to implement projects.

Diversity

As part of the Company's Diversity and Inclusion Policy, Enel Chile has developed several practices addressing gender, age, nationality, and disability. This policy promotes the principles of non-discrimination, equal opportunities, inclusion and work-life balance as fundamental values.

The Policy has established three main principles:

1. Reject any and all forms of arbitrary discrimination and ensure and promote diversity, inclusion, and equal opportunities.
2. Promote and maintain an environment of respect for people's dignity, honor and identity.





3. Ensure the highest confidentiality standards regarding any information about worker's private life that the Company could have access to.

In terms of gender, a balance is sought out in the initial phase of the recruitment and selection processes and a relationship with universities and professional institutes is established to promote the participation and inclusion of women.

Moreover, pregnant women have participated in the "Parenting Program", which seeks to increase the value of maternity and balance out the needs of parenting with professional development needs. Actions taken by the program include activities for women's healthcare and wellbeing, speeches regarding the impact a child may have on family dynamics, and the creation of trust between pregnant workers and the Company.

In terms of age and taking advantage of the Company's digital transformation, this year we implemented a new On-Boarding platform. Every employee of Enel may anticipate his or her contact and knowledge of the Company by using this platform and therefore facilitating work and cultural adaptation. This personal and professional support allows Enel employees to understand what his or her daily work dynamics will be.

Regarding nationality, expatriates are assigned a tutor to assist and support them throughout the length of their stay. It helps recognize, respect, and manage the cultural differences between different nationalities and stimulate their integration.

Regarding disabilities, we have supported the Company's disabled employees in obtaining their disability credentials as established by law, so as to facilitate recognition, respect and management of different employee disabilities. We also continued performing structural adjustment to Company facilities (casino, bathrooms, ramps, special parking, auditorium entrance ways, elevators with braille, etc.).

Work-Life integration measures and flexibility

Regarding conciliation and flexibility, in 2018, the remote working program "Smart Working" has grown to become one of the most appreciated conciliation measures in the company, providing employees with greater flexibility when it comes to the execution of their work. Today, we have 360 workers in the program, of which 169 choose to work from home, or wherever they please, one day a week (from Tuesday to Thursday), but must comply with the safety and health measures established by current legislation. This initiative contributes to the balance between work and family life and improves quality of life.

Additionally, the following initiatives, among others, were carried out to improve worker's quality of life:

Sports and Culture Extension Program: traditional sports program that takes place within the Company's facilities, offering workshops and the practice of several sports, such as soccer, baby soccer, basketball, volleyball, and other sports. Other extension activities designed for employees and their families include artistic workshops, expositions, family excursions and trips, among others.

There are several activities for employees' children, both recreational and educational. These include the summer and winter camps for youngsters between 6 and 15 years of age that are offered in January and during winter holidays. There are also training workshops held during the summer for employee family members.

Several events were held to foster the balance between work and family life. The Christmas Party is among the most relevant of these events for workers with children and also the "Come to my birthday party" that is celebrated at the corporate stadium for kids age 12 and under.

Other important events include the End of the Year party, a corporate event for all employees consisting of a dinner with contests and dancing, and the "Career Trajectory Award", an annual corporate celebration that recognizes workers who have been with the Company for at least 20 years.



Filling job openings

Enel Chile's main goal is to hire the best professionals, those who have the competences needed to face the cultural changes that arise as a consequence of the Company's digital transformation and Open Power.

During 2018, there were 56 job openings, 38% were filled with candidates from within the Company, 43% were assigned to women. Additionally, of all workers hired from outside the Company in 2018 (54% of the total available positions in Enel Chile), 47% were women.

Internships and young talent program

This project is worth mentioning because it is a new recruitment method to hire young professionals from the best universities in the country. They are offered the opportunity to consolidate their academic knowledge of Enel Chile's business as interns and become trained professionals who are familiar with the Group's reality and challenges.

This internship program is carried out permanently throughout the year, although the greatest number of interns are received during the summer. During 2018, 45 interns were part of this Enel Chile program of which 42% were women.

In Enel Chile, 47% of internships were offered in the Global Digital Solutions department, 33% in Procurement and 20% in Staff and Services.





Diversity and inclusion

For Enel Chile, diverse work teams and an inclusive work environment are essential to create a culture of innovation. Diversity grants the possibility of visualizing different points of view and opinions that enrich the work environment, adding value to the business.

We value differences and transform them into our competitive advantage; by stimulating creativity, flexibility, learning and respect we are able to improve our processes. This also strengthens our position as employers when searching for talent in the market.

To encourage diversity in all of its forms, we highlight the increasing participation of women in internal contests, gradually promoting women's empowerment and leadership. It is worth noting that out of the total external admissions, 47% were women.

This year we have implemented the On-Boarding program, in which each worker hired by Enel Chile must be accompanied by a tutor who offers professional and personal support, guidance on the day to day dynamics of the company, and helps creating networks that will allow feeling welcomed and in a trustworthy environment. This program helps new employees adapt rapidly to the company's culture and allows the Company to be aware of any suggestions made by new employees.



Educational action

Training

The Company's training program for 2018 was based on two main pillars: The first was to achieve a balance between training activities focused on developing competences and those focused on technical knowledge to improve job performance. The second was to define the training program based on a mechanism that allows, the employee and the manager, together, to detect the employee's technical and behavioral gaps that need to be closed to improve individual job productivity, and also to have access to potential future development opportunities. The mechanism is entitled Professional Development Itinerary (IDP in its Spanish acronym) and has a two-year implementation period.

In general terms, Enel Chile's training activities during 2018 reached 90% coverage, which means that 405 employees

participated in at least one training activity during the year. The total number of training hours reached 18,649.

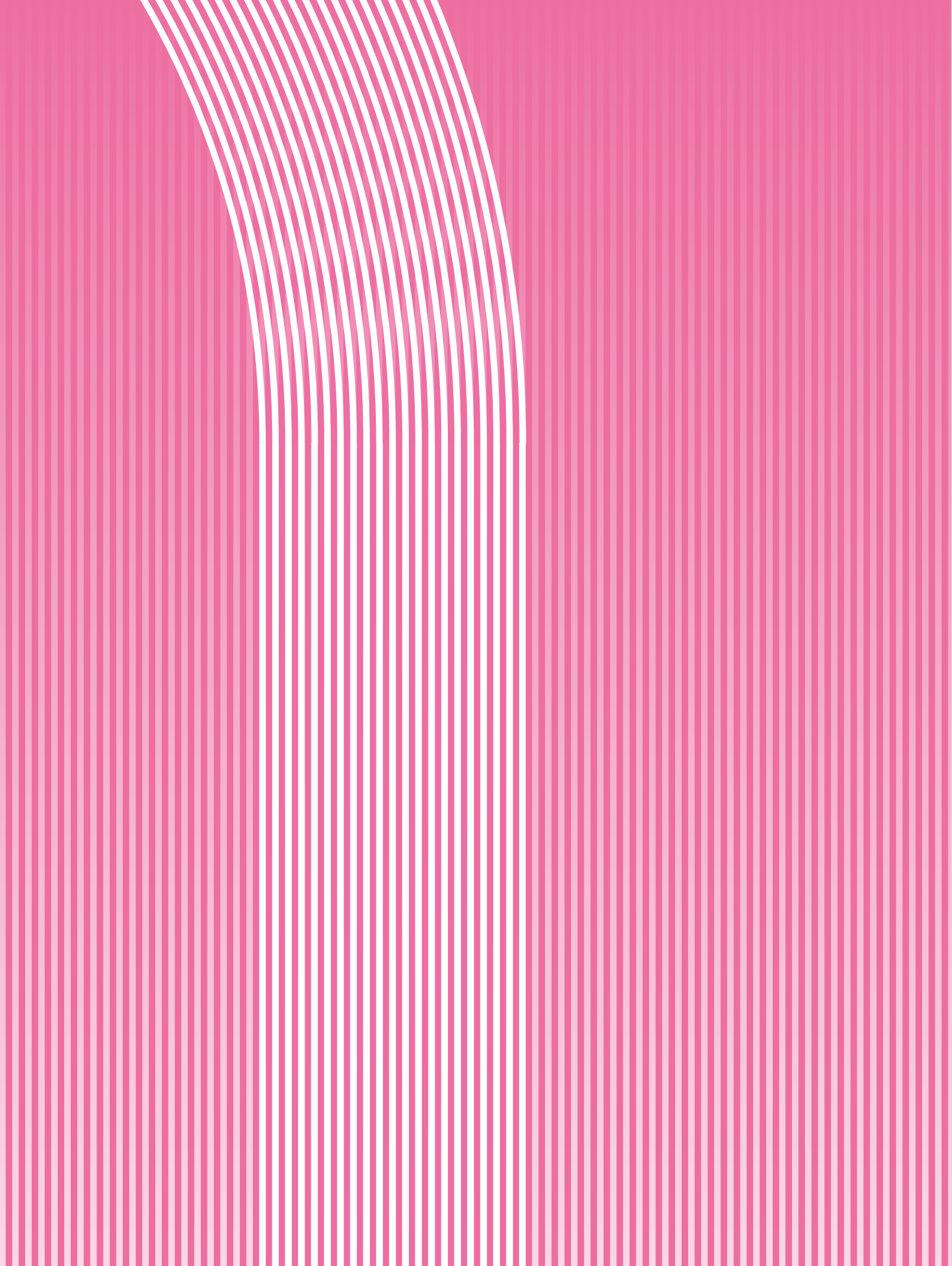
Technical training is our focus due to the importance of updating technical knowledge and acquiring new management tools. It represented 46% of total training hours.

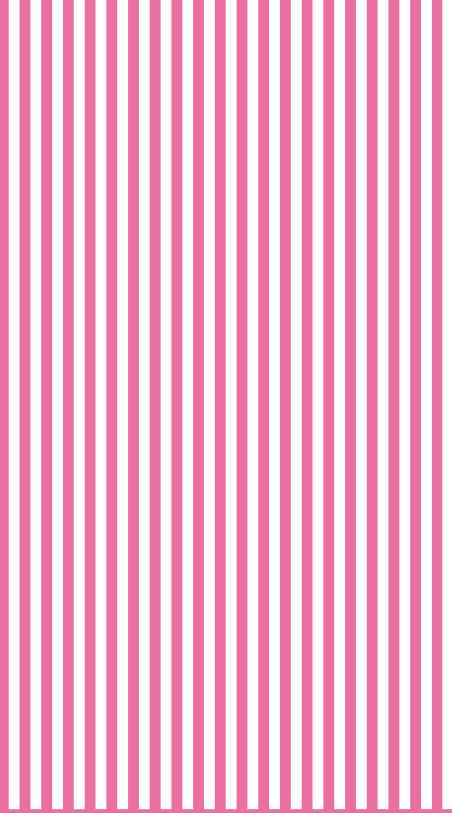
In terms of developing new abilities, several programs were implemented during 2018 to support the Company's digital transformation, such as training employees in the use of Agile to disseminate the use of the new framework throughout the organization. Regarding Enel's commitment to diversity, training courses on inclusion were offered and represented 24% of total ability development programs.

The training activities for employees included e-learning courses about the Company's Criminal Risk Prevention Model.

Finally, as announced to all levels and categories of personnel within the Company, risk prevention, health and the general safety of every individual is particularly relevant and has the Company's permanent attention.







09

Stock Market
Transactions



Quarterly transactions of Enel Chile shares in Chile during the year, on the Santiago Stock Exchange, the Electronic Stock Exchange and the Valparaíso Stock Exchange, as well as in the United States of America on the New York Stock Exchange (NYSE) are detailed below.

Santiago Stock Exchange

During 2018, a total 12,557 million shares were traded on the Santiago Stock Exchange equivalent to Ch\$ 867,342 million. The closing price of the stock at year end December 2018 was Ch\$ 66.97.

Month	Units traded	Amount (Ch\$)	Average price (Ch\$)
2018			
January	1,023,628,419	76,153,337,020	74.39
February	669,599,795	49,888,296,687	74.51
March	1,101,274,869	84,355,089,244	76.61
1st Quarter	2,794,503,083	210,396,722,951	75.29
April	982,457,260	75,403,345,096	76.75
May	948,374,974	68,170,637,794	71.88
June	1,842,309,584	123,704,111,285	67.15
2nd Quarter	3,773,141,818	267,278,094,175	70.84
July	882,382,237	59,325,245,029	67.23
August	982,435,243	65,037,551,129	66.20
September	924,907,429	61,057,763,280	66.02
3rd Quarter	2,789,724,909	185,420,559,438	66.47
October	1,241,977,361	77,944,836,075	62.76
November	1,148,464,088	72,803,438,941	63.39
December	808,778,893	53,498,769,112	66.15
4th Quarter	3,199,220,342	204,247,044,128	63.84
Total 2018	12,556,590,152	867,342,420,692	
2017			
1st Quarter	2,017,485,622	134,273,018,389	66.55
2nd Quarter	1,768,333,500	130,511,829,158	73.80
3rd Quarter	2,298,723,478	168,145,280,227	73.15
4th Quarter	2,784,128,550	200,182,874,098	71.90
Total 2017	8,868,671,150	633,113,001,872	
2016			
1st Quarter	No transactions		
2nd Quarter	1,998,658,925	157,879,907,720	79.92
3rd Quarter	1,926,875,561	141,425,350,170	73.04
4th Quarter	1,706,851,142	109,800,337,389	64.28
Total 2016	5,632,385,628	409,105,595,279	

Chilean Electronic Exchange

During the year a total 1,256 million shares were traded on the Electronic Stock Exchange, amounting to Ch\$ 86,114 million. The closing price of the stock at year end was Ch\$ 66.5.

Month	Units traded	Amount (Ch\$)	Average price (Ch\$)
2018			
January	32,249,753	2,447,223,242	75.88
February	115,176,938	8,555,452,190	74.59
March	55,374,186	4,281,546,857	77.48
1st Quarter	202,800,877	15,284,222,289	68.56
April	91,870,852	7,089,361,795	77.11
May	84,249,530	6,169,449,266	73.28
June	172,425,464	11,656,485,041	67.56
2nd Quarter	348,545,846	24,915,296,102	71.48
July	87,262,783	5,838,073,045	66.90
August	168,378,545	11,096,768,974	66.14
September	130,843,131	8,622,778,715	65.99
3rd Quarter	386,484,459	25,557,620,734	66.13
October	91,732,921	5,806,438,117	64.09
November	158,552,265	10,064,923,101	62.90
December	67,941,414	4,485,798,286	66.02
4th Quarter	318,226,600	20,357,159,504	63.97
Total 2018	1,256,057,782	86,114,298,629	
2017			
1st Quarter	215,330,287	14,497,362,796	67.33
2nd Quarter	141,598,208	10,496,584,882	74.13
3rd Quarter	131,726,440	9,494,229,275	72.08
4th Quarter	186,156,335	13,656,791,178	73.36
Total 2017	674,811,270	48,144,968,131	
2016			
1st Quarter	No transactions		
2nd Quarter	194,419,919	15,318,223,758	80.25
3rd Quarter	244,564,668	18,185,923,824	74.00
4th Quarter	196,586,979	12,673,446,594	64.96
Total 2016	635,571,566	46,177,594,176	





Valparaiso Stock Exchange

During 2018, a total 1.3 million shares were traded on the Valparaiso Stock Exchange, amounting to Ch\$ 106 million. The closing price of the stock at year end was Ch\$ 66.2.

Month	Units traded	Amount (Ch\$)	Average price (Ch\$)
2018			
January		No transactions	
February	8,060	604,500	75.00
March	1,100,639	90,252,398	82.00
1st Quarter	1,108,699	90,856,898	81.95
April		No transactions	
May	2,077	149,544	72.00
June		No transactions	
2nd Quarter	2,077	149,544	72.00
July	78,957	5,009,822	63.45
August	76,000	5,180,160	68.16
September	76,000	5,031,200	66.20
3rd Quarter	230,957	15,221,182	65.90
October (*)		No transactions	
November (*)		No transactions	
December (*)		No transactions	
4th Quarter (*)		No transactions	
Total 2018	1,341,733	106,227,624	
2017			
1st Quarter	776	51,038	65.77
2nd Quarter		No transactions	
3rd Quarter		No transactions	
4th Quarter	46,219	3,340,958	72.29
Total 2017	46,995	3,391,996	
2016			
1st Quarter	No transactions		
2nd Quarter	14,000	1,102,500	79.00
3rd Quarter	120,460	8,530,418	70.53
4th Quarter		No transactions	
Total 2016	134,460	9,632,918	

(*) On October 5, 2018 the CMF revoked the Valparaiso Stock Exchange's trading license and therefore from that date on there are no transactions.

New York Stock Exchange (NYSE)

Enel Chile shares began trading on the New York Stock Exchange (NYSE) on April 27, 2016. One ADS (American Depositary Share) of Enel Chile represents 50 shares and the ticker is ENIC. Citibank N.A. acts as a depository bank and Banco Santander Chile as the custodian in Chile. During 2018, 117 million ADSs were traded in the United States amounting to US\$ 626 million. The ADS closing price at year end was US\$ 4.93.

Month	Units traded	Amount (Ch\$)	Average price (Ch\$)
2018			
January	6,163,471	37,847,091	6.15
February	10,434,316	64,154,257	6.16
March	8,762,591	54,828,706	6.25
1st Quarter	25,360,378	156,830,054	6.19
April	9,844,306	62,502,046	6.36
May	9,984,325	57,489,492	5.78
June	13,863,262	71,681,124	5.21
2nd Quarter	33,691,893	191,672,661	5.78
July	7,043,516	36,008,163	5.11
August	9,620,403	47,725,112	4.97
September	8,224,341	39,685,847	4.82
3rd Quarter	24,888,260	123,419,121	4.97
October	13,220,970	59,783,795	4.61
November	14,265,499	65,100,294	4.62
December	6,046,326	29,026,266	4.80
4th Quarter	33,532,795	153,910,355	4.67
Total 2018	117,473,326	625,832,191	
2017			
1st Quarter	17,848,377	89,764,079	5.03
2nd Quarter	21,754,110	120,477,427	5.54
3rd Quarter	14,780,786	84,238,374	5.70
4th Quarter	18,089,148	101,069,596	5.59
Total 2017	72,472,421	395,549,476	
2016			
1st Quarter	No transactions		
2nd Quarter	29,710,261	170,930,979	5.90
3rd Quarter	35,620,749	197,716,330	5.45
4th Quarter	18,802,549	90,538,625	4.79
Total 2016	84,133,559	459,185,933	



enel

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NEW YORK STOCK EXCHANGE

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NYSE

RF S SLF ST
1.71 Sprint 7.96 39.15 79.1
iMero Energy Partners US\$500m 10-yr str notes; IPT: T+225-237.5

INDU	-25.22			VOLU	156,153,052
INDP	18,186.71			DVOL	82,623,082
NYSE	25.46			UVOL	91,790,667
NYA	10,854.44			TRAN	9,085.83 +28.63
UTIL	8.73	▲ SPZ	2,192.80 +0.70	VIX	13.94 -0.13
▲ DXY	100.73 -0.31	▲ SPX	2,193.72 +2.84	▲ RUT	1,355.20 +1.40
▼ THX	23.85 -0.56	▲ KAX	2,241.40 +11.45	▲ XES	23.64 +0.01
▲ TYZ	125.31 +0.58	▲ CLF	51.31 +0.25	▲ RMZ	1,106.80 +20.11
▲ RLX	1,354.55 +3.36	▲ LCOH	54.19 +0.25	▼ XSO	52.26 -0.53
▲ DRG	486.27 +2.48	▲ GOO	1,178.80 +9.40	▼ KBE	41.48 -0.30

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HANGE

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Market information

The level of risk appetite this year was lower than 2017 and investors fled from emerging markets. In general, uncertainty increased globally due to the possibility that central banks would reduce liquidity and that the United States would increase the interest rate. Market volatility in 2018 was significant as a consequence of the economic conflict between China and the United States, which resulted from imposing reciprocal trade tariffs on imports. The global repercussions of this conflict have been difficult for emerging markets to overcome.

In Chile, the Selective Stock Price Index (IPSA in its Spanish acronym) changed its name and its methodology. In order to align the index to international standards, the Santiago Stock Exchange signed an alliance with S&P Dow Jones. As of September 24, 2018, S&P Dow Jones performs the calculations of the relevant Chilean stock market indexes. The IPSA changed its name to SPCLXIPSA as of the same date and it is comprised of the 30 shares with the highest trade volume in Chile. This change in methodology did not affect its score, so that, it is comparable to the score of other periods, both before and after the change in methodology. The index SPCLXIPSA closed in 2018 at 104.43 points, dropping 8.3% when compared to the previous year.

During 2017, the price of Enel Chile stock dropped 7.7%, in line with the performance of the local stock market.

The accumulated Enel Chile stock price increase for 2017 and 2018 (January 2, 2017 to December 31, 2018) was 8.0%. The IPSA, measured with the same methodology, increased 23.7% during the same period. The price of the ADR's of Enel Chile fell 13.9% on the New York Stock Exchange during 2018 and the accumulated increase for 2017 and 2018 was 8.8%.

Santiago Stock Exchange

The following table shows the changes in the price of the share of Enel Chile and the Selective Stock Price Index (IPSA) on the local stock market over the past two years:

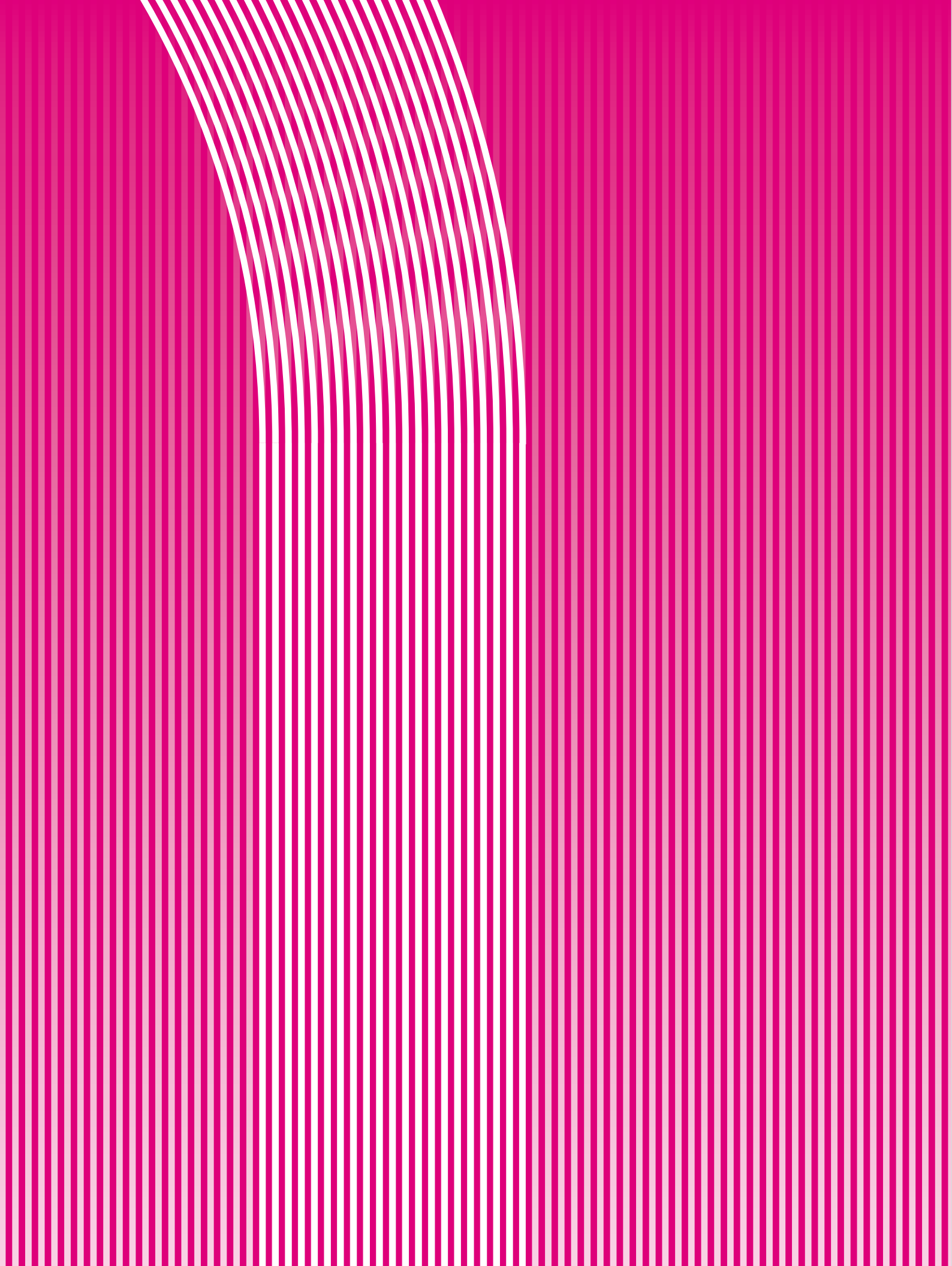
Variation	2017	2018	Accumulated 2017 - 2018
ENELCHILE	17.4%	-7.7%	8.0%
IPSA	34.0%	-8.3%	23.7%

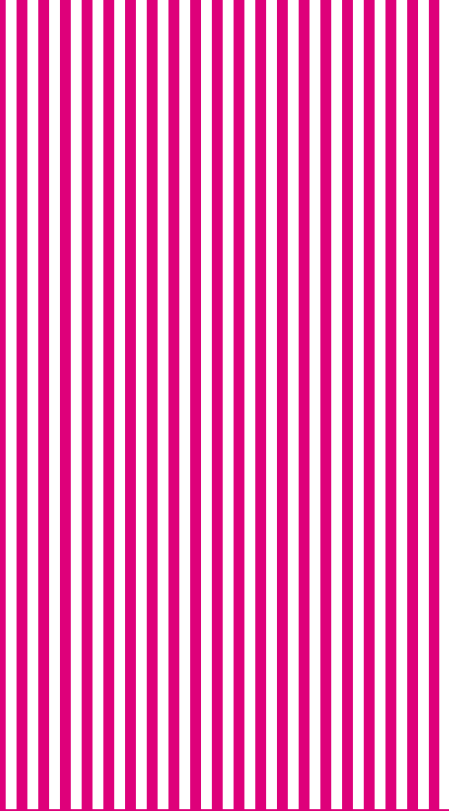
New York Stock Exchange (NYSE)

The following table shows the behavior of Enel Chile's ADRs listed on the NYSE (ENIC), compared to the Dow Jones Industrial index and the Dow Jones Utilities index over the past two years:

Variation	2017	2018	Accumulated 2017 - 2018
ENIC	24.8%	-13.9%	8.8%
Down Jones Industrial	25.1%	-6.0%	17.6%
Down Jones Utilities	9.7%	-1.4%	7.5%







10

Dividends



Dividend Policy 2019

General aspects

In accordance to General Norm 283, Numeral 5, the Company's 2019 and 2018 dividends policies are transcribed below.

The Board of Directors of the Company, in the session held on February 28, 2019, approved the following Dividend Policy and the corresponding procedure for the dividend payments of Enel Chile S.A. for 2019.

Dividend policy

The Board of Directors intends to distribute an interim dividend for fiscal year 2018 of up to 15% of net income as of September 30, 2019, as recorded in the consolidated financial statements of Enel Chile S.A. at that date, to be paid in January 2020.

The Board of Directors intends to propose to the Ordinary Shareholders' Meeting, to be held during the first four months of 2019, to distribute a final dividend equivalent to 65% of net income for fiscal year 2019. The final dividend will be defined by the Ordinary Shareholders Meeting to be held during the first four months of 2020.

Compliance with the aforementioned dividend plan is subject to the actual net profit earned by the Company during the year, and to the results of the Company's periodic income projections or the existence of certain conditions, as applicable.



Dividend payment procedure

The payment of dividends, whether interim or final and to avoid payment mistakes, Enel Chile offers the following payment methods:

1. Deposit in a bank checking account, whose account-holder is the shareholder.
2. Deposit in a bank savings account, whose account-holder is the shareholder.
3. Mailing of a check or cashier's check via certified mail to the address of the shareholder's residence recorded in Enel Chile's Shareholder Register.
4. The collection of a check or cashier's check from the offices of DCV Registros S.A., as the registrar of Enel Chile's shares, or from the bank and branches defined for this purpose and informed in the dividend payment notice published.

For this purpose, bank checking, or savings accounts may be located anywhere in the country.

It should be emphasized that the payment method chosen by each shareholder will be used by the centralized securities' depository, DCV Registros S.A., for all dividend payments unless the shareholder communicates in writing the intention to change it and record a new option.

Shareholders who have not registered a payment method will be paid by method No 4 indicated above.

If checks or cashier's checks are returned by the post office to DCV Registros S.A., they will remain in custody until collected or requested by the shareholder.

In the case of deposits in bank checking accounts, Enel Chile S.A. or DCV Registros S.A. may request, for security reasons that they be verified by the respective bank. If there is an objection to the account indicated by a shareholder, whether in the prior verification process or for any other reason, the dividend will be paid according to method No 4 indicated above.

Moreover, the company has adopted and will continue to adopt all the necessary security measures required by the dividend payment process to safeguard the interests of the shareholders and Enel Chile S.A.





Dividend Policy 2018

The Board of Directors' intends is to distribute an interim dividend for the fiscal year 2018, of up to 15% of net income as of September 30, 2018, as shown in the financial statements of Enel Chile S.A. at that date, and payable in January 2019.

The Board of Directors intends to propose to the Ordinary Shareholders' Meeting. to be held during the first four months of 2019, to distribute a final dividend equivalent to 60% of the fiscal year 2018 net income. The final dividend will be determined by the Ordinary Shareholders' Meeting to be held during the first four months of 2019.

Compliance with the aforementioned dividend plan is subject to the actual net profit earned by the Company during the year, and to the results of the Company's periodic income projections or the existence of certain conditions, as applicable.

Enel Chile S.A. dividend payment procedure: The payment of dividends, whether interim or final and to avoid

payment mistakes, Enel Chile offers the following payment methods: 1. Deposit in a bank checking account, whose account-holder is the shareholder; 2. Deposit in a bank savings account, whose account-holder is the shareholder; 3. Mailing of a check or cashier's check via certified mail to the address of the shareholder's residence recorded in Enel Chile's shareholder register; and 4. The collection of a check or cashier's check from the offices of DCV Registros S.A., as the registrar of Enel Chile's shares, or from the bank and branches defined for this purpose and informed in the dividend payment notice published.

For this purpose, bank checking or savings accounts may be located anywhere in the country.

It should be emphasized that the payment method chosen by each shareholder will be used by the centralized depository of securities, DCV Registros S.A. for all dividend payments unless the shareholder communicates in writing the intention to change it and record a new option.

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Moreover, the company has adopted and will continue to adopt all the necessary security measures required by the dividend payment process to safeguard the interests of the shareholders and Enel Chile S.A.

Distributable net income for fiscal year 2018

The distributable net income for fiscal year 2018 is shown below:

	Net Income *
	Distributable Net Income
Net Income *	361,710
Distributable Net Income	361,710

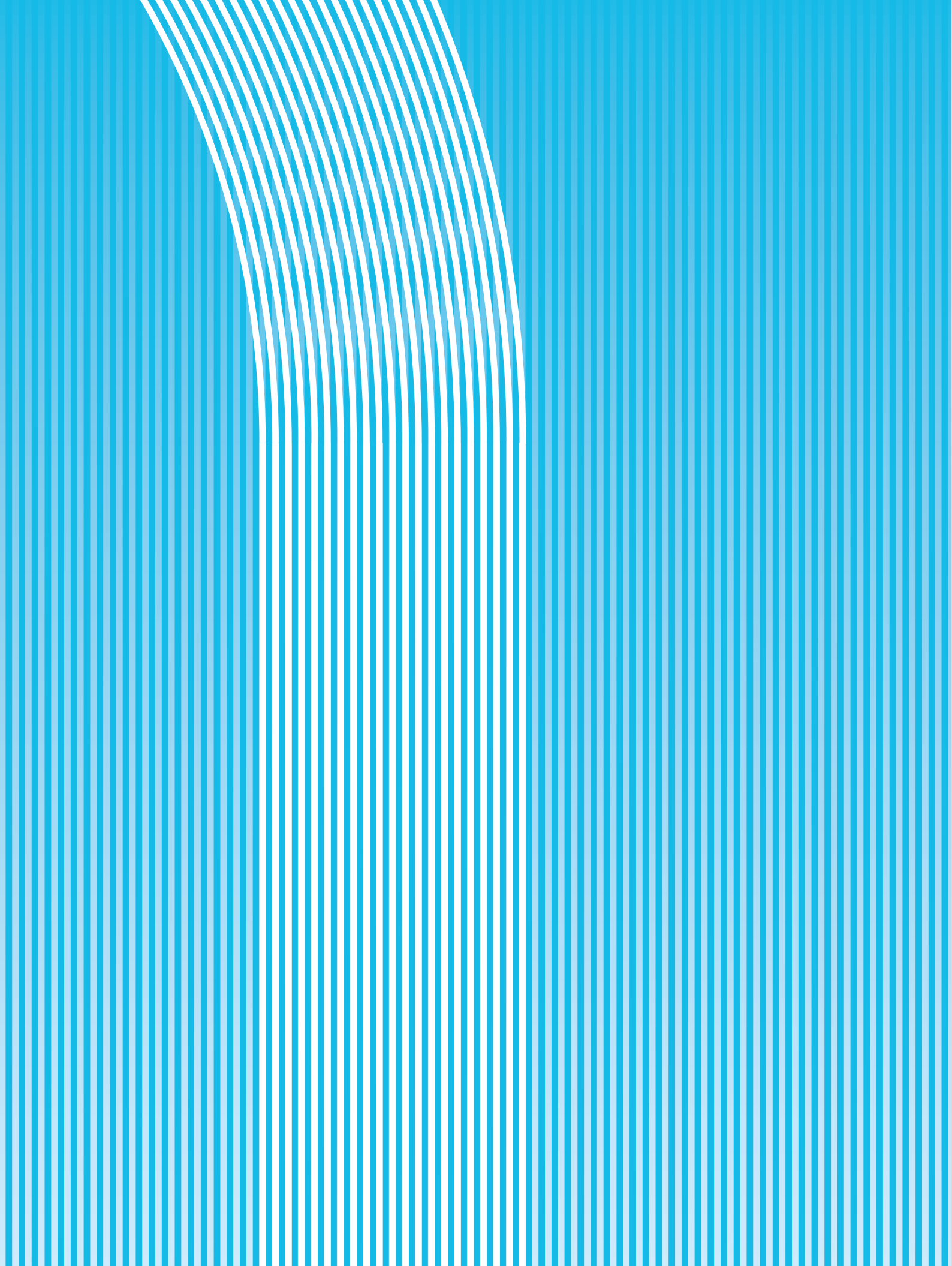
* Attributable to the controlling shareholder

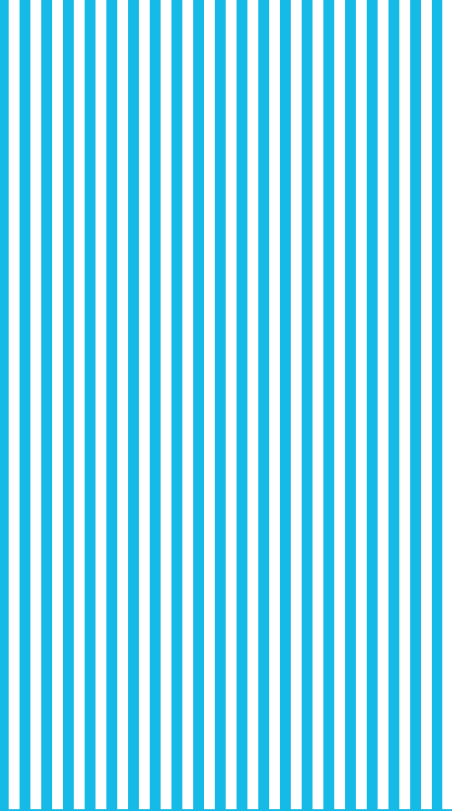
Dividends distributed

The following chart shows the dividends per share paid over the past few years:

Dividend No	Type of Dividend	Closing date	Payment date	Pesos per share	Fiscal year
1	Final	12-31-2015	05-24-2016	2.09338	2015
2	Interim	09-30-2016	01-27-2017	0.75884	2016
3	Final	12-31-2016	05-26-2017	2.47546	2016
4	Interim	09-30-2017	01-26-2018	0.75642	2017
5	Final	12-31-2017	05-18-2018	2.24134	2017
6	Interim	09-30-2018	01-25-2019	0.45236	2018







11

Investment and
financing policy



The Ordinary Shareholders' Meeting held on April 25, 2018, approved the Investment and Financing Policy described below.

Investment Policy 2018

Areas of investment

- I. Enel Chile will invest, according to its bylaws, in the following: to invest in or to create subsidiaries and affiliate companies whose activity is aligned, related or linked to energy in any form or type, to the supply of public utilities, or whose main input is energy;
- II. Investments related to the acquisition, exploitation, construction, lease, administration, trading and disposal of any class of fixed assets, whether directly or through subsidiaries;
- III. Other investments in all kinds of financial assets, financial papers or securities.

Maximum investment limits

The maximum investment limit for each investment area is the following:

- I. Investments in the subsidiaries that operate in the electricity sector, those required for the fulfillment of the respective corporate purpose of these subsidiaries, limited to a maximum equivalent to 50% of total equity according to the consolidated balance sheet of Enel Chile as of December 31, 2017;
- II. Investments in other subsidiaries, insofar at least 50.1% of total Consolidated Assets of Enel Chile are electricity sector assets.

Participation in the control of investment areas

Pursuant to Enel Chile S.A. corporate purpose, the following procedure will be applied, when possible, to control the investment areas:

- i. The appointment of the number of directors to at least represent the ownership share of Enel Chile S.A.'s stake in subsidiaries and affiliated companies will be proposed at the Ordinary Shareholders' Meetings of each respective subsidiary and affiliate company. The directors proposed will be chosen preferably from among directors or executives of Enel Chile or its subsidiaries.
- ii. The investment, financial and commercial policies, as well as the accounting criteria and systems, will be proposed to the subsidiaries and affiliate companies.
- iii. The management of the subsidiaries and related companies will be supervised.
- iv. The level of debt will be a permanently controlled.

Financing policy 2018

Maximum level of debt

Enel Chile's maximum level of debt is determined by the ratio Total Financial Debt (calculated as other current financial liabilities plus other noncurrent financial liabilities) to Equity equal to or lower than 2.2 times calculated using the figures in the consolidated balance sheet of Enel Chile as of December 31, 2017;

Management powers to agree with lenders restrictions related to dividend distributions

Dividend restrictions may only be agreed with creditors if such restrictions were previously approved by the Shareholders' Meeting (ordinary or extraordinary);

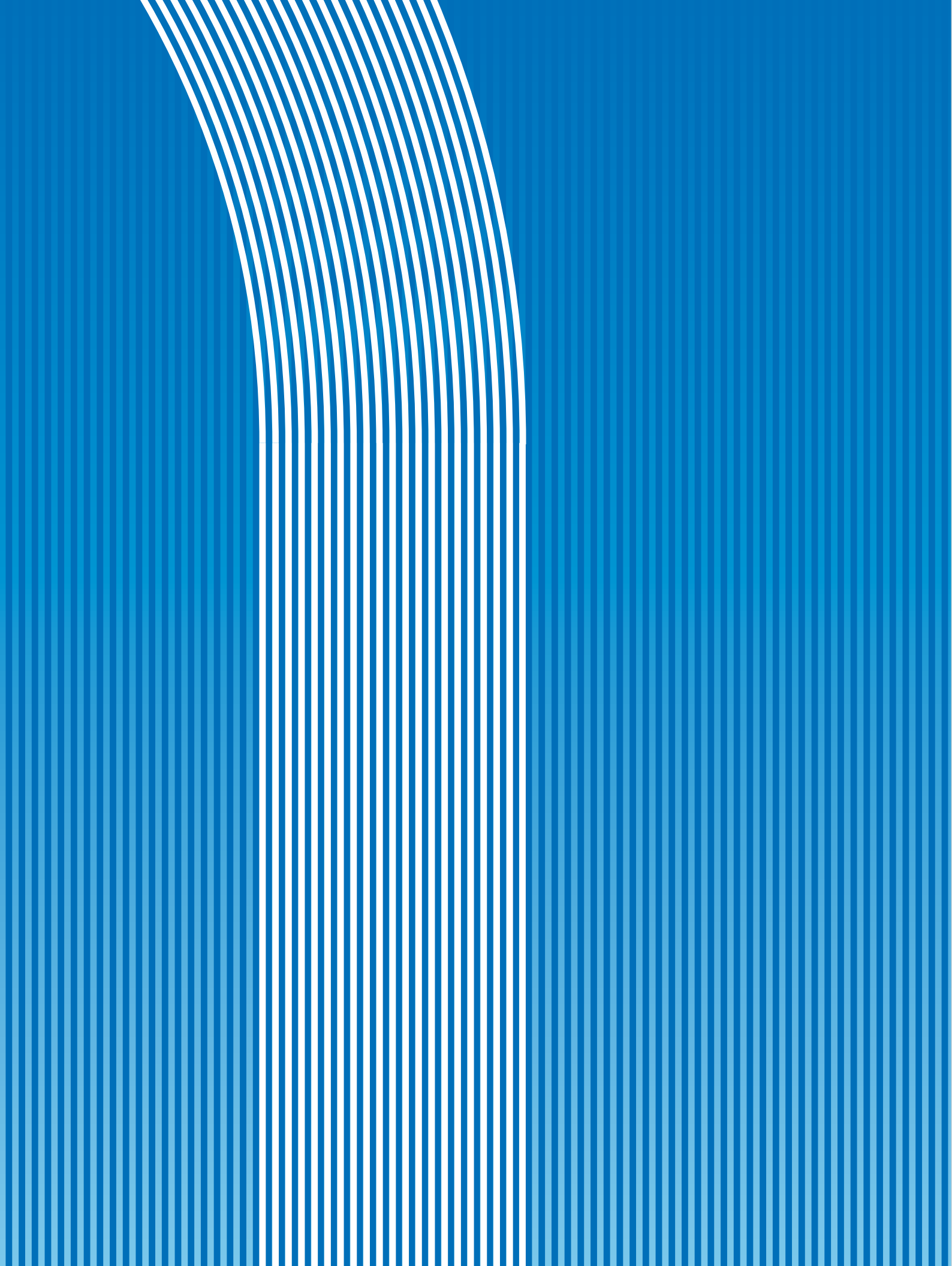
Management powers to agree with lenders on granting guarantees

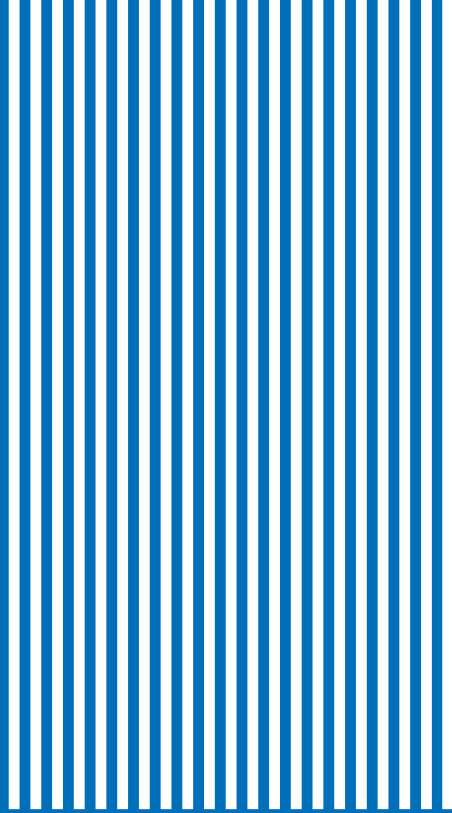
The Extraordinary Shareholders' Meeting is required to approve granting hard assets or personal guarantees to secure third party obligations when referring to the essential assets identified below;

Essential Assets for company operations

The shares that enable maintaining control of Enel Generación Chile and Enel Distribución Chile are essential assets to the operations of Enel Chile. The Company may either own the majority shareholding of these companies or control them through a shareholders' agreement.







12

History of the
Company



History of the Company

Enel Chile S.A. was created as part of the corporate reorganization process of Enersis S.A that began in April 2015. Enersis S.A. controlled the generation, transmission and distribution business in Chile and four other countries in the region (Argentina, Brazil, Colombia, and Peru). The Extraordinary Shareholders' Meeting of Enersis S.A. held in December 2015 approved the first phase of the reorganization plan entitled "the Division", which created Enersis Chile as the only vehicle to control the Group's generation and distribution assets in Chile. Enersis S.A became Enersis Americas S.A., the vehicle to control all assets of the businesses in other countries in the region.

Endesa Chile S.A. and Chilectra S.A. went through a similar division process.

On September 28, 2016 the Shareholder's Meeting of Enersis Américas, Endesa Américas, and Chilectra Américas approved the second phase of the plan called "the Merger" in which Enersis Américas absorbed the businesses of Endesa Américas and Chilectra Américas. During the same meeting, shareholders agreed to change the name of Enersis Américas S.A to Enel Américas S.A.

On October 4, 2016, the shareholders of Enersis Chile, Endesa Chile and Chilectra agreed to change their names to Enel Chile, Enel Generación Chile and Enel Distribución Chile respectively.

The organizational simplification process of the Group has concluded, and Enel Chile participates in the electricity generation business through its subsidiary Enel Generación Chile. This subsidiary has 111 generation units installed throughout the National Electricity System reaching a total aggregate installed capacity of 6,274 MW, placing it among the most important energy companies in the country.

Enel Chile participates in the distribution business through the subsidiary Enel Distribución Chile, Empresa Electrica de Colina Ltda. and Luz Andes Ltda. Enel Distribución Chile



operates a concessions area of more than 2,065.4 square kilometers, covering 33 districts in the Metropolitan Region, representing 43% of total sales of distribution companies in the country. Adding the areas covered by Empresa Eléctrica de Colina Ltda. and Luz Andes Ltda. the Company reaches a total 2,105.4 square kilometers. This makes the Company the largest electricity commercialization company in Chile.

Enel Chile has also grown by adding new applications to electricity and by developing new ways to manage electricity. The Company was the first in the country to offer its customers intelligent metering technology in 2016. Also, along with the Municipality of Santiago, the Company has provided the first electric bus to operate in Santiago's major avenues and completely free of charge to passengers. Enel Chile seeks to promote the efficient use of the energy it supplies through its subsidiary Enel Distribución Chile to almost 2 million Chileans and also seeks to collaborate with the environment.

As part of the plan to divest non-strategic assets, in June 2016, Enel Chile sold its 20% share in GNL Quintero S.A. to Enagás Chile S.p.A for US\$ 200 million and in February 2017 sold its shareholding in Electrogas S.A. to Aerio Chile S.p.A. for US\$ 180 million.

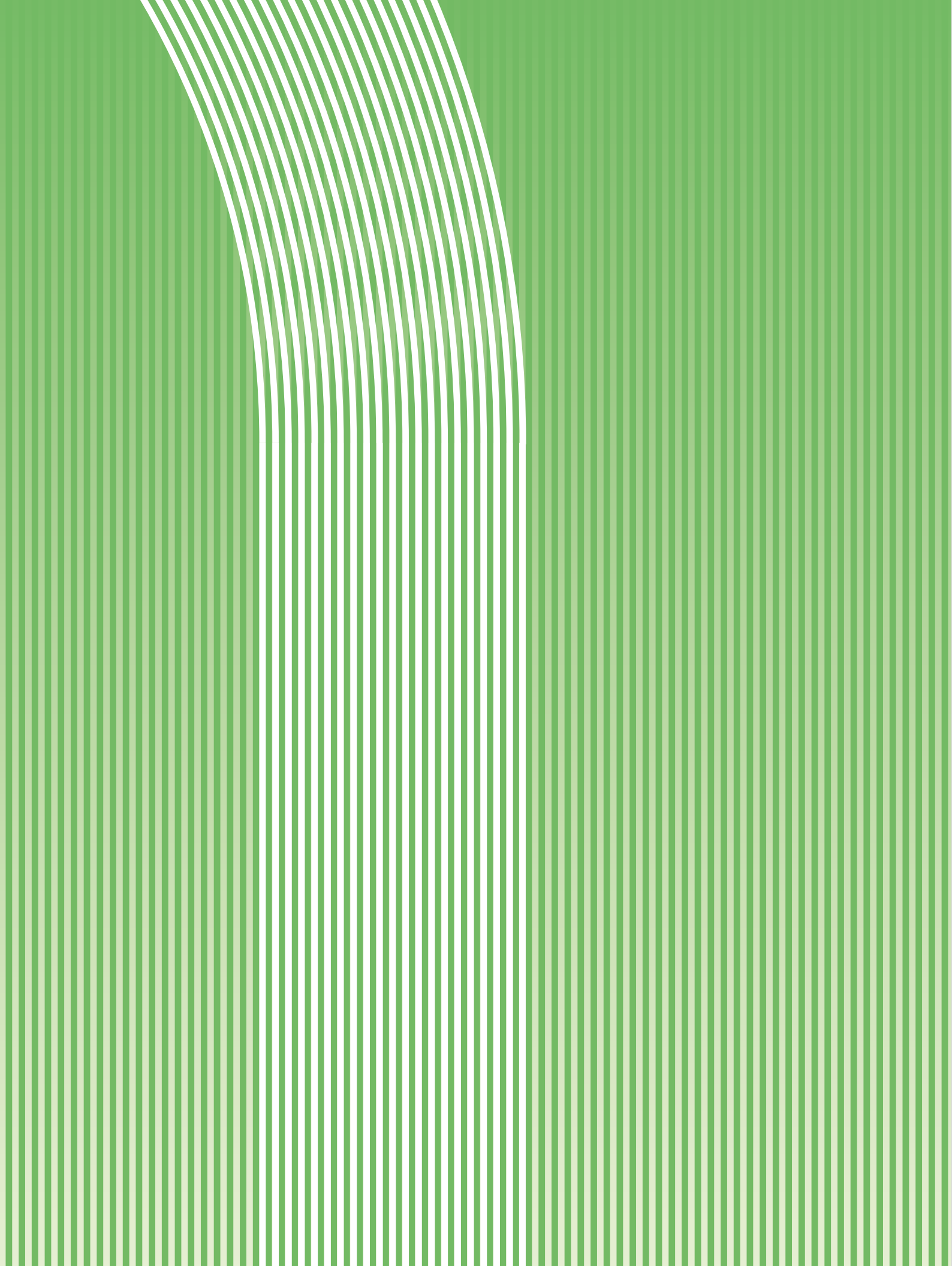
In August 2017, a corporate reorganization of Enel Chile was proposed. This plan was entitled "Proyecto Elqui" and involved the merger of Enel Green Power Latin America S.A. with and into Enel Chile and a Public Tender Offer (PTO) for 100% of the shares of Enel Generación Chile. In December 2017, the respective Extraordinary Shareholders' Meeting approved the terms of the reorganization.

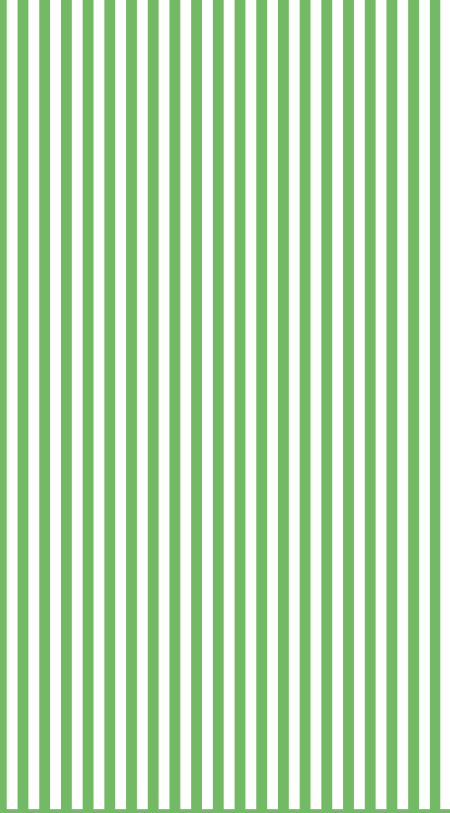
The Elqui project became effective on April 2, 2018 when Enel Green Power Latin America merged with and into Enel Chile and Enel Chile's shareholding in Enel Generación increased to 93.55%. This operation added 1,196 MW of non-conventional renewable energy (NCRE), mainly wind and solar technology.

In September 2018, Enel Chile announced the creation of a new subsidiary named Enel X Chile SpA, to develop, implement and sell products and services other than an electricity distribution concession and ancillary services, either regulated or not, but related to energy that involve innovation, cutting edge technology, and future trends.

Enel Chile is part of the Enel Group, a global energy company and one of the main integrated operators in the electricity and natural gas sectors worldwide. It is present in more than 35 countries and in five continents. It supplies energy to nearly 73 million people and has net installed capacity of more than 89 GW.







13

Investments
and financial
activities



Relevant projects of the Company's Investment Plan

Enel Chile coordinates the global financing strategy of the Group's companies, including loans among such companies, in addition to the terms and conditions of financings, to optimize the Group's debt management. The subsidiaries generally develop their capital expenditure plans independently, financing them with internally generated funds or direct financing. One of the objectives is to focus on investments that will provide long-term social and economic benefits, such as, the environmental and sustainability improvement projects of Bocamina II. Other examples are projects that adjust medium and low voltage networks to connect new customers and also real estate projects.

The funds required to finance these investments have been analyzed and included in the Company's budget, but no particular financing structure has been committed and the investments will depend on the market conditions at the time the cash flows are needed.

The investment policy of Enel Chile S.A. is flexible enough to adapt to changing circumstances, prioritizing each project based on profitability and strategic alignment. The Company expects to disburse Ch\$ 1,355 billion, on a consolidated basis from 2019 to 2021 to finance investment projects currently under development, future projects, maintenance of existing power plants and distribution networks.

The following table shows the expected capital expenditure for the 2019– 2021 period and the amount incurred by our subsidiaries in 2018, 2017 and 2016.

Investment (1) (in billions of Ch\$)	2019-2021	2018 ⁽¹⁾	2017 ⁽¹⁾	2016 ⁽¹⁾
Chile	1,355	301	266	157
Total	1,355	301	266	157

(1) The Capex figures represent actual disbursements each year, except for future projections.

Generation

The main investments developed in Chile during 2018 focused on the construction of the Los Cóndores pass through hydroelectric power plant (150 MW) that began construction in 2014 and also the investments related to finishing the optimization projects of Bocamina II power plant (350 MW). The current priorities include the development of environmentally and socially responsible hydroelectric and non-conventional renewable energy projects to guarantee adequate levels of electricity supply.

Relevant Investments in 2018, 2017 and 2016

The capital investments carried out over the last three years were mainly related to:

1. The 350 MW Bocamina II power plant optimization project
2. The 150 MW Los Cóndores project
3. Maintenance of existing installed capacity

The capital investments just mentioned, per project, were financed as follows:

- > **Optimization of Bocamina II:** cash from the Company's operations.
- > **Los Cóndores:** cash from the Company's operations

Projects currently underway

The most important projects currently in construction are:

- > **Optimization of Bocamina II Power Plant:** Environmental improvements (coal field roofing, biomass filters, among others) and sustainability initiatives (relocation programs, agreements with fishermen, shared value funds, among others).
- > **Los Cóndores project:** 150 MW hydroelectric power plant located in the Maule region. Its construction began in 2014.
- > **NCRE Projects:** beginning the construction of three new plants in 2019, one solar, one wind, and one geothermal plant.

Distribution

During 2018, Enel Distribución Chile and its subsidiaries (Colina and Luz Andes) invested Ch\$ 96 billion in projects primarily related to satisfying natural demand growth, service quality, and safety and information systems. Furthermore, during 2017, a total Ch\$ 91 billion were invested, Ch\$ 32 billion in maintenance and Ch\$ 59 billion to satisfy natural growth in demand.

In 2018 a total Ch\$ 21 billion were invested in medium voltage and low voltage networks allowing to connect new customers, both residential and large customers and connect real estate projects.

A total Ch\$ 17 billion were invested on increasing Enel Distribución Chile's network capacity. Worth highlighting, the investments in the Cerro Navia, Santa Rosa Sur, San José,

Chacabuco, Panamericana, Nueva Lampa, Chena, La Dehesa, Pudahuel, Altamirano and Macul high voltage (HV) substations. In medium voltage (MV) the following new 12 kV lines of Enel Distribución began operations: El Roble feeder to the Recoleta substation, the Mall Independencia and Bellavista feeders to the San Cristobal substation, Dublé Almeyda feeder to the Santa Elena substation and the Bellavista feeder to the San Cristobal substation. The lines in the downtown Moneda area (Alameda Tunnel Project) were also reinforced.

Regarding service quality, Ch\$ 15 billion were invested mainly in reinforcing certain feeders, those determined by our Medium and Low Voltage Quality Plan, which included the automation of the MV network by adding 220 new remote-control devices to the medium voltage network and performing the necessary network adjustments to, initially, install 100 new devices. This allowed increasing from 1,500 to 1,720 the remote-controlled devices operated from the Network Operations Center.

Additionally, a total Ch\$ 4 billion were invested in relocating public network infrastructure, of which the most relevant were the Independencia and Matta-Quilicura corridors.

To comply with regulation, Ch\$ 4 billion were invested in legal procedures to normalize lines and substations.

Investment in anti-theft projects to shield the network amounted to Ch\$ 3 billion, including installing Ananda boxes, turtle anti-theft devices, reinforcing lines and other technical measures to more than 16,500 customers.

Nearly Ch\$ 3 billion were used to finance corrective maintenance of transmission lines, and substations. A series of maintenance works also focused on high risk facilities.

Finally, one of the greatest achievements of the Company in 2018 was the installation of 190,846 smart meters in Santiago representing a Ch\$ 12 billion investment, reaching a total 291,731 smart meters in operation in the 32 districts of Santiago.





Financial condition

Liquidity

As of year-end 2018, the subsidiary Enel Generación Chile relied on committed credit lines available for US\$ 313 million, committed credit lines for related companies available for US\$ 400 million and also undisbursed commercial credit lines for a maximum US\$200 million. These were registered in the Securities Register of the Superintendence of Securities and Insurance (SVS in its Spanish acronym) in 2009 and expire in 2019.

Indebtedness

The consolidated financial debt of Enel Chile reached US\$ 3,634 million with a 7-year average life, mainly comprised of the following:

- US\$ 308 million in a bridge loan to finance the Elqui Project
- US\$ 1,000 million in a Yankee Bond that expires on June 12, 2018
- US\$ 1,074 million EGP Chile loan consolidated by the Enel Chile Group since April 2018
- International and local bonds of Enel Generación Chile

Net consolidated debt was US\$ 3,280 million at year-end 2018 and the leverage ratio was 2.4 times.

Hedging Policy

Exchange rate

The exchange rate hedging policy of the Enel Chile Group is based on cash flows and seeks to maintain a balance between flows indexed to foreign currency (US\$) or local currencies, and the levels of assets and liabilities denominated in such currency. The goal is to minimize cash flow exposure to risk related to exchange rate variations.

Interest Rate

The Enel Chile Group interest rate hedging policy seeks to maintain a balanced debt structure to minimize financial expenses and reduce income statement volatility. Hedging instruments are purchased based on market conditions, given the Company's projections and debt structure objectives.

At year-end 2018, consolidated fixed debt to total financial debt was 71%.

Risk Rating

The main events related to risk rating in 2018 are summarized below:

Feller Rate maintained its rating of Enel Chile granted for the first time in 2017. The Company was rated "AA" on the local scale with a stable outlook and was confirmed on July 14.

Fitch Rating confirmed its "AA" local credit rating of Enel Chile S.A. on February 6, 2019 and improved the outlook to positive.

On May 30, 2018, Standard & Poor's maintained Enel Chile S.A. a "BBB+" international credit rating with a stable outlook. This rating is an "investment grade" rating.

Moody's began performing an international rating of Enel Chile S.A. on May 30, 2018. This first rating was "Baa2" with a stable outlook.

The Company's ratings are based on its diversified asset portfolio, strong credit parameters, adequate debt structure and high liquidity.

International rating

Enel Chile	S&P	Moody's
Corporate	BBB+ / Stable	Baa2/stable

Local rating

Enel Chile	Feller Rate	Fitch Ratings
Stocks	1° class. Level 2	1° class. Level 1
Bonds	AA / Stable	AA / Positive

Insurance

Enel Chile owns equipment and substations located in the Metropolitan Region. These assets are covered by a global insurance program centralized by its parent company, Enel. The insurance covers physical damages, terrorism, business interruption and legal liability. The insurance policies' renewal process was carried out through an international bid, where the leading insurance companies worldwide were invited to participate. The contracts were renewed on November 1, 2018 and expire October 31, 2019.

Trademark

The Company has registered the trademark "Enersis Chile" for services, products, industrial and commercial facilities.

Enel SpA has allowed Enel Chile S.A. to use the "Enel" trademark free of charge and allows using it in its legal name, logo and in other ways.

The trademark "Enel Chile" is registered legally.

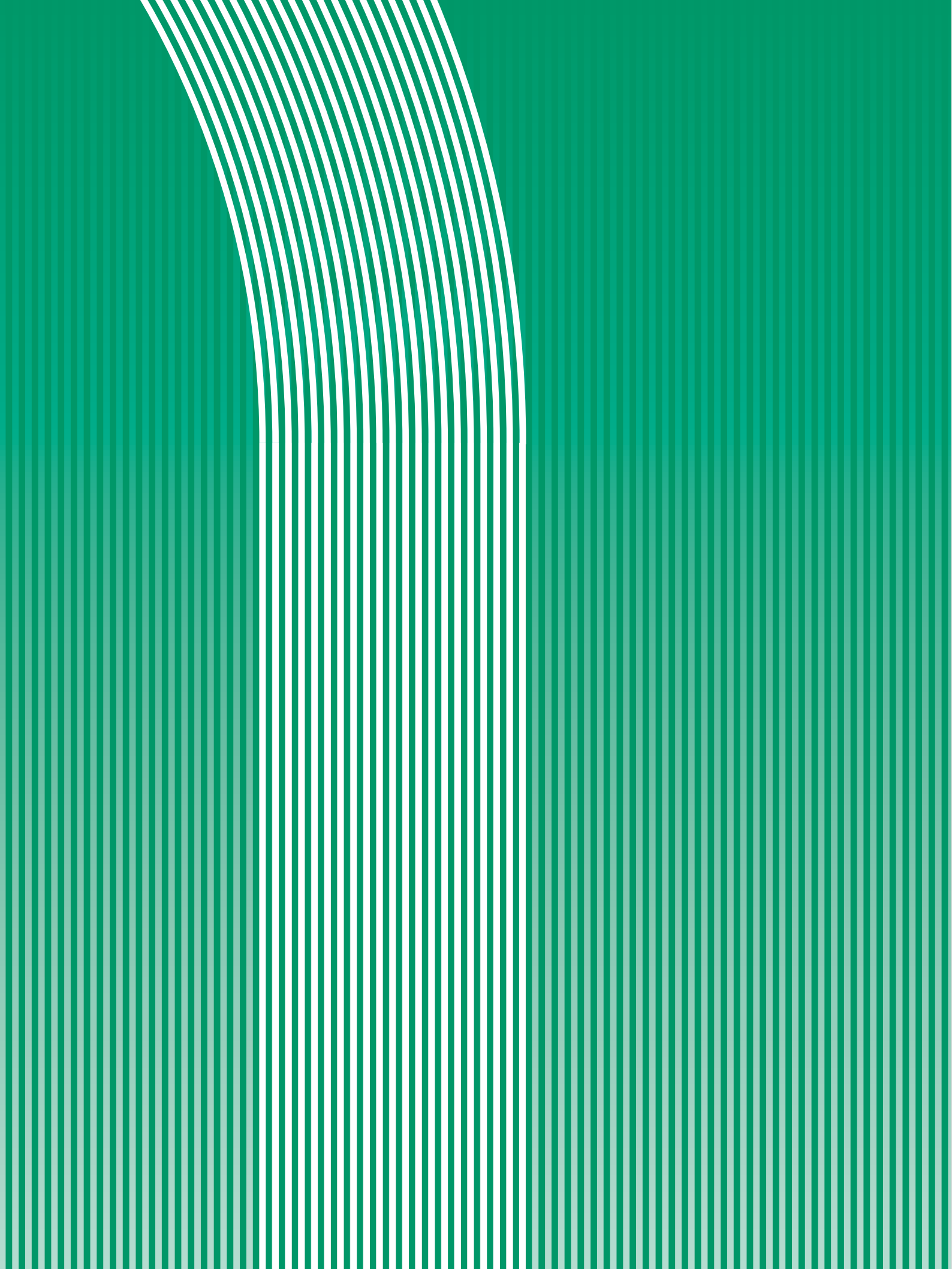
Suppliers, customers, and relevant competitors

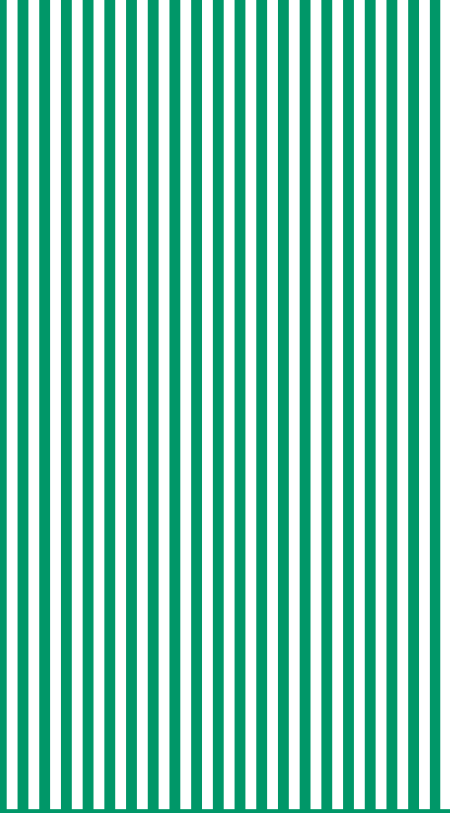
Enel Chile S.A. is a Holding Company that operates primarily in the electricity generation and distribution sectors in Chile, therefore the suppliers, customers, and competitors are those relevant to the Company's main subsidiaries that operate in the electricity sector.

Consequently, the relevant suppliers, customers, and competitors are the following:

Metro, Gerdau Aza, Mall Plaza, AES Gener, Colbún Guacolda Energía, Engie Energía Chile, CGE Group, SAESA Group, Chilquinta Group, GNL, Transelec, CMC Coal Marketing Company Accenture Chile Asesorías y Servicios Limitada, Sodexo Chile S.A.







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Risk factors



Risk management policy

All Enel Chile Group companies are exposed to certain risks that are managed through the application of systems of identification, measurement, limit of concentration and supervision.

The basic principles defined by Group in establishing its risk management policy include the following:

- > Comply with rules of good corporate governance.
- > Comply strictly with the Group's norms and procedures.
- > Each business and corporate area defines:
 - I. The markets in which it can operate, based on having the sufficient knowledge and abilities to ensure effective risk management
 - II. Criteria on counterparties
 - III. Authorized operators

Each business and corporate area establish, for each market in which they operate, their position regarding risk, in accordance to their strategy.

All operations of businesses and corporate areas are performed within the limits approved for each case.

The businesses, corporate areas, business lines, and companies establish the risk management controls necessary to ensure that market transactions are performed according to the policies, rules, and procedures of Enel Chile.

Interest rate risk

Interest rate fluctuations modify the fair value of assets and liabilities that accrue interest at fixed rates, as well as the future flows of assets and liabilities based on a variable interest rate.

The objective of interest rate risk management is to achieve a debt structure balance that allows minimizing the cost of debt and maintain low income statement volatility.

The comparative financial debt structure of the Enel Chile Group, regarding fixed and hedged interest rate to total debt, net of derivatives, is the following:

	12-31-2018	12-31-2017
	%	%
Fixed Interest Rate	71%	92%

Depending on the Group's estimates and debt structure objectives, hedging operations are performed by purchasing derivatives that mitigate these risks.

Exchange rate risk

Exchange rate risks are primarily related to the following transactions:

- > Debt incurred by the Group's companies in currencies different from their respective operational cash flow currency.
- > Payments in currencies different from their respective operational cash flow currency, such as payments of project-related materials and corporate insurance policies.
- > Revenues in the Group's subsidiaries that are directly linked to currencies different than their respective operational cash flow currency.

To mitigate exchange rate risk, the Enel Chile Group seeks to maintain a balance between flows indexed in US dollars or local currencies, should there be any, and levels of assets and liabilities in such currency. The objective is to minimize cash flow exposure to exchange rate fluctuations.

The instruments currently used to comply with this policy are currency swaps and exchange rate forwards.

Commodities risk

The Enel Chile Group is exposed to certain commodity price fluctuations, primarily through:

- > Fuel purchases in the process of generating electricity.
- > Energy trading operations in local markets.

To reduce risk in situations of extreme drought, the Group has designed a commercial policy, defining levels of sale commitments, in accordance to its power plant's generation capacity in a dry year, including risk-mitigation clauses in some contracts with non-regulated customers. In the case of regulated customers that are subject to long-term tender processes, indexation clauses reduce commodity price exposure.

Taking into account the operating conditions faced by the electricity generation market in Chile into consideration, such as droughts and commodity price volatility in international markets, the Company is constantly evaluating the convenience of hedging to mitigate the impact of price fluctuations on profits.

As of December 31, 2018, there were swap operations outstanding for 432 kton of API2 to be settled in 2019, 994 kBbl of Brent oil to be settled in 2019, and 0.2 TBtu of Henry Hub gas to be settled in 2019 (figures are net position hedged).

As of December 31, 2017, the company had outstanding operations for 2.3 MMBtu, to be settled in January 2018.

These hedging instruments may be modified or could include other commodities depending on constantly changing operating conditions.

Liquidity risk

The Group's liquidity is provided by sufficient committed long-term credit facilities and short-term financial investments to finance projected needs for a certain period of time, which is calculated as a function of the overall situation and expectations regarding debt and capital markets.

Said projected needs include net financial debt maturities, in other words, after financial derivatives. For further detail regarding characteristics and conditions of financial debt and financial derivatives, see Notes 18, 20 and Appendix 4.

As of December 31, 2018, the liquidity of the Enel Chile Group amounted to Ch\$ 245,175 million in cash and cash equivalents, and Ch\$ 416,862 million in unconditional committed long-term credit lines. As of December 31, 2017, the liquidity of the Enel Chile Group amounted to Ch\$ 419,456 million in cash and cash equivalents, and Ch\$ 199,271 million in unconditional committed long-term credit lines.

Credit risk

The Enel Chile Group conducts a detailed credit risk follow-up.

Trade accounts receivables

Credit risk associated to accounts receivables stemming from commercial activity has historically been limited, mainly due to short-term payment deadlines that prevent clients from accumulating significant individual amounts. This is applicable to our generation business as well as our electricity distribution business.

In the generation business, supply disruption is a possibility in the event of non-payment in some non-regulated customer contracts and payment defaults also may qualify as a cause for contract termination. For this purpose, and although the risk is limited, credit risk and maximum amounts exposed to payment risk are constantly measured and monitored.





Our electricity distribution company has the power to disconnect supply due to contract breaches by our customers. Disconnection is applied according to current regulation, which facilitates the credit risk evaluation and control process, which is also limited.

Financial assets

Investments of cash surpluses are made in first class domestic and foreign financial institutions, within limits established for each entity.

Banks considered for investments have investment grade qualification, considering the three major international rating agencies (Moody's, S&P and Fitch).

Investments may be backed by Chilean Treasury bonds and securities issued by first-class banks, prioritizing the latter as they offer better returns (always within existing investment policy guidelines).

Risk measurement

The Enel Chile Group measures the Value at Risk of its debt and financial derivatives to monitor the risk taken by the company, thus limiting income statement volatility.

The positions included in the portfolio used to calculate the present Value at Risk include:

- > Financial debt.
- > Debt-hedging derivatives.

The calculated Value at Risk represents a potential loss of value of the portfolio described above in one quarter, with 95% confidence. To this effect, the company studied the volatility of variables at risk that affect the value of the portfolio, with respect to the Chilean peso, which includes:

- > US dollar Libor Rate.
- > Exchange rates of currencies included in the calculations.

The calculation of Value at Risk is based on the extrapolation of future market value scenarios (one quarter out) of the variables at risk in scenarios based on real observations for the same period (quarter), for five years.

The Value at Risk for the next quarter, with 95% confidence, is calculated as the percentile of the most adverse 5% of possible quarterly changes.

Based on the hypotheses stated above, the Value at Risk for the aforementioned positions, one quarter out, is Ch\$ 318,820 million.

This value represents the potential increase in the debt and derivatives portfolio, and therefore is intrinsically linked, among other factors, to the value of the portfolio at the end of each quarter.

Other risk factors

Economic fluctuations in Chile, as well as certain economic interventionist measures by government authorities and also political and financial events or other crisis in any region, could affect the results of operations and financial condition of the company, as well as the value of our securities.

All operations of Enel Chile are located in Chile. Accordingly, its revenues are affected by the performance of the Chilean economy. If local, regional, or worldwide economic trends adversely affect the Chilean economy, the financial condition and results of operations could be adversely affected. Moreover, insufficient cash flows for our subsidiaries could result in their inability to meet debt obligations and the need to seek waivers to comply with restrictive debt covenants and increasing cost for subsequent financings. The Chilean government has exercised in the past, and continues to exercise, a substantial influence over many aspects of the private sector, which may result in changes to economic or other policies. A project to develop a new tax reform in Chile in 2019 is currently being evaluated by Congress. To this date, the outcome of this reform is uncertain.

Future adverse developments in Chile or changes in policies regarding controls, regulations and taxation may affect the Company's ability to implement its business plan, and therefore adversely affect its results of operations and financial condition. Inflation, devaluation, social instability and other political, economic, or diplomatic developments could also reduce profitability. In addition, Chilean financial and securities markets are influenced by economic and market conditions in other countries and may be affected by events in other countries, which could adversely affect the value of its companies. During 2018, the United States

and China were involved in an economic conflict that involved protectionist measures. The uncertainty caused by this conflict increased global financial market volatility.

The business depends heavily on hydrology; therefore droughts, floods, and other weather conditions may affect the Company's operations and profitability.

About 48% of installed generation capacity in 2018 was hydroelectric. Accordingly, extremely dry hydrological conditions could adversely affect the business, results of operations and financial condition. Results have been adversely affected when hydrological conditions in Chile have been below their historical average.

Although our subsidiary Enel Generación Chile has entered into certain agreements with the Chilean government and local irrigators regarding the use of water for hydroelectric generation purposes, during periods of low reservoir water levels, if drought conditions persist or worsen, increased pressure by the Chilean government or third parties to promote new restrictions on water use could arise.

Operating expenses increase during periods of drought, as thermal plants are used more frequently. Therefore, the company might have to buy electricity at higher spot prices in order to comply with contractual supply obligations. The cost of these electricity purchases may exceed the contracted electricity sales prices, thus potentially producing losses in those contracts.

Droughts directly affect the operation of our thermal plants, including natural gas, fuel oil and coal fueled facilities, in the following ways:

- Our thermal power plants require water for cooling, and extreme droughts may reduce the availability of water and increase transportation costs. As a result, we have had to purchase water for the San Isidro thermal power plant from agricultural areas that are also experiencing water shortages. These water purchases increase our operating costs and may require negotiation with local communities.





- Thermal power plants that burn natural gas generate emissions of nitric oxide (NO), carbon dioxide (CO₂) and carbon monoxide (CO). Power plants that operate with diesel emit NO, sulfur dioxide (SO₂), and particulate matter into the atmosphere. Coal-fired plants generate S_{O2} and NO emissions. Therefore, thermal plants during periods of drought generally increase the risk of producing higher level of pollutants, which also decrease our operating income due to the payment of so-called “green taxes”.

A full recovery from the drought that has been affecting the regions where most of our hydroelectric plants are located may take an extended period of time, and new drought periods could recur in the future. A prolonged drought could exacerbate the risks described above and have an additional adverse effect on the business, results of operations and financial condition of the Company.

Governmental regulations may adversely affect our businesses.

The Company and the tariffs we charge our customers, among other aspects of the business, are subject to extensive regulation and these regulations may adversely affect our profitability. For example, governmental authorities might impose material rationing policies during droughts or prolonged failures of power facilities, which may adversely affect our business, results or operations and financial condition. Our subsidiaries are also subject to environmental regulation that requires, among other things, that future projects present environmental impact studies and obtain building permits and operation authorizations on a local and national level. Such approvals may be withheld by authorities and therefore may take longer than estimated.

Governmental authorities may also delay the distribution tariff review process, or tariff adjustments may be insufficient to pass through all costs to our customers. Similarly, electricity regulations issued by governmental authorities in Chile may affect the ability of generating companies to collect revenues enough to offset their operating costs.

Environmental regulation applicable to future and existing generation capacity has become more restrictive and require higher capital investments. Any delay in complying with en-

vironmental standards is a violation to such regulation. The requirements of the emissions regulation currently in process and the lack of certification of the original monitoring system in place may lead to fines and penalties or legal proceedings for damages. We are also subject to an annual green tax based on the emissions of the previous year. Such taxes may increase in the future and reduce thermal electricity generation incentives.

Regulatory framework changes are frequently issued by regulators and administrative authorities and at times may have a significant adverse effect on the business, results of operations, and financial condition of the Company.

Regulatory authorities may impose fines on subsidiaries due to operational failures or any breach of regulations.

Our electricity businesses are subject to regulatory fines for any breach in regulations, including energy supply failures. Such fines may be imposed for a maximum of 10,000 Annual Tax Units (“UTA”, in its Spanish acronym), or Ch\$ 5,800 million using the UTA as of December 31, 2018. Our electricity generation subsidiaries are supervised by local regulatory entities and are subject to these fines in cases where, in the opinion of the regulatory entity, operational failures affecting the regular energy supply to the system are the fault of the Company, including coordination difficulties that are considered to be the generators responsibility. Regulation establishes a compensation to end customers when energy supply is interrupted for a longer period of time than the standard time allowed due to events or failures affecting transmission facilities. For generators, the compensation is calculated as a proportion of the energy not supplied, with a minimum value between 20,000 UTA (Ch\$ 11,600 million) and the previous year’s energy sales revenue. Fines are also related to breach of regulation.

The Company depends on payments from subsidiaries to meet payment obligations.

To pay its obligations, the Company relies on cash from dividends, loans, interest payments, capital reductions and other distributions from our subsidiaries. The ability of subsidiaries to pay dividends, interest payments, loans and other distributions is subject to legal constraints, such as dividend restric-

tions, fiduciary duties and contractual limitations that may be imposed by local authorities.

Contractual constraints. Distribution restrictions included in some credit agreements of our subsidiaries prevent dividend payments and other distributions to shareholders if the company is not in compliance with certain financial ratios. Generally, our credit agreements prohibit any type of distribution if there is an outstanding past due commitment.

Operating results of the Company's subsidiaries. The ability of subsidiaries to pay dividends, amortize loans, or make other distributions, is limited by their operating results. To the extent that the cash requirements of any subsidiary exceeds its available cash, the Company will be unable to rely on resources from such subsidiary.

Any of the situations described above could negatively affect our business, results of operations and financial condition.

The Company is involved in litigation proceedings

Currently, the Company is involved in various litigation proceedings, which could result in unfavorable verdicts or fines. The Company will continue to be subject to future litigation proceedings, which could cause considerable adverse consequences to the business.

The financial condition or results of operations could be adversely if positive results are not obtained in lawsuits and proceedings against the Company. For more information on litigation proceedings, see Note 33.3 of the Notes to the Consolidated Financial Statements.

Power plant projects may encounter significant opposition that may delay their development, increase costs, damage the reputation and potentially result in impairment of goodwill with stakeholders.

The construction of our power plants may encounter delays in obtaining permits or may face shortages and increases in the price of equipment, material or labor, and may be subject to construction delays, strikes, adverse weather conditions, natural disasters, civil unrest, accidents, and human error. Any of these events could have an adverse effect on our results and financial conditions.

Market conditions at the time projects are initially approved may differ significantly from those that prevail when projects are completed, which in some cases may make them commercially unfeasible. This has been the case in many of our former projects, which were initially planned under completely different market conditions with higher energy prices prevailing in the market and less competition. Deviations from these assumptions, including timing estimations and expenditures related to these projects, may lead to cost over-runs and a completion time widely exceeding our estimates, which in turn may have negative effects on our business, results of operations and financial condition.

We are currently building the Los Cóndores project, which consists of a 150 MW pass-through hydroelectric power plant.

The locations where the Company may develop new projects are also sometimes highly challenging in terms of geographical topography, in some cases in mountain slopes with very limited access. These factors may also lead to significant delays and cost overruns. For example, our 41 MW Cerro Pabellon geothermal power plant was built 4,500 meters above sea level and we are currently building a third unit that will increase its capacity in 33 MW. We have faced challenges due to the altitude, including health issues and others, that can affect the timing of the construction and the related investment amounts. Archeological risks also arise due to the geography of some project locations.

Political events or financial or other crises in any region worldwide can have a significant impact in Chile, and consequently may adversely affect operations, as well as liquidity.

Chile is vulnerable to external shocks, including financial and political events, which could cause significant economic difficulties and affect growth. If Chile's economy goes into a recession or the growth rate is lower than expected, electricity demand will possibly decline, and some customers may face difficulties in paying their electricity bill, possibly increasing the Company's uncollectible accounts. Either one of these situations could adversely affect results of operations and the financial condition of the Company.





Financial and political events in other parts of the world could adversely affect our business. For example, during 2018, the United States and China were involved in an economic conflict related to protectionism. The instability in the Middle East or in other oil producing regions could also lead to higher fuel prices worldwide increasing the operating costs of our thermal power plants and adversely affecting our results of operations and financial condition.

The federal government of the United States shut down three times in 2018. The last time, the longest one in its history, began on December 22 and continued for 35 days, and affected the Securities and Exchange Commission (SEC) among other federal agencies. On January 4, 2019, President Trump announced that the shutdown could continue for “months or even years” as a result of the controversy regarding the wall to be built at the border between Mexico and the United States, which was one of the most important commitments of his presidential campaign. A temporary shutdown or a threat to shutdown the Government of the United States affecting the operations of the SEC could have an adverse effect on the timing and costs of the transactions involved in the Company’s reorganization process.

Additionally, an international financial crisis and its disruptive effects on the financial industry could negatively affect the Company’s ability to obtain new bank financing on the same historical terms and conditions we have obtained to this date.

Political events or financial or other crises could also diminish access to Chilean and international capital markets or increase the interest rates. Reduced liquidity could, in turn, negatively affect capital expenditures, long-term investments and acquisitions, growth prospects and dividend policy.

We may be unable to enter into convenient acquisitions or successfully integrate the businesses we acquire.

The Company permanently reviews acquisition prospects that may increase its market share or add value to existing businesses, although there can be no assurance that we will be able to identify and carry out convenient acquisitions

in the future. The acquisition and integration of independent companies that the Company does not own is generally a complex, costly, and time-consuming process that requires significant effort and expenses. If the company seals an acquisition, it could result in the incurrence of substantial debt and adding unknown liabilities, the potential loss of key employees, amortization expenses related to tangible assets, and the diversion of management’s attention from other business concerns. In addition, any delay or difficulty encountered in connection with an acquisition or integration of multiple operations could have a material adverse effect on our business, financial condition and results of operations.

The business and profitability could be adversely affected if water rights are denied or if water concessions are granted with limited duration.

The Company owns water rights granted by the Chilean Water Authority (Dirección General de Aguas) for the supply of water from rivers and lakes near production facilities. Under current law, these water rights are (i) unlimited in duration, (ii) absolute and unconditional property rights, and (iii) not subject to further challenge. Chilean generation companies must pay an annual license fee for unused water rights.

New hydroelectric facilities are required to obtain water rights, the conditions of which may impact design, timing, or profitability of a project.

In addition, Chilean Congress is analyzing amendments to the Water Code since 2014 to prioritize the use of water by defining its access as a human right that must be guaranteed by the State. The amendment establishes that water use for human consumption, domestic subsistence and sanitation will always take precedence in granting and limiting the exercise of rights of exploitation. The restrictions imposed to preserve waterflows could reduce the water available to electricity generators.

Any limitation on the Company’s current water rights, the need for additional water rights, or the current water concessions of unlimited duration could have a material adverse effect on hydroelectric development projects and profitability.

Foreign exchange risks may adversely affect results and the U.S. dollar value of dividends payable to ADS holders.

The Chilean peso has been subject to devaluations and appreciations against the U.S. dollar and may be subject to significant fluctuations in the future. Historically, a significant portion of the Company's consolidated debt has been denominated in U.S. dollars. Although a substantial portion of our operating cash flows is linked to the U.S. dollar (especially those from the generation business), it has generally been, and will continue to be, exposed to fluctuations of the Chilean peso against the U.S. dollar because of time lags and other limitations to adjusting our electricity tariffs to the dollar, and the potential difficulty of incurring debt in the same currency as the operating cash flow.

Because of this exposure, the U.S. dollar value of cash generated by subsidiaries could decrease substantially due to peso devaluations against the U.S. dollar. Future volatility in the exchange rate of the currency in which the Company receives revenues or incurs expenditures may adversely affect the business, financial condition and results of operations.

Long-term energy sale contracts are subject to fluctuations in the market prices of certain commodities, energy and other factors.

In the conventional generation business, the company is economically exposed to fluctuations in the market prices of certain commodities as a result of the long-term energy sales contracts the company has entered, and the fact that currently 97% of expected annual generation is sold under contracts with terms of at least five years. As the selling party, the company has material obligations under long-term, fixed-price electricity sales contracts. Prices in these contracts are indexed according to different commodities, exchange rates, inflation, and the market price of electricity. Adverse changes to these indices would reduce the rates charged under long-term, fixed-price electricity sales contracts, which could adversely affect the business, results of operations and financial condition.

Since 2016, in conformity with Chilean law, some customers allowed to choose between either regulated or

nonregulated prices and had chosen regulated prices in the past, chose the lower unregulated prices. These customers are tendering their energy needs, either directly or with other customers, because of the price advantage, when compared to regulated prices, because regulated prices are based on contracts tendered in the past at higher prices. A decrease in market prices could reduce the number of regulated customers and could cause customers to choose another electricity provider, which would reduce the company's customer base and therefore adversely affect the business, results of operations and financial condition.

The electricity business is subject to risks arising from natural disasters, catastrophic accidents, and acts of terrorism that could adversely affect our operations, earnings and cash flow.

Our primary facilities are power plants and distribution assets in Chile. They may be damaged by earthquakes, floods, fires, and other catastrophic disasters caused by nature or by humans, such as acts of vandalism, riots, and terrorism. A catastrophic event could cause disruptions in the business, significant decreases in revenue due to lower demand or significant additional costs not covered by business interruption insurance. There may be lags between a major accident or catastrophic event and the final reimbursement from insurance policies, which typically carry a deductible and are subject to per-event maximum amounts.

The distribution business is also affected by severe weather conditions. Demand may increase significantly in a short period of time due to extreme temperatures.

The company is subject to financing risks, such as those associated with funding new projects and capital expenditures, and risks related to refinancing maturing debt. It is also subject to covenant compliance, all of which could adversely affect liquidity.

As of December 31, 2018, our consolidated interest-bearing debt totaled Ch\$ 2,525 billion.

The Company's interest-bearing consolidated debt has the following maturity profile:





- Ch\$ 339 billion in 2019;
- Ch\$ 339 billion from 2020 to 2021;
- Ch\$ 218 billion from 2022 to 2023; and
- Ch\$ 1,629 billion thereafter.

Some debt agreements are subject to (1) satisfying financial covenants, (2) affirmative and negative covenants, (3) events of default and (4) mandatory prepayments for contractual breaches, among other provisions. A significant portion of the Company's financial indebtedness is subject to cross-default provisions, which have varying definitions, criteria, materiality thresholds and applicability with respect to subsidiaries, which may give rise to cross defaults. Because of the 2018 Reorganization, in which we incurred debt primarily to finance the Enel Generación Chile tender offer, we also have our own financial indebtedness at the holding company level, which is also subject to cross default provisions.

If the company or its subsidiaries breach any of these contractual provisions, debtholders may demand immediate repayment, and a significant portion of debt could become due and payable. The Company could be unable to refinance its debt or obtain such refinancing in acceptable terms. In the absence of refinancing, the Company may be forced to dispose of assets in order to cover debt service payments in conditions that would not favor obtaining the best price for such assets. Furthermore, selling its assets quickly enough or at high enough prices to cover the debt could be impossible.

It may also be impossible to raise the necessary funds required to finish projects under development or construction. Market conditions prevailing at the time these funds are required, or other unforeseen project costs could compromise the Company's ability to finance projects and expenditures.

The inability to finance new projects or capital expenditures to refinance existing debt could adversely affect results of operation and financial condition.

The company relies on electricity transmission facilities that it does not own or control. If these facilities do not provide an adequate transmission service, we may be unable to deliver the power we sell to our final customers.

To deliver energy, the Company depends on transmission systems that are owned and operated by unaffiliated companies. This dependence exposes several risks. If transmission is disrupted, or the transmission capacity is inadequate, it may be impossible to sell and deliver electricity. If a region's power transmission infrastructure is inadequate, the recovery of costs of sales and profit may be insufficient. If restrictive transmission price regulation is imposed, transmission companies upon whom the Company relies may not have sufficient incentives to invest in the expansion of their transmission infrastructure, which could adversely affect operations and financial results. The construction of new transmission lines may take longer than in the past, mainly because of new social and environmental requirements that add uncertainty to the probability of completing these projects.

In the past, there have been blackout events due to failure of transmission lines that exposed weaknesses in the transmission grid, and the need for expansion and technological improvements to increase its reliability. Additional failures may occur in the future.

Any disruption or failure in transmission facilities could interrupt the business, which could adversely affect the results of operations and financial condition.

The business could experience adverse consequences if the company is unable to reach satisfactory collective bargaining agreements with unionized employees or retain key employees.

A large percentage of employees are members of unions and have collective bargaining agreements that must be renewed on a regular basis. The business, financial condition and results of operations could be adversely affected by a failure to reach agreement with any labor union representing such employees or by an agreement with a labor union

that contains terms deemed unfavorable. Chilean law provides legal mechanisms for judicial authorities to impose a collective agreement if the parties are unable to come to an agreement, which may increase costs beyond what has been budgeted.

In addition, we employ many highly-specialized employees, and certain actions such as strikes, walk-outs or work stoppages by these employees could adversely affect the business, results of operations and financial condition, as well as the company's reputation.

The relative illiquidity and volatility of the Chilean securities markets and its dependence on economic conditions in Latin America and other parts of the world could adversely affect the price of ordinary stock and ADS.

Chilean securities markets are substantially smaller and less liquid than the major securities markets in the United States or other developed countries. The low liquidity of the Chilean market may impair the ability of shareholders to sell shares, or holders of ADS to sell shares of ordinary stock withdrawn from the ADS program, into the Chilean market in the amount and at the price they wish to do so. Also, the liquidity and the market for shares or ADSs may be affected by countless factors including variations in exchange and interest rates, the deterioration and volatility of markets for similar securities, and any changes in liquidity, financial condition, creditworthiness, results, and profitability.

In addition, Chilean securities markets may be affected in many ways by economic and market conditions and developments in Latin American countries, other emerging markets and elsewhere in the world. Even though economic conditions in such countries may differ significantly from economic conditions in Chile, investors' reactions to developments in any of these other countries may have an adverse effect on the market value and liquidity of securities for Chilean issuers. An increase in perceived risks associated to investing in South American countries and elsewhere in the world could lessen capital flows to Chile and adversely affect the Chilean economy in general, and the interests of investors in our shares or ADSs.

We cannot give assurance that the price or the liquidity of its shares or ADSs will not be negatively affected by events in Latin American markets or the global economy in general.

Lawsuits against the Company outside Chile or complaints based on foreign legal concepts may have unfavorable outcomes.

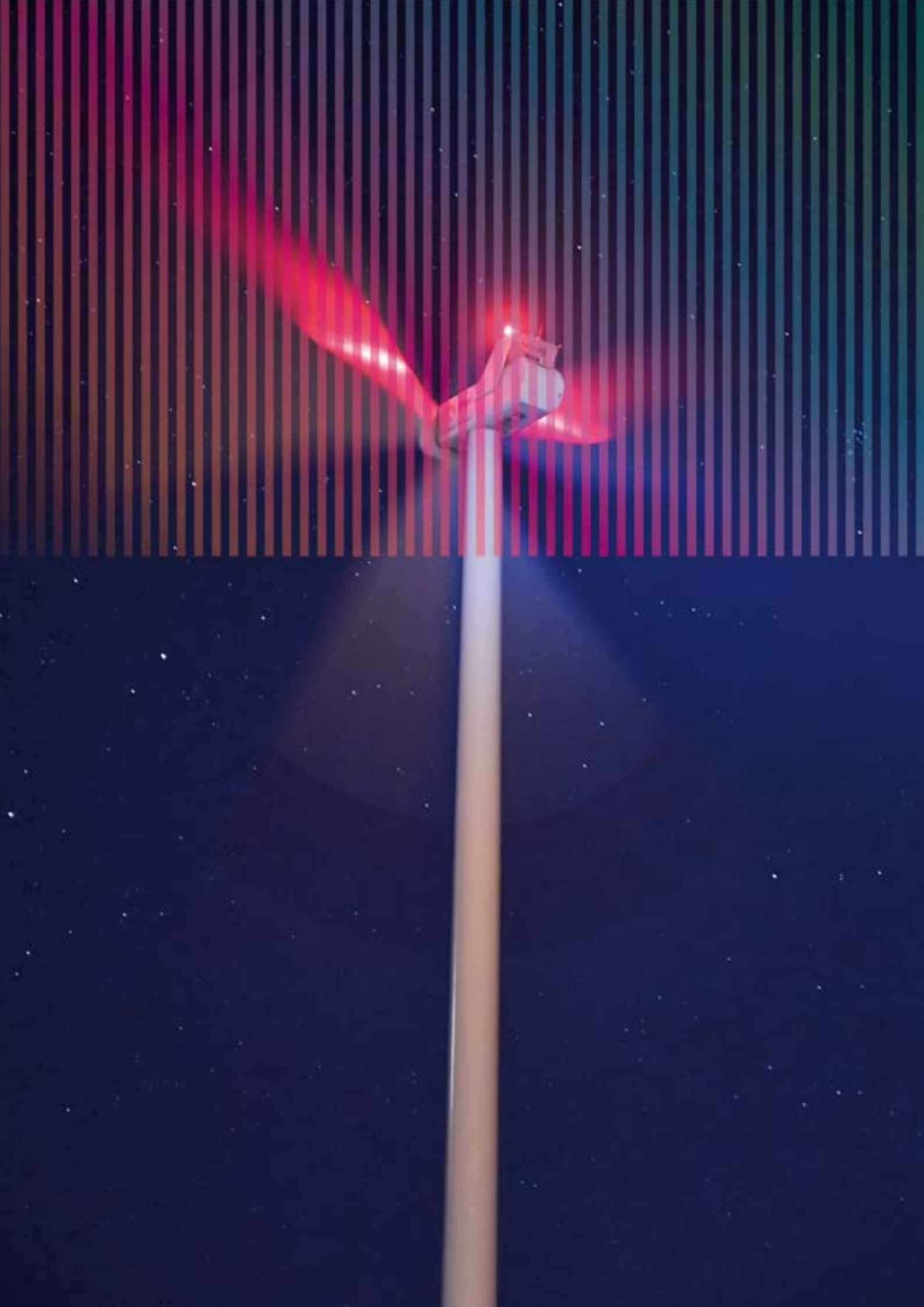
The Company's investments are all located outside of the United States. All directors and officers reside outside the United States and most of their assets are located outside the United States as well. If any investor were to sue a director, officer, or expert in the United States, it may be difficult for that investor to effect service of legal process within the United States upon these persons, or to enforce against them, judgments obtained in the United States courts based upon the civil liability provisions of the federal securities laws of the United States, in United States or Chilean courts. In addition, there is doubt as to whether an action could be brought successfully in Chile on the basis of liability solely based upon the civil liability provisions of the United States federal securities laws.

Interruption or failure of information technology or communications systems, or external attacks or breaches of these systems could have an adverse effect on operations and results.

The company depends on information technology, communication and processing systems ("IT Systems") to operate its business, the failure of which could adversely affect the business, results of operations and financial condition.

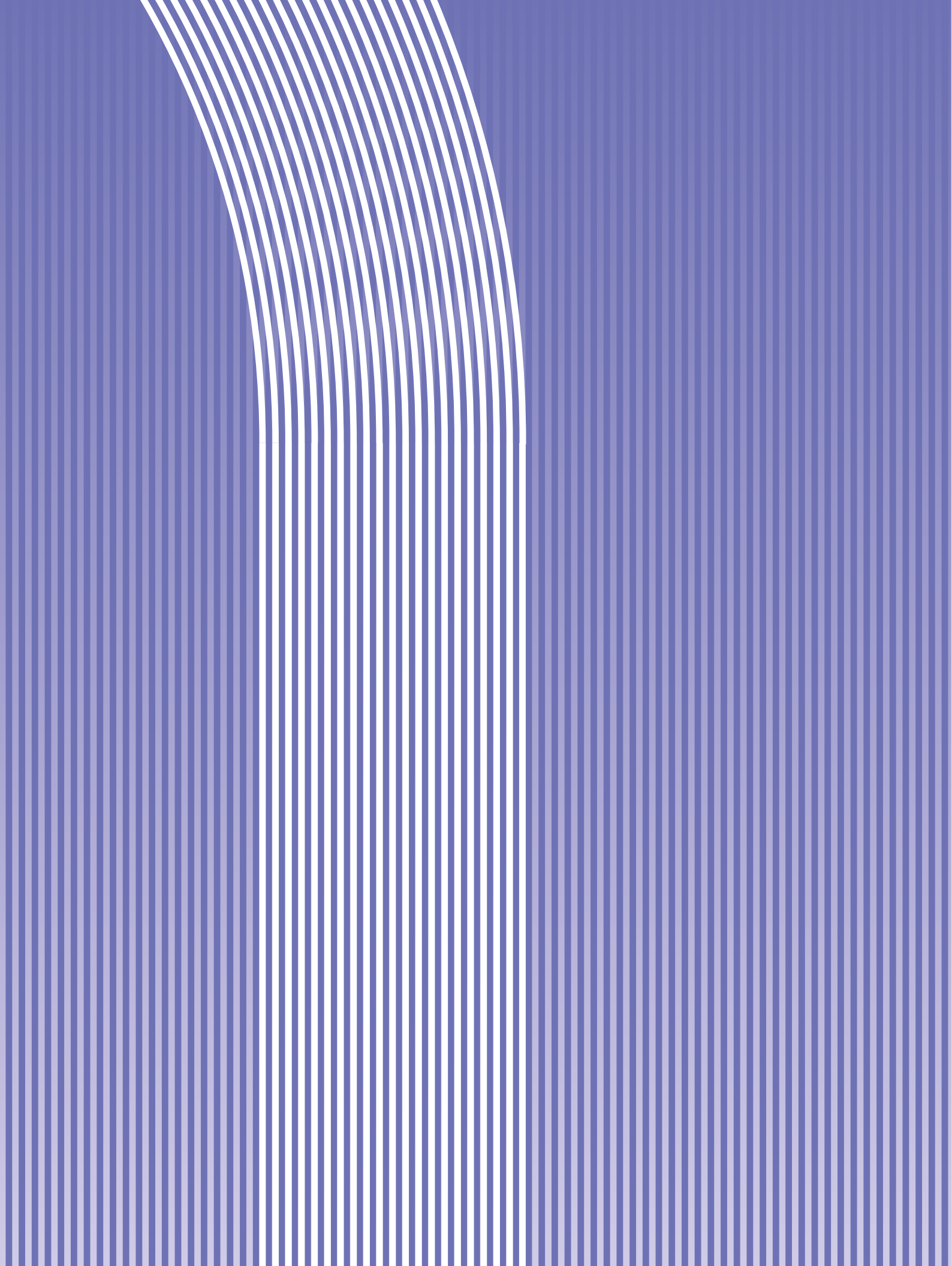
IT systems are becoming more vital worldwide, and the electricity sector is not an exception. In the generation business, IT systems are essential in monitoring power plants' operations, maintaining generation and network performance, adequately generating invoices to customers, achieving operational efficiencies and meeting service targets and standards. Our distribution subsidiaries could also be affected adversely because they rely heavily on IT systems to monitor their grids (known in some countries as smart grids, due to the higher digitalization of the market),

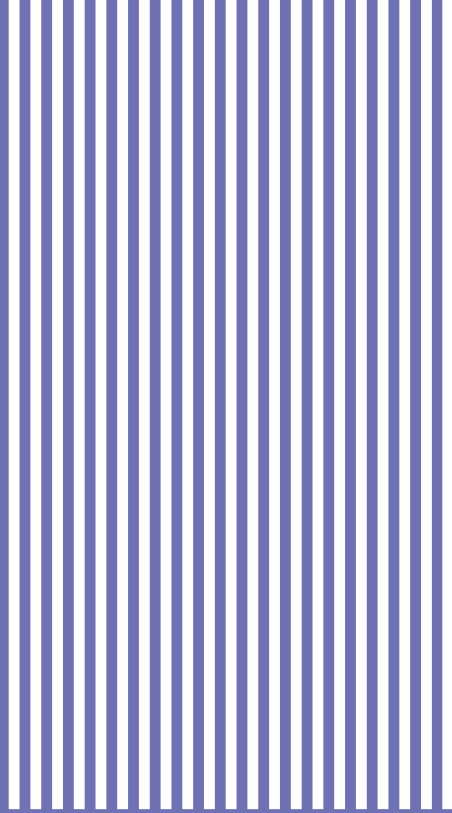




billing processes for millions of customers and customer service platforms. Temporary or long-lasting operational failures in any of these IT systems, either intentional or not, could have a material adverse effect on results of operations. Additionally, cyber-attacks can have an adverse effect on the company's reputation and relationship with the community. Over the past few years, global cyber-attacks on security systems, treasury operations, and IT Systems have intensified worldwide. We are exposed to cyber-attacks aimed at damaging our assets through computer networks, cyber-spying involving strategic information that may be beneficial for third parties, and the cyber-theft of proprietary and confidential information, including customer information. The company is exposed to several sorts of cyber-attacks, including denial-of-service attacks that may negatively affect user service accessibility, as well as attacks that could affect domain name systems, preventing the use of certain useful web pages and applications.







15

Reorganization -
Elqui Project



Elqui project

On August 25, 2017, the Board of Directors proposed a corporate reorganization (hereafter the 2018 Reorganization) to the shareholders to consolidate the conventional and nonconventional renewable energy businesses in Chile in one sole company, Enel Chile, that would be the only investment vehicle of Enel in Chile. The 2018 Reorganization involved the following transactions:

December 20, 2017, the Extraordinary Shareholders' Meeting of Enel Chile approved the corporate reorganization process (the "Reorganization") that includes the following phases:

- > A public tender offer in cash of shares by Enel Chile to purchase all ordinary shares (including American Depository Shares or ADS) of Enel Generación Chile, except those already held by Enel Chile (hereafter Public Tender Offer) The Public Tender Offer was subject to the condition that the shareholders offering their shares and ADS accept to use Ch\$ 236 of the Ch\$ 590 offered for each Enel Generación share and Ch\$ 7,080 of the Ch\$ 17,700 for each ADS of Enel Generación to subscribe Enel Chile ordinary shares at an Ch\$ 82 subscription price per share (or Ch\$ 2,460 per ADS of Enel Chile) (hereafter Enel Chile share/ADS subscription condition);
- > A capital increase (hereafter Capital Increase), to make enough ordinary shares available to be delivered to those shareholders and ADS holders of Enel Generación selling their shares and ADS and satisfying the condition to the Public Tender Offer to subscribe shares/ADS of Enel Chile.; and

- > A merger of Enel Green Power Latin America S.A. (EGPL) with and into Enel Chile (hereafter the Merger). EGPL is a limited liability corporation incorporated in Chile. Before the 2018 Reorganization, EGPL was a member of the Enel Green Power group. Enel Green Power is a multinational company dedicated to electricity generation with renewable sources controlled by Enel. EGPL is a renewable energy generation holding dedicated to electricity generation in Chile through its wholly owned subsidiary Enel Green Power Chile Ltda. (hereafter EGP Chile).

According to Chilean law, the 2018 Reorganization was a related party transaction subject to the legal requirements established in Title XVI of Chile's Corporations Law. Therefore, the following additional requirements were satisfied:

- > The board member and executives that had an interest in the related party transaction declared such interest;
- > Two thirds of the outstanding shares with voting rights approved the related party transaction in the ESM held on December 20, 2017; and
- > The board resolutions that established the related party transactions and the identity of the board members that approved such transactions were disclosed in the OSM held on December 20, 2017.

The following requirements were also satisfied:

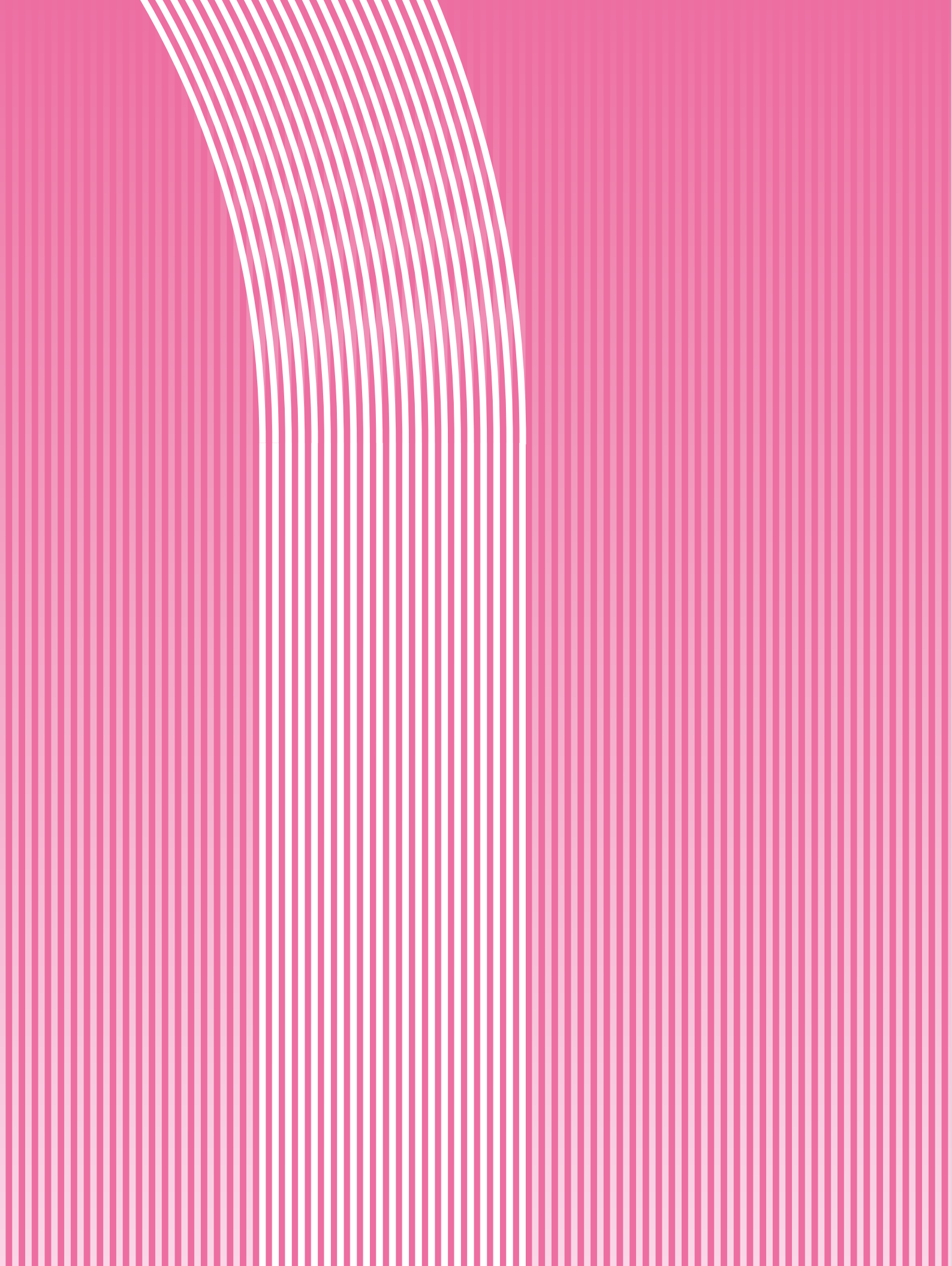
- > The board of directors appointed an independent evaluator to inform shareholders on the conditions, effects, and potential impacts of the operation on the Company;

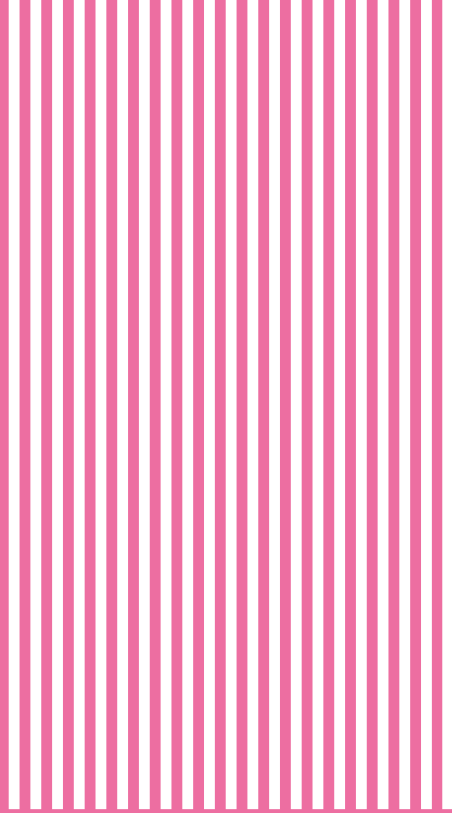
- > The directors' committee appointed an additional independent evaluator;
- > The opinions of independent evaluators were publicly disclosed; and
- > Each board member publicly disclosed its opinion on whether the related party transaction was in the best interest of the company and disclosed any possible interest in the related party transaction.

All phases of the 2018 Reorganization were approved by the shareholders of Enel Chile, Enel Generacion and EGPL in their respective extraordinary shareholders' meetings, all held on December 20, 2017. The Public Tender Offer took place from February 16, 2018, to March 22, 2018; the pre-emptive rights period related to the Capital Increase took place from February 15, 2018 to March 16, 2018 and the 2018 Reorganization, including all its phases, concluded and became effective on April 2, 2018.

The materialization of the 2018 Reorganization increased our shareholding in Enel Generacion from 60.0% to 93.5%. We continue to own 99.1% of Enel Distribucion. We currently consolidate the conventional and renewable electricity generation business in Chile through Enel Generacion, the Chilean distribution business through Enel Distribución, and the nonconventional renewable electricity generation business in Chile through EGP Chile. After the materialization of the 2018 Reorganization, Enel continues to be our parent company and controlling shareholder with a 61.9% shareholding with voting rights (excluding the shares owned by the company itself that will be cancelled).







16

Industry
regulation
and electricity
system
operations



General features

a) Regulatory framework:

Chile's electricity sector is regulated by the Chilean Electricity Law 20,218, contained in the Ministry of Mining DFL 1 issued in 1982. Its restated text was established by Ministry of Economy DFL 4, issued in 2006 (the "Electricity Law") and its respective regulations contained in D.S. 327 issued in 1998.

The main authority in the energy industry is the Ministry of Energy that is the government body responsible for proposing and delivering comprehensive public policies as a coordinate effort. It exists since February 1, 2010 as an autonomous entity after being part of the Ministry of Mining for many years.

The National Energy Commission ("CNE", in its Spanish acronym) that regulates the electricity industry and the Superintendence of Electricity and Fuel (Chilean "SEC", in its Spanish acronym) that is the supervising body, are also relevant industry authorities. They report to the Ministry of Energy. Other entities that report to this Ministry are: the Chilean Nuclear Energy Commission ("CChEN", in its Spanish acronym), the Chilean Sustainable Energy Agency.

The CNE is the entity in charge of proposing the regulated tariffs, approving the annual transmission expansion plans, and elaborating the indicative plan for the construction of new electricity generation facilities. The SEC inspects and oversees compliance with the law, rules regulations and technical norms applicable to electricity generation, transmission and distribution, liquid fuels and gas.

Additionally, the law provides for a Panel of Experts, comprised of professional experts, whose main responsibility is to act as a court, issuing enforceable resolutions in disputes related to subjects referred to by the Electricity Law and other electricity related laws.

According to the Law, the operation and coordination of the Chilean electricity system is to be carried out by a National Electricity Coordinator. It is an independent entity in charge of coordinating the operation of the electricity system with the following objectives: i) maintain service security; ii) guarantee the efficient operation of the facilities connected to the system; and iii) guarantee open access to all transmission networks. The main activities of this entity include the coordination of electricity market operations, authorization of connections, supplementary services management, implementation of information systems available to the public, and monitor competition and payments, among others.

The Chilean electricity sector is physically divided into three main networks, the National Electricity Network ("SEN" in its Spanish acronym) and two smaller isolated networks; Aysén and Magallanes. The SEN is the outcome of the integration of the Central Interconnected System ("SIC" in its Spanish acronym) and the Norte Grande Interconnected System ("SING" in its Spanish acronym) that took place in November 2017. Until then the SIC was the main grid and extended 2,400 km from Taltal in the north to Quellón on the island of Chiloé to the south. The SING covered the northern part of the country, from Arica to Coloso, and extended 700 km.

The electricity industry in Chile is divided into three segments or businesses: generation, transmission, and distribution. Operations of the related facilities must be interconnected and in coordination to supply electricity at the minimum cost within the certain safety and quality standards required by electricity industry regulation.

Given the structural characteristics of the transmission and distribution segments, they are considered natural monopolies and are therefore subject to special industry regulation, the network is open access, and tariffs are regulated.

The Chilean electricity market trades two products (energy and capacity), and additionally several related services. The National Electricity Coordinator performs the calculation of market balances, determines the transfers among generation companies and calculates the hourly marginal cost, which is the price at which energy transfers are carried out. The CNE determines the price of generation capacity.



Customers are classified according to their demand as regulated or unregulated. Regulated customers are those whose connected capacity is below 5,000 kW. Customers with connected capacity between 500 kW and 5,000 kW may choose to be regulated or unregulated, subject to the respective price regime.

Limits to integration and concentration

In Chile, antitrust legislation along with specific regulation applicable to the electricity industry define criteria to avoid certain levels of market concentration and abusive practices.

Companies are allowed to participate in the different industry segments (generation, distribution and commercialization/trading) in so far as an adequate level of corporate and accounting separation exists. The transmission sector is where most restrictions are imposed, mainly due to the nature of the activity and the need to guarantee adequate access to all players. The Electricity Law defines limits to the market share that generation companies and distribution companies may have of the National Transmission segment and prohibits National Transmission companies from participating in the generation and distribution segments.

a.1 Generation segment

The operations of generation companies are conditioned by the operations plan of the System Coordinator, although they may freely decide whether to sell their energy to either regulated or nonregulated customers. Any surplus or deficit between sales and production is sold to or bought from other generators at the spot market price.

A generation company may have the following types of customers:

- **Nonregulated customers**, are customers whose connected capacity is greater than 5,000 kW, mainly industrial and mining companies and customers whose connected capacity ranges between 500 and 5,000 kW and choose to be non-regulated for a minimum of 4 years in either regime. These customers may freely negotiate their electricity supply prices with generators or distributors.
- **Distribution companies**, that supply regulated and non-regulated customers. Distribution companies supply their regulated customers through public tenders regulated by the CNE and supply their nonregulated customers through bilateral contracts.



- **Other Generation companies.** The relationship between generation companies may be formalized through bilateral contracts or on the Spot or short-term market: The latter refers to the transactions of energy and capacity between generation companies resulting from the efficient operation of the market by the National Electricity Coordinator. The surplus (deficit) of production after supplying customer commitments are transferred by selling (buying) to (from) other generators connected to the system. Electricity transfers are priced at the marginal cost of the system. Capacity transfers are carried out at the corresponding node price, as set every semester by the authority.

In Chile, capacity payments to each generator depend on the calculation, based on current rules, performed annually by the National Electricity Coordinator that determines the firm capacity of each power plant. Firm capacity mainly depends on availability of the facilities and of the source of generation.

Non-conventional renewable energies

Law 20,257 enacted in April 2008 creates incentives to use Non-Conventional Renewable Energies (NCRE). This rule determined that by 2014, at least 5% of energy commercialized by generators must come from renewable sources and must progressively increase 0.5% every year from 2015 until 2024 to reach 10%. This law was modified in 2013 by Law 20,698, entitled the 20/25 law, establishing that by 2025, 20% of the electricity matrix must be covered by NCRE sources. For contracts in force up to July 2013, the withdrawals established by the previous law are to be respected.

a.2 Transmission segment

Transmission systems are comprised of lines and substations that form an electric system that are not distribution installations. They are divided into five segments: Nation-

al Transmission, Development Pole Transmission, Zonal Transmission, Dedicated Transmission and International Interconnection Systems.

Transmission installations are open access to any user that requests it, without discrimination. The compensation for existing transmission installations, either National or Zonal, is determined by a tariff setting process performed every four years. This process determines the Annual Transmission Value comprised of efficient operations and management costs and an investment value annuity, determined by a discount rate (minimum 7% after tax) set by the authority every four years based on a study and the useful life of assets.

The development of the National and Zonal Transmission systems is determined by a regulated and centralized process carried out by the National Electricity Coordinator, which presents an expansion plan every year that must be approved by the CNE.

The expansion of both systems is granted through an open tender process that discriminates new installations from enlargement of existing installations. The tenders carried out for new installations grant the winner ownership of the installation to be built. The expansion of existing installations, on the other hand, belongs to the owner of the original installation, who must tender the construction of the required expansion.

The remuneration of the new facilities is determined by the outcome of the bid and represents the income for the first 20 years of operations. The remuneration of new facilities is determined by the investment amount resulting from the bid and the applicable operation and maintenance costs. In both cases from year 21 on, the remuneration of such transmission facilities is determined as existing assets.

The regulation currently in force determines that transmission remuneration is the sum of tariff revenue and the billings of a fee for the use of transmission lines. Such fee is defined every six months by the CNE as an amount of Ch\$ per kWh.

a.3 Distribution segment

For regulatory purposes, the distribution segment is defined as all electricity supplied to end customers at a voltage of up to 23kV.

Distribution companies operate under the framework of a public service concession. They have the obligation to serve all customers and provide electricity at regulated prices to regulated customers (customers with under 5,000 kW connected capacity, unless falling within the 500 and 5,000 kW category and chose the nonregulated tariff). Nonregulated customers may negotiate their electricity supply with any generation or distribution company but must pay a regulated toll for using the distribution network.

Regarding electricity supply to regulated customers, the law determines that distribution companies must permanently have electricity available to supply its customers and it must obtain such electricity through open, non-discriminatory and transparent public tenders. These tenders are designed by the CNE and are carried out at least five years in advance to award 20-year term contracts. If demand changes unexpectedly, the authority has the power to call a short-term tender and also a regulated procedure to remunerate noncontracted electricity sales.

The processes for setting distribution tariffs are carried out every four years based on a cost analysis to determine the Distribution Value Added (VAD in its Spanish acronym). The VAD is based on an efficient model company scheme and the typical area concept.

To determine the VAD, the CNE classifies the companies with similar distribution costs into groups named "typical areas". For each typical area, the CNE and the distribution companies hire independent consultants to carry out studies to determine the costs of an efficient model company, considering fixed costs, average energy and capacity losses, and standard investment, maintenance, and operations costs related to electricity distribution. The annual investment costs are calculated based on the Net Replacement

Cost (VNR in its Spanish acronym) of facilities adjusted to demand, expected life and a 10% real annual discount rate.

The VAD is then determined as a weighted average, one-third of the value estimated by the study of the companies and two-thirds by the CNE. The CNE then determines the basic tariffs and verifies that the aggregate return of the industry is within the 10% plus/minus 4% range.

Additionally, every four years, when the VAD is being calculated, the Antitrust Court reviews the services considered to be Related Services and subject to price regulation.

The Chilean distribution tariff model is a consolidated model that has carried out nine price-settings processes since the enactment of the Electricity Law in 1982.

b) Regulatory issues 2018

CNE 2018 Regulatory Plan

Pursuant to Exempt Resolution 20 dated January 12, 2018, and according to Article 72-19 of the Electricity Law, the CNE published its 2018 Annual technical regulation development plan. The document establishes the guidelines and priorities of the CNE's work relative to regulations during 2018 and the definition of the procedures applicable to 2017 rules that are pending.

CNE 2019 Regulatory Plan

Pursuant to Exempt Resolution 790 dated December 10, 2018, and according to Article 72-19 of the Electricity Law, the CNE published its 2019 Annual technical regulation development plan. The document establishes the guidelines and priorities of the CNE's work on regulations during 2019 and the definition of the procedures applicable to 2018 rules that are pending.





Rules published in 2018

- **Expert Panel Rules and Regulations.** On January 5, 2018, the Ministry of Energy published the new Expert Panel Rules and Regulations in the Official Gazette. The purpose of the document is to establish the Expert Panel's competencies, operational procedures and how it is financed.
- **National Electricity Coordinator Rules and Regulations.** On April 3, 2018, the Ministry of Energy approved the rules and regulations of the National Electricity Independent Coordinator Rules and Regulations. This document establishes the organizational structure of the Coordinator, its composition, operations and procedures to function correctly.
- **Electricity Complementary Services, Storage and Distribution Safety Rules and Regulations.** On June 12, 2018, the Ministry of Energy approved the Electricity Facility Safety Rules and Regulation applicable to electricity production, transportation, complementary services, storage and distribution.

2017 Transmission Expansion Plan

On December 29, 2017, the regulatory authority published Exempt Resolution CNE 770, issued the 2017 Preliminary Technical Report on the Transmission Expansion Plan. As established by Law, those who have an interest (duly registered in the citizen participation registry) in the matter presented their observations regarding the Plan. Once the observations presented were evaluated, the CNE approved the Final Technical Report of the 2017 Annual Transmission Expansion Plan. Those interested submitted their discrepancies with the Plan to the Expert Panel in a public hearing. As required by Law, following all stages of the process, on November 8, 2018, the Ministry of Energy published the 2017 Expansion Plan, identifying the expansion plan of the National and Zonal Transmission Systems to be tendered during the following twelve months.

2018 Transmission Expansion Plan

As part of the 2018 Annual Transmission Planning process, the CNE called on all interested parties to present their Transmission Expansion Project Proposals by April 30, 2018 as established by provisions of Article 91 of the Electricity Law. Following the stages of the process, on November 14, 2018, the CNE issued the Preliminary Technical Report on the 2018 Transmission Expansion Plan.

2018-2022 Electricity Expansion Plan

On April 10, 2018, the Ministry of Energy published its approval of the Long Term 2018-2020 Electricity Expansion Plan in the Official Gazette. This is the first electricity planning process to be carried out according to the provisions introduced by Law 20,936. This non-binding plan must be prepared every five years as established by Article 83 of the Electricity Law.

Law 21,076 - Obligations regarding Removal and Replacement of Electrical Connection and Meter

On February 27, 2018, Law 21,076 is published in the Official Gazette. It modifies the Electricity Law by making the distribution company finance the removal and replacement of the electricity connection and meter when they are not being used due to force majeure. The only Article of this Law and its provisional articles states that connections and meters are part of the distribution network and the ownership of such equipment will change as they are replaced when required by the electricity network.

Tariff studies ruled by Article 187 of the Electricity Law

On October 6, 2017, the CNE issued Exempt Resolution CNE 560 that unanimously approves performing a New Tariff Study as defined by Article 187, final part of the Electricity Law, subscribed by the CNE and the electricity distribution companies. Within this context, in December 2017, the CNE requests information regarding the distribution companies' investment plan and costs required to comply with the Technical Norm on Electricity Distribution Service Quality (approved by Exempt Resolution CNE 706 dated December 7, 2017) not covered by the electricity supply tariffs in force (Ministry of Energy Supreme Decree 11T, 2016).

On September 28, 2018, the Ministry of Energy published Decree 5T in the Official Gazette. It updates Electricity Ministry Decree 11T and therefore updates electricity distribution tariffs. These new tariffs will be in force until the next tariff setting process. The enactment of this decree represents the date in which the Service Quality Technical Rule of Electricity Distribution referred to in the previous paragraph becomes effective.

Law 21,118 – Amendment to Regulatory Framework of Residential Generators

On November 17, 2018, Law 21,118 was published in the Official Gazette. It modifies the Electricity Law to encourage the development of residential generators. The main changes introduced as incentive worth highlighting is the increase in the maximum capacity of residential generation equipment from 100 kW to 300 kW that allow netbilling.

c) Tariff reviews and supply processes

c.1 Electricity distribution tariff setting process

The tariff setting process for the 2016-2020 period concluded with the publication of Decree 11T in the Official Gazette on August 4, 2017, that set the distribution tariff formulas effective, retroactively, from November 4, 2016.

On September 28, 2018, Ministry of Energy Decree 5T, which replaces Decree 11T, 2016, became effective updating electricity distribution tariffs until the next tariff setting process.

c.2 Tariff setting process of electricity distribution related services

On July 24, 2018, the Ministry of Energy published Decree 13T in the Official Gazette. This decree sets the prices of Non-Electricity Supply Services related to electricity distribution. Such prices are applicable since the Decree was published and are currently in force.

c.3 Tariff setting process of zonal transmission

The Ministry of Energy published Decree 6T on October 5, 2018. This decree sets the annual value per section of the zonal and dedicated transmission system, tariffs and indexation formulas for customers subject to regulated prices for the 2018-2019 period.





c.4 Transmission tariff setting process 2020-2023

Within the context of the Electricity Transmission Tariff setting process for 2020-2023, the Rating of Transmission System Installations process, the useful life setting process of transmission facilities, and the Technical and Administrative Terms required to carry out the Valuation of Transmission System Installations are currently in progress.

Within the context of the analysis and study of discrepancies presented as part of the Transmission System Rating process, the Expert Panel requested the CNE additional information. As a result of this request, the CNE detected inconsistencies in the way the methodology to rate installations was being applied and consequently adopted an administrative action to invalidate the rating process. The CNE published Exempt Resolution CNE 613 on Septem-

ber 4, 2018, to invalidate the stages of the process carried out to that date, referring back to the publication of the preliminary technical report. Therefore, on October 5, 2018, the CNE published Exempt Resolution CNE 673 with a new Preliminary Technical Report that received the observations of interested parties registered in the process. On November 21, 2018, published Exempt Resolution CNE 761 with the Final Technical Report of Rating Transmission System Installations for the 2020-2023 period. According to the stages of the process, the interested parties could present their discrepancies to the Panel of Experts.

Regarding the process of Setting the Useful Life of Transmission Facilities, on June 5, 2018, the CNE issued Exempt Resolution CNE 412 approving its Final Technical Report.

The formalization of the Final Terms is pending the culmination of the Rating Transmission System Installations process referred to previously.

c.5 Electricity tenders

Three tenders have been carried out under the new tender's law: Supply Tender 2015/01, Supply Tender 2015/02, and Supply Tender 2017/01.

The 2015/02 tender began in June 2015 and concluded in October 2015. It awarded three blocks for a total 1.2 TWh/yr (100%) at an average 79.3 US\$/MWh.

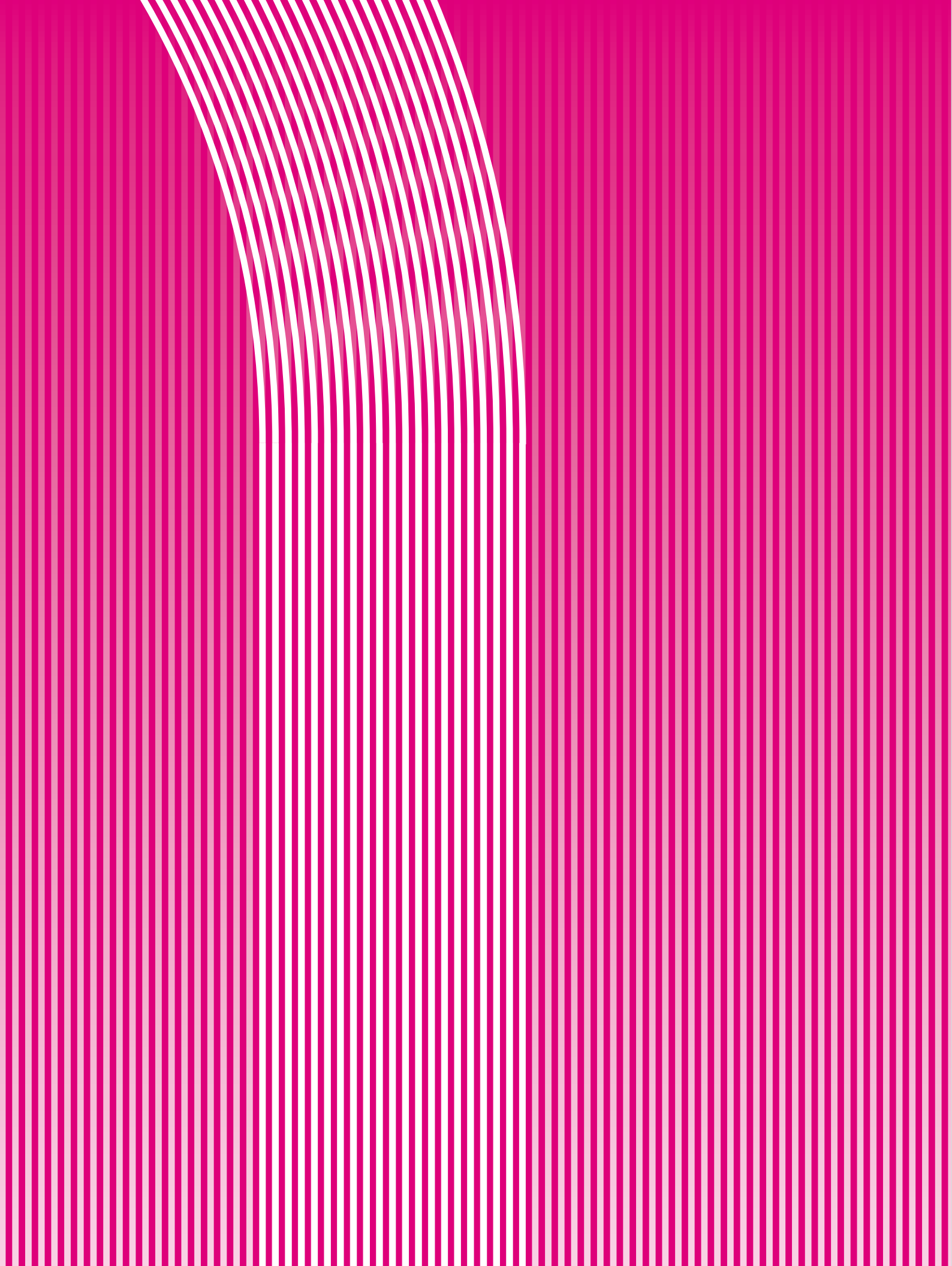
The 2015/01 tender began in May 2015 and concluded in July 2016. It awarded five blocks for a total 12.4 TWh/yr (100%) to 84 companies at a weighted average 47.6 US\$/MWh, adding new players to the market.

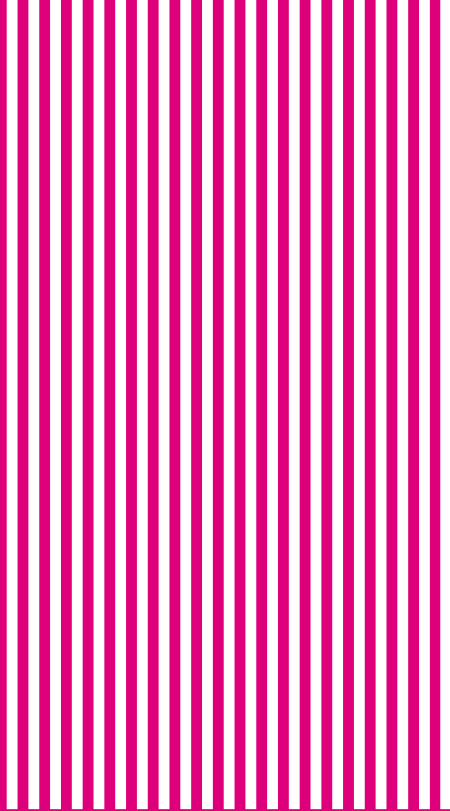
Enel Generación Chile was awarded the most, 5.9 TWh/yr., representing 47.6% of the total energy awarded in the 2015/01 tender.

The supply tender 2017/01 began with the call in January 2017 and concluded in November 2017. It awarded a total 2,200 GWh/yr. (100%) to 5 companies at a weighted average 32.5 US\$/MWh.

As in the previous process, Enel Generación Chile was awarded the greatest amount, 1.2 TWh/yr., representing 54% of the total energy awarded.







17

Electricity
generation



Electricity Generation

Enel Chile and its subsidiaries have an electricity generation park comprised of 130 units spread out on the National Electricity System.

Generation Power Plants of Enel Generación Chile, Enel Green Power and subsidiaries are listed below:

Installed capacity (MW) ⁽¹⁾⁽²⁾

Power plant	Company	Technology	2017	2018 ⁽³⁾
Los Molles	Enel Generación Chile	Hydroelectric	18	18
Rapel	Enel Generación Chile	Hydroelectric	377	376
Sauzal	Enel Generación Chile	Hydroelectric	77	77
Sauzalito	Enel Generación Chile	Hydroelectric	12	12
Cipreses	Enel Generación Chile	Hydroelectric	106	106
Isla	Enel Generación Chile	Hydroelectric	70	70
Abanico	Enel Generación Chile	Hydroelectric	136	136
El Toro	Enel Generación Chile	Hydroelectric	450	449
Antuco	Enel Generación Chile	Hydroelectric	320	319
Ralco	Enel Generación Chile	Hydroelectric	690	689
Palmucho	Enel Generación Chile	Hydroelectric	34	34
Taltal	Enel Generación Chile	Fuel/Natural Gas	245	240
Diego de Almagro	Enel Generación Chile	Fuel/Natural Gas	24	24
Huasco TG	Enel Generación Chile	Fuel/Natural Gas	64	64
Bocamina	Enel Generación Chile	Coal	478	478
San Isidro	GasAtacama Chile	Fuel/Natural Gas	379	379
San Isidro 2	GasAtacama Chile	Fuel/Natural Gas	399	388
Quintero	Enel Generación Chile	Fuel/Natural Gas	257	257
Ojos de Agua	GasAtacama Chile	Hydroelectric	9	9
Pehuenche	Pehuenche	Hydroelectric	570	568
Curillinque	Pehuenche	Hydroelectric	89	89
Loma Alta	Pehuenche	Hydroelectric	40	40
Pangue	GasAtacama Chile	Hydroelectric	467	466
Canela	GasAtacama Chile	Wind	18	18
Canela II	GasAtacama Chile	Wind	60	60
Tarapacá TG	GasAtacama Chile	Fuel/Natural Gas	24	20
Tarapacá carbón	GasAtacama Chile	Coal	158	158
Atacama	GasAtacama Chile	Diesel /Natural Gas	781	732
Eólica Los Buenos Aires	Enel Green Power del Sur SpA	Wind	-	24
Eólica Talinay Oriente	Parque Eólico Talinay Oriente S.A.	Wind	-	90
Eólica Talinay Poniente	Empresa Eléctrica Paguipulli S.A.	Wind	-	61
Eólica Taltal	Parque Eólico Tal Tal S.A.	Wind	-	99
Parque Eólico Renaico	Enel Green Power del Sur SpA	Wind	-	88
Parque Eólico Sierra Gorda Este	Enel Green Power del Sur SpA	Wind	-	112
Valle de los Vientos	Parque Eólico Valle de Los Vientos S.A.	Wind	-	90
Cerro Pabellón	Geotérmica del Norte S.A.	Geothermal	-	41
Pilmaiquén	Empresa Eléctrica Paguipulli S.A.	Hydroelectric	-	41
Pullinque	Empresa Eléctrica Paguipulli S.A.	Hydroelectric Hidráulica	-	51
Carrera Pinto I Etapa	Enel Green Power del Sur SpA	Solar	-	20
Carrera Pinto II Etapa	Enel Green Power del Sur SpA	Solar	-	77
Chañares	Empresa Eléctrica Paguipulli S.A.	Solar	-	40
Lalackama	Empresa Eléctrica Paguipulli S.A.	Solar	-	60
Lalackama 2	Empresa Eléctrica Paguipulli S.A.	Solar	-	18
Pampa Solar Norte	Enel Green Power del Sur SpA	Solar	-	79
Parque Solar Finis Terrae	Enel Green Power del Sur SpA	Solar	-	160
Solar Diego de Almagro	Almeyda Solar SpA	Solar	-	36
Solar La Silla	Enel Green Power del Sur SpA	Solar	-	2
Total			6,351	7,463

(1) These figures result from the maximum capacities determined by Enel Generación Chile's Operational Norm No 38 "Regulation for defining maximum capacity in the hydroelectric and thermal plants of Enel Generación Chile" as of December 31 each year. They are the maximum design capacity of the generating units, corroborated with contractual satisfaction guaranteed tests made by the manufacturer of the generating equipment, in most cases. In some cases, the figures of maximum capacity may differ from the capacity declared to the regulatory authority and customers in each country, due to criteria defined by these entities and compliance to the corresponding contractual frameworks.

(2) Enel Chile consolidates the installed capacity of Enel Green Power since April 2, 2018.

(3) There have been several changes in installed capacity in 2018 compared to 2017 because of maximum capacity test results of the Tarapacá TG, Atacama, Taltal and San Isidro 2 power plants, among others, performed as determined by Technical Regulation of the National Electricity System operator.

In 2018, electricity sales of Enel Chile and its subsidiaries reached 24,369 GWh, which represents a 34% share of total sales on the National Electricity System (SEN in its Spanish acronym) including sales to customers and net sales on the spot market.

Enel Chile and Subsidiaries' installed capacity, generation and energy sales

Installed capacity (MW) ⁽¹⁾	2018	
Enel Generación Chile	6,351	6,274
Enel Green Power	-	1,189
Total	6,351	7,463

Generation ⁽²⁾	2017	2018
Enel Generación Chile	17,073	17,373
Enel Green Power	-	2,673
Total	17,073	20,046

Sales	2017	2018
Sales to end customers		
Enel Generación Chile	22,615	22,592
Enel Green Power	-	603
Spot Market sales	742	1,174
Total	23,356	24,369

- 1) These figures result from the maximum capacities determined by Enel Generación Chile's Operational Norm No 38 "Regulation for defining maximum capacity in the hydroelectric and thermal plants of Enel Generación Chile", as of December 31 each year. They are the maximum design capacity of the generating units, corroborated with contractual satisfaction guaranteed tests made by the manufacturer of the generating equipment, in most cases. In some cases, the figures of maximum capacity may differ from the capacity declared to the regulatory authority and customers in each country due to criteria defined by these entities and compliance to the corresponding contractual frameworks.
- 2) Refers to total generation after deducting own consumption and transmission losses.

Operational and commercial scenario

General view of the operational and commercial scenario

The National Electricity System began operations as the interconnection of the SIC and SING in November 2017 and therefore has been in operation for a full year for the first time. This interconnection allowed both markets to work as one, both operationally and commercially. The SIC, primarily hydroelectric installed capacity, represented 75% of the system's total electricity generation and the SING the remaining 25%. Hydroelectricity is therefore relevant to the SEN. In 2018, hydrology was similar to 2017, irregular rainfall during the fall and winter months and greater during the last few months of the year, which resulted in overall hydrology and hydroelectric generation to be slightly higher than in 2017. NCRE generation was also higher in the SEN during 2018, particularly solar, wind and biomass, allowing thermal generation, mainly oil fueled and to a lesser extent natural gas and coal, to decline. Consequently, the system's generation costs in 2018 were lower than 2017 despite the higher average fuel prices in 2018 when compared to 2017, mainly oil, followed by coal and natural gas that increased less.





Total electricity demand picked up when compared to previous years, increasing 4.2% in 2018 compared to 2.4% in 2017. Regulated customer demand decreased (nearly 7%) while non-regulated customer demand increased significantly (nearly 15%) because a relevant number of previously regulated customers chose to change to the nonregulated customer category and enter into electricity supply contracts with distributors as authorized by regulation. Our subsidiary, Enel Generación Chile, has the highest number of contracts within this segment of customers that chose to become non-regulated.

The commercial and operational challenge related to the integration of the SIC and SING is worth mentioning. The role of National Electricity Coordinator that programs and coordinates the efficient and reliable operation of the system and the responsibility of the companies that participate in the electricity market to maintain their facilities in operation as instructed by the Coordinator is a greater challenge considering the differences in terms of generation, transmission, and electricity consumption of both systems, having to offer a continuous and stable supply in the SEN that is so extensive, from the Atacama region in northern Chile to the Chiloe island in the south.

The interconnection of the SIC and SING was accomplished with a 1,300 km. 500kV transmission line from the Changos substation located north of Antofagasta to the Polpaico substation located north of Santiago. By the end of 2018, the section that extends up to the Pan de Azucar substation, near Coquimbo was completed. The remaining section from Pan de Azucar to Polpaico is expected to be completed in 2019. Once the project is finalized the transmission capacity is expected to reach 1,500 MW by 2020. The advantages of the National Electricity System that have been pointed out are the following:

- i) Greater supply reliability and efficiency by allowing a bi-directional exchange of electricity between the SIC and the SING

- ii) Advantages to develop and operate renewable generation projects, primarily solar and wind where they present competitive advantages, such as, in the northern Chile regions for solar energy, and
- iii) Integration of two markets that are significant in terms of annual sales (roughly 70 TWh/yr. in 2018) but different in terms of typology, that is, large regulated customer consumption in the SIC and nonregulated and mining customers in the SING.

The interconnected system has provided Enel Chile greater commercial flexibility allowing the Company to offer competitive electricity supply contracts to customers in both systems, using its entire installed capacity (plants in SIC and SING), which resulted in a favorable performance in 2018 that is expected to continue.

The business reorganization of Enel resulting from the success of the Elqui Plan, perceived as favorable by the market, concluded on April 2, 2018, and transferred its ownership share in Enel Green Power Chile (EGP Chile) and Enel Generación Chile to Enel Chile, is worth highlighting from a commercial perspective. It offered Enel Chile additional growth opportunities in non-conventional renewable energy (NCRE) and also allowed coordinating operational and commercial activities among both subsidiaries, which has had positive effects on both companies' commercial margin. The development of EGP Chile's NCRE projects will offer synergies and strengthen Enel Generación Chile's commercial standing and leadership position in the Chilean electricity industry by offering its supply contracts sustainable and competitive capacity back up. The integration of the SIC-SING also makes uploading the electricity produced by the NCRE power plants of EGP Chile in the northern region of the country easier. During 2018, nearly 63% of the roughly 3.5 TWh generated by EGP Chile was commercialized by Enel Generación Chile, which optimizes the portfolio Enel Chile offers its clients.

² Source of demand figures is the December 2018 Coordinator Report submitted to the CNE

Main events that affected operational and commercial performance

The Company reached high standards of commercial and operational performance in 2018, as in previous years, and maintained its solid leadership position in the Chilean electricity industry. The factors worth highlighting that substantiate this position are:

- i) Significant and technologically diversified, sustainable generation capacity, mainly comprised of efficient hydroelectric and thermal plants, which allow the company to be very competitive and generate at low average operating costs.
- ii) Production processes and maintenance and modernization policies fully comply with technical and environmental standards established by the applicable regulation allowing the Company's generation facilities to operate with high availability and reliability levels.
- iii) The commercial policy is defined to be consistent with the production characteristics of the Company's power plants and is permanently adjusted to the increasingly competitive and changing market conditions. The goal of such policy has been to combine achieving an attractive return with a low exposure to production and market risk.
- iv) Innovation is a priority for the Company and therefore it is constantly adapting to new market challenges. For example, the reorganization of its generation business model previously mentioned (subsidiaries EGP Chile and Enel Generación Chile) allows sustaining future growth and competitiveness in the industry.

Regarding production and market risk, we consider the following the most relevant factors:

- i) Hydrology variability, a risk that is reduced by permanently analyzing and designing sales contracts that commit to an optimum level of energy sales.
- ii) Commodity variability risk, mainly the price of fuels that directly affect Enel's thermal production costs and the sales price indexation clause of some of our supply contracts.
- iii) Currency variability risk, mainly the price of the United States dollar that has an impact on the revenue of the Company.

Commodity (mainly coal, natural gas and oil) and currency (US dollar) variability risk has been managed by the Company, in coordination with the parent company in Italy, using financial instruments that had a positive impact on the Company's margin in 2018.

Hydrologic condition

Hydroelectricity represents a significant portion of Enel Chile's generation mix and has a significant direct impact on the Company's margin. Therefore, a detailed discussion on the hydrologic condition is relevant to the Company. Hydrology in 2018 was similar to 2017. Rainfall and water availability were irregular when compared to expectations. The first part of 2018 was quite dry, with rainfall below the normal level during the winter months until August. The Niño phenomena in spring brought a higher amount of rain during the last four months of the year partially reversing the dry trend present in previous months and ending the year with a level of hydrology above 2017. Consequently, the first eight months of the year were dry with low water inflow and high average accumulated exceedance probability, roughly 81%. The last four months of the year, the snow melting season, was better, consistent with an "average" exceedance probability of roughly 65%, which led to a significant recovery of reservoir levels, which resulted in a 75% total accumulated exceedance probability, similar, although slightly better than in 2017 (78%).





Generation and electricity supply costs

Electricity generation in the SEN, the integrated SIC and SING, in 2018 was 76.5 TWh, which represents a 3.1% growth rate when compared to 2017. The SIC contributed 75% of total generation and the SING, the remaining 25%. Hydroelectricity represented 30% of total generation (23.2 TWh), thermal electricity accounted for 53.2% (41 TWh), primarily coal (a total 38 %, similar amount from plants in SIC and SING), followed by natural gas (15%). A total 16.5% came from non-conventional renewable sources (12.5 TWh); solar (7%), wind (5.1%), biomass (4.1%) and geothermal (0.3%).

The hydrology during 2018, the availability of NCRE during the year and the integration of the SIC and SING allowed hydroelectricity and NCRE in the SEN to increase (6.4% or 1.4 TWh and 25% or 2.5 TWh, respectively). Thermal electricity, on the other hand, dropped 3.7% (1.6TWh).

Worth mentioning is the performance of the SIC and SING separately. Energy supplied by the SIC increased 4.7% (from 55 TWh in 2017 to 57.5 TWh in 2018). On the other hand, energy supplied by the SING decreased 1.2% (from 19.2 TWh to 19 TWh). Hydroelectricity in the SIC amounted to 23.1 TWh, 6.4% more than in 2017; thermal electricity generation reached 24.4 TWh, 3.7% less than in 2017; NCRE generation amounted to 9.8 TWh, 25.5% more than in 2017. Thermal energy supplied by the SING reached 16.2 TWh, 4.6% less than in 2017, mainly because coal generation fell 1.8 TWh. NCRE generation in the SING amounted to 2.8 TWh, less than the NCRE generation in the SIC, but 25% more than in 2017.

Enel Chile generated 20 TWh, excluding the generation of the Nueva Renca power plant related to the maquila agreement, which represents 26% of the SEN's total generation and 31% of the SIC and is greater than the 17.1 TWh produced in 2017. The Company's Hydroelectric generation reached 11.4 TWh, representing 14.4% of the SEN and is

nearly 18% higher than the 9,7 TWh generated in 2017. This additional 1.7 TWh generated had a positive impact on the Company's margin. Enel Chile's thermal generation decreased 14% from 7.3 TWh in 2017 to 6.3 TWh in 2018, mainly due to less natural gas fueled generation (nearly -0.8 TWh). Own NCRE generation (wind, solar, geothermal) reached 2.3 TWh in 2018 as a consequence of the addition of EGP Chile power plants to Enel Chile's generation fleet.

During 2018, the average price of fuels increased when compared to 2017. Coal was once again the predominant fuel in electricity generation in the SEN and its average price, according to authority statistics, increased 11.5% from an annual average 117 US\$/ton in 2017 to roughly 131 US\$/ton in 2018. Regarding the price of natural gas, although the purchase prices of Enel Chile are confidential, according to information provided by the electricity authority, the Henry Hub that is the price used in the industry for this fuel, increased 5.4% on average in 2018 from 2.97 US\$/MMBTU in 2017 to 3.13 US\$/MMBTU in 2018. Liquid fuel as an electricity generation source was used very little for electricity generation in the SIC. Average prices of liquid fuels during 2018 increased significantly, diesel 25% and fuel oil 29%.

Despite the drop in thermal generation in the SEN, the increase in the price of fuel increased the average cost of thermal generation and therefore increased the average price of electricity in 2018. The annual average price of energy at the Alto Jahuel, Cerro Navia and Polpaico substations, nodes (220 kV) that are representative of the consumption in the metropolitan area, increased 9.2% from 58.3 US\$/MMBTU in 2017 to 63.7 US\$/MMBTU in 2018. The average price at the Charrúa substation, where several important Enel Generación power plants connected to the SIC (Concepcion) inject their generation, increased 10.5% (from 55 US\$/MMBTU to 61.2 US\$/MMBTU). The opposite occurred in the SING, that is, at the Crucero substation, representative of the consumption in such area, the average annual price decreased roughly 4.5% (from 55.2 US\$/MMBTU to 52.9 US\$/MMBTU) due to greater NCRE generation in 2018, replacing thermal generation.

The relevance of liquefied natural gas (LNG)

Enel Chile entered the LNG market in 2009 through its subsidiary Enel Generación Chile when the GNL Quintero Regasification Terminal began operations, which was a project of national interest that required a significant public and private effort to ensure the country a supply of natural gas since the Argentine supply had been interrupted.

Enel Generación Chile, Metrogas, and Enap, jointly promoted the development of the GNL Quintero Terminal, a facility that has played a crucial role in the supply of energy to the central region of Chile for both residential and industrial customers and also for the electricity system as a whole.

During 2018, the Quintero terminal unloaded 44 shipments of natural gas, a total 3,523 MMm³. Of that amount 1,096 MMm³ were for Enel Generación Chile, to satisfy its commercialization and electricity generation requirements. Roughly 692 MMm³ of gas belonging to other partners of the terminal, were sold to other generators connected to the SEN to generate electricity.

In terms of electricity operations, the availability of LNG provided by the long-term supply contract with BG Global Energy Ltd (BG) was key to compensate for the lower level of hydroelectricity available during most of the year due to the dry conditions present during the winter months.

Regarding natural gas supply (NG), a new scenario of co-operation and energy integration among private and public authorities of Chile and Argentina allowed reactivating the import of natural gas from Argentina to Chile that was interrupted for eleven years. Within this context, Enel Chile, through its subsidiary Enel Generación Chile, signed an interruptible natural gas supply agreement with YPF and Total Austral and obtained the respective export permits in Argentina to begin to supply the San Isidro power plant on December 28, 2018.

The electricity generated by the Nueva Renca facility that is considered to be Enel Chile's generation due to the rental agreements of the thermal power plant Nueva Renca with AES Gener and latter with Empresa Eléctrica de Santiago when it changed ownership to AME (Empresa de Mercado Eléctrico S.A), amounted to 0.5 TWh and along with the electricity generated by San Isidro and Central Quintero (roughly 3.7 TWh) totaled 4.2 TWh generated by Enel Generación with natural gas. This figure represented 5.5% of the SEN's annual generation, including all generation technologies.

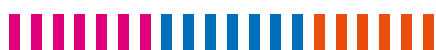
In terms of gas commercialization in 2018, Enel Chile through Enel Generación Chile sold five LNG shipments, including the sale of two shipments of LNG to Enel Trade to be delivered in the United Kingdom, continuing with international trading transactions outside Latin America related to the BG contract to relevant international markets.

Also, Enel Generación Chile along with ENAP and Agesa (company related to Metrogas) reached a new export agreement Enarsa (with Empresa Nacional de Energía Argentina), to export natural gas from the Quintero terminal to Argentina I 2018. Natural gas exported amounted to 90.6 MMm³. Enel Generación Chile contributed with 55% of such amount.

In 2018, the Company signed a terminal use agreement, TUA, with GNL Mejillones once again that allowed unloading an LNG shipment. This transaction allowed renewing natural gas sales contracts with mining and industrial customers located in northern Chile making Enel Chile the main industrial gas trader in northern Chile. It also made natural gas available for the generation units of Enel Chile (Taltal and GasAtacama) connected to the northern gas pipeline network.

The commercialization of LNG in trucks increased 30% in 2018 when compared to 2017. Agreements were signed to deliver LNG to two new cities, in addition to the 5 existing ones, allowing the company to maintain its relevant position in this market.

Enel Generación Chile has continued consolidating its position as a relevant player in the gas market in Chile, innovating and expanding its activities in the commercialization of gas and LNG in the local and international market.





In the commercial front

The commercial actions carried out by Enel Chile through its subsidiary Enel Generación Chile in 2018 were consistent with its commercial policy. The commercial policy focuses on accomplishing the following goals: maintain industry leadership; adequately manage risk and return under the existing supply and competitive market conditions; implement plans to strengthen customer loyalty, add additional new customers, increase energy sales and increase commercial management efficiency within the company. The main actions carried out are described below.

New electricity supply contracts were signed with important nonregulated industrial customers for nearly 580 GWh/yr. with terms that go from 9 to 15 years. Important contracts were also signed with distribution companies to supply their nonregulated customers for 420 GWh/yr. with a 5 to 8-year term.

As a consequence of a change in regulation in Chile allowing smaller customers to choose to be either regulated or non-regulated, Enel Generación Chile signed approximately 150 electricity supply contracts in 2018 with smaller nonregulated customers for a total 800 GWh/yr. for a 5-year term.

In November 2018, the Company revealed having signed an electricity back up supply contract with the generator Engie to supply electricity to regulated customers. Enel Generación Chile was awarded a contract with an average 1,200 GWh/yr. for a 12-year period to begin supply in 2019.

Enel Chile projects under construction and optimization

Los Cóndores Project

The Los Cóndores hydroelectric power plant project is located in the San Clemente district, in the Maule river basin in Chile's seventh region. It is a pass-through hydroelectric power plant with installed capacity of approximately 150 MW, which has 2 vertical axle Pelton units that will utilize water from the Maule lagoon reservoir. The plant will be connected to the national electricity network by an 87 km transmission line to the Ancoa substation.

The environmental qualification resolutions required for the power plant and the transmission line were obtained in 2011 and 2012 respectively. In 2014, the hydraulic works plan of the project was approved.

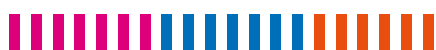
By the end of 2018, the physical progress of the project was 65.6%, the excavation of the tunnel reached 9.4 km, the civil works of the underground powerhouse cavern had concluded, and the installation of electromechanical equipment was advanced. Regarding the transmission lines, 90% of the structure was assembled and 42 km of cable have been installed.

The total investment accrued as of December 31, 2018 was Ch\$ 419,021 million.

Central Sauzal Smart Repowering Project

The Smart Repowering project of Central Sauzal involves the modernization and repowering of specific systems and equipment of the Central Hidroeléctrica Sauzal. This power plant is located in the Libertador General Bernardo O'Higgins and Region has been in operation since 1948. It has three generation units with vertical axis Francis type turbines. The Smart Repowering project consists in the replacement of two of the existing turbines, to increase the efficiency of the units and add an additional 3MW of capacity and an additional 13.7 GWh/yr. generation.

The first unit is programmed to be repowered in 2019 and the second unit in 2020. The major contract was signed with Voith and covers the detail engineering, manufacturing, installation and start up of the new equipment of both turbines. The design, purchase and manufacturing of the components of the first unit was performed in 2018. The overall progress on the contract by December 2018 was 37%. The accumulated investment by December 2018 was Ch\$ 1,206 million.





Optimization of Bocamina's second unit

Bocamina is a coal fired generation power plant located in the Coronel district (Concepción, southern Chile) comprised of two units, 128 MW and 350MW.

Bocamina unit 2 began commercial operations in October 2012 but was interrupted in December 2013 due to a judicial order issued by the Concepcion Court.

Enel Generación Chile submitted a new environmental impact study (EIA in its Spanish acronym) in December 2013, proposing a technical optimization plan. The EIA was approved on March 16, 2015 and obtained the Environmental Commitment Resolution (RCA in its Spanish acronym) approval on April 2, 2015.

The technical optimization plan involves the following:

- **Dome on the south field:** after completing the dome on the north field in 2017, the construction of the south dome was completed in 2018, reaching a total 270,000 tons coal storage capacity. The construction of the south dome recorded 1.5 million-man hours without accidents with many works performed at height.

Main progress in 2018 was the following:

- A Temporary Approval Certificate was issued on June 15, 2018, one month before projected.

The Final Approval Certificate of the south dome was received on October 17, 2018.

Bocamina's Landfill Closure Plan

The objective of the Plan is to close the landfill of ashes applying worldwide best practices. The first stage involves areas 1 and 2 and other improvements to installations and operations. These works will allow the company to improve and comply with standards established by the Environmental Permit (Resolution 128, 2015).

The project is structured in two stages:

- **Stage 1:** Closure of areas 1 and 2 and the wing of area 1, a total 48,000 square meters.
- **Stage 2:** Closure of area 3

The basic design of the plan has concluded, and the major works are currently being tendered.



Campos del Sol I Project

The Campos del Sola I project is located in the Atacama Region, in the northern part of Chile. It is a 381.9 MW solar power plant that is expected to begin commercial operations in 2021. It has received environmental approval and the energy supply contracts have been confirmed for the 2021-2045 period. The project offers potential synergies with the Carrera Pinto solar project that is already operational. The total investment is expected to be roughly US\$ 320.9 million.

Renaico II Project

The Renaico II project is located in the Araucanía Region, in the southern part of Chile. It is a 133 MW wind farm that is expected to begin commercial operations in 2021. It has received environmental approval and offers potential synergies with the Renaico I wind farm (including the substation and the transmission line). The total investment is expected to be roughly US\$ 176 million.

The Renaico II project includes two wind farms developed separately that will be added to the existing installed capacity in Renaico (currently operational). EGP Chile developed the Las Viñas part of the project. The rest was of the project was developed with Pacific Energy (Parque Eólico Puelche) in an abandoned industrial site and will be sold to EGP Chile. The power plant will be owned and operated by EGP Chile.

Cerro Pabellón 3 Project

The Cerro Pabellón 3 project is located in the Antofagasta Region, in the northern part of Chile. It is a 33 MW geothermal power plant build next to the existing 41 MW Cerro Pabellón plant in operations. It has received environmental approval and is expected to begin commercial operations in 2020. The plant offers potential synergies with the existing Cerro Pabellón facility and will use the existing infrastructure (including the substation and the transmission line). The total investment is expected to be roughly US\$ 95.8 million.





Enel Chile projects under study

Hydroelectric Project Vallecito

The project is located in the Maule Region, specifically on the upper basin of the Maule River. It is a pass-through hydroelectric power plant with nearly 55 MW installed capacity. The energy it produces will be supplied to the interconnected system using the line that is currently in construction to evacuate electricity from the Company's Los Cóndores Hydroelectric power plant.

Since 2015, Vallecito has been developed based on sustainable criteria, which consists of defining the technical, economic, environmental and social aspects of the project considering high sustainability standards. This project has included community collaboration processes that have contributed to a shared vision of the territory, and to identify the activities to be carried out in each of nine communities of the Pehuenche Route.

The basic engineering studies were performed in 2017, the environmental campaigns concluded, and the implementation of the sustainable development plan began by supporting the activities defined as a shared vision for the territory.

Based on the commercial opportunities envisioned for Vallecito, the next step will be the preparation of the environmental studies to present to the authority, once the design of the project, defined along with the community, has concluded.

Smart Repowering Projects

The Company is currently evaluating repowering projects to increase the installed capacity or generation of power plants already in operations by replacing certain parts or improving the power plant's hydraulic potential.

Antuco Smart Repowering

The project is to be developed at the Antuco power plant which is in operations and located in the Bio-Bio Region. The project involves replacing a turbine that was installed in 1981 and has an 88% load factor. The new turbine is expected to reach a 94% load factor generating an additional 21 GWh. The investment is expected to amount to US\$ 14.48 million and to begin in 2019. The new turbine is expected to begin operations in 2020.

Quintero Combined Cycle Project

The project is located in the Valparaiso Region. It involves installing a 130 MW steam turbine and its generator that will use the heat generated by the existing gas turbines (257 MW). In August 2018, the project was postponed, and the environmental studies were discontinued.

The final investment decision regarding this project will depend, among other things, on the commercial opportunities foreseen for the following years, such as, the prices of future tenders to supply the electricity required by the regulated market and/or existing or new nonregulated customers.

Central Taltal Battery Energy Storage System

On April 13, 2018, Enel Generación Chile submitted the project entitled, "BESS Battery Energy Storage System at Central Termoeléctrica Taltal" to the Environmental Impact Agency (SEA in its Spanish acronym). The project involves the installation of a 12 MW battery that would allow offering services to improve security, quality and efficiency to the SEN, such as, energy arbitrage and compensation of frequency variations, among others.

On May 25, 2018, the environmental authority referred to above issued Exempt Resolution 106/2018 stating that the project is not to be submitted to the Environmental Impact Evaluation System before its construction because it does not involve a material change to Central Taltal.

Taltal Optimization Project

The project is located in the Antofagasta Region. It is an energy efficiency project that uses the heat generated by the existing gas turbines to produce steam. This is done by installing a steam turbine and its generator, which allows converting the existing Taltal open cycle plant into a gas-fired combined-cycle plant.

The environmental permit requested through the Environmental Impact Declaration submitted to the authority in December 2013 was approved in January 2017.

Any decision related to the construction of this project will depend, among other things, on the commercial opportunities envisioned for the following years, such as, the prices of future tenders to supply the electricity required by the regulated market and/or existing or new nonregulated customers.

Ttanti Combined Cycle Project

The Ttanti project is to be developed in the Antofagasta Region, on land adjacent to the existing Atacama power plant that is located in the industrial zone of the city of Mejillones. The project involves the construction of a natural gas combined-cycle power plant with an installed capacity of 1,290 MW (three units with 430 MW each).

On December 28, 2017, the Environmental Evaluation Commission of the Antofagasta Region voted in favor of the power plant's environmental approval.

Any decision related to the construction of the project will depend, among others, on the commercial opportunities foreseen in the upcoming years, e.g., prices in future tenders for supplying the energy requirements of the regulated market and/or negotiations with existing or new unregulated customers.





Central Tarapacá Battery Energy Storage System

Enel Generación Chile is analyzing the installation of a battery energy storage system (BESS) to the Tarapacá thermal power plant to provide the ancillary services that the National Electricity System could require in upcoming years.

The project involves the installation of a BESS with about 14 MW of installed capacity and 7 MWh of energy storage capacity, connected to the 11.5 kV bar of the existing 23 MW capacity turbine installed in the power plant.

In December 2017, the SEA of the Tarapacá Region issued a resolution waiving the obligation to submit the project to environmental assessment before its construction. Despite this fact, any decision related to the construction of the project will depend, among others, on the commercial opportunities foreseen in the upcoming years and, particularly, on the evolution of the regulatory framework for the provision and remuneration of the ancillary services.

Land reserved for future projects

As of December 2018, Enel Generación Chile held approximately 48.3 hectares of immovable property (or land) to develop future natural gas or hydroelectric projects. These assets are located in the Antofagasta Region (6.3 hectares) and the Los Lagos Region (42 hectares).

Azabache

The project is located in the Antofagasta Region. It is a 63 MW solar power plant that is expected to begin operations during the last quarter of 2021. The lot and the environmental approvals have already been obtained. The project offers significant synergies with the Finis Terrae plant, owned by Enel Green Power and already in operation, and will use the same transmission infrastructure. Azabache and Valle de los Vientos, together will be the first hybrid, industrial scale, power plant in Chile. The total investment is expected to reach US\$ 48.96 million of which US\$ 0.34 million have been booked as of December 31, 2018.

Valle del Sol

The project is located in the Antofagasta Region. It is a 116 MW solar power plant that is expected to begin operations during the last quarter of 2023. The lot and the environmental approvals have already been obtained. The project offers significant synergies with the Finis Terrae plant, already in operations, owned by Enel Green Power. The total investment is expected to amount to US\$ 91.4 million of which US\$ 0.79 million have been booked as of December 31, 2018.

Finis Terrae Extension

The project is located in the Antofagasta Region. It is a 126 MW solar power plant that is expected to begin operations during the last quarter of 2021. The lot and the environmental approvals have already been obtained. The project offers significant synergies with the Finis Terrae plant, owned by Enel Green Power and already in operation, and will use the same transmission infrastructure. The total investment is expected to amount to US\$ 94.4 million of which US\$ 0.09 million have been booked as of December 31, 2018.



Sol de Lila

The project is located in the Antofagasta Region. It is a 122 MW solar power plant that is expected to begin operations during the last quarter of 2023. The lot and the environmental approvals have already been obtained. This project will possibly connect to the Argentine transmission system. The total investment is expected to amount to US\$ 97.9 million of which US\$ 0.81 million have been booked as of December 31, 2018.

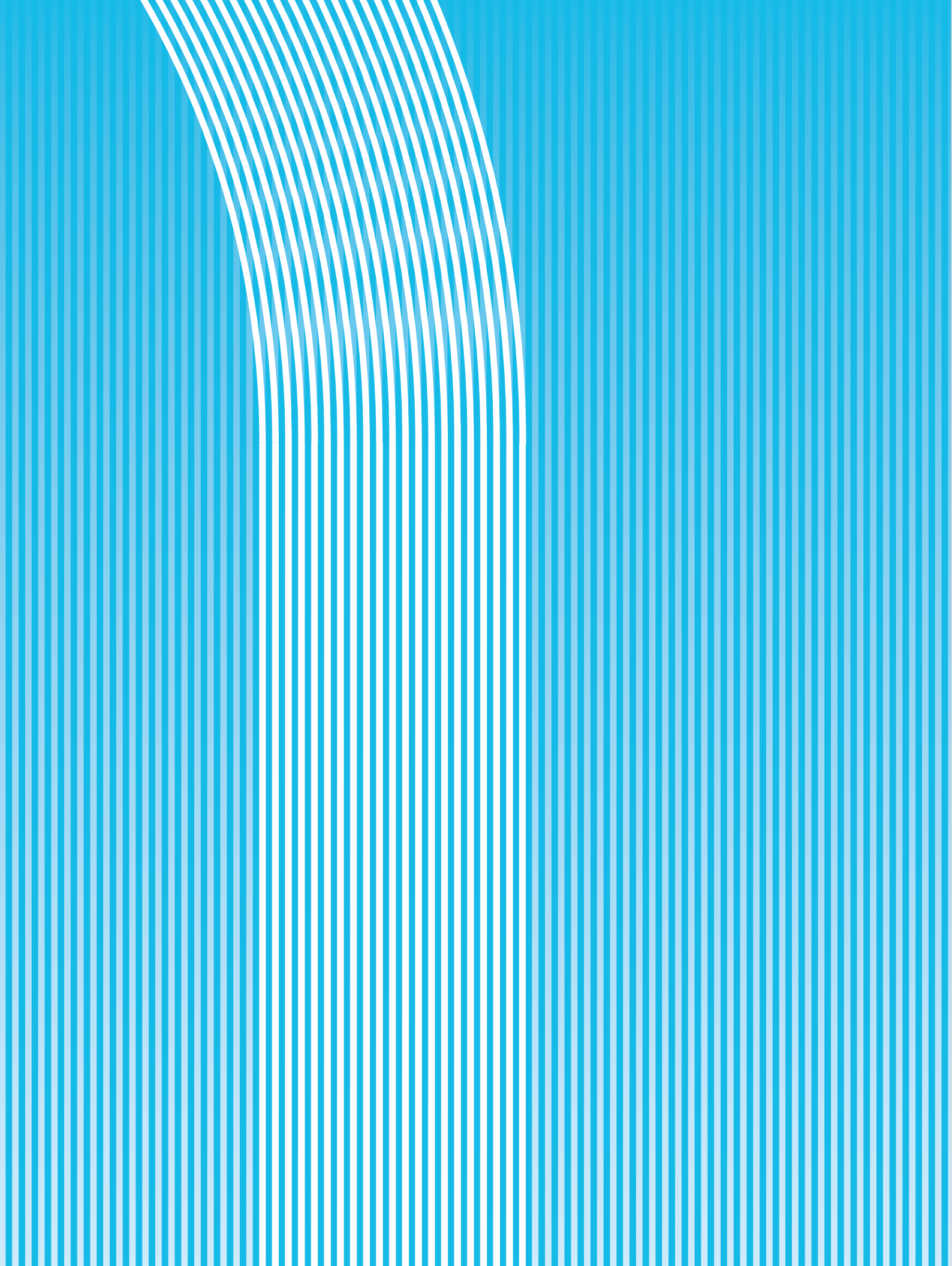
Flor del Desierto

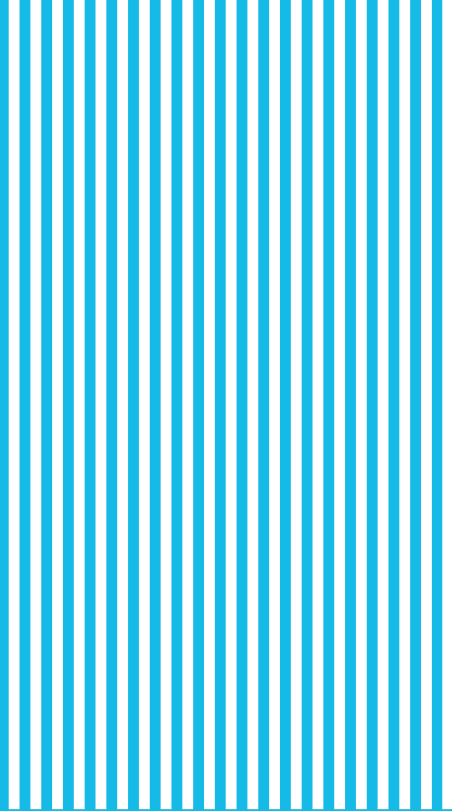
The project is located in the Antofagasta Region. It is a 50 MW solar power plant that is expected to begin operations

during the last quarter of 2023. The lot and the environmental approvals have already been obtained. The total investment is expected to amount to US\$ 39.4 million of which US\$ 0.31 million have been booked as of December 31, 2018.

Los Manolos

The project is located in the Antofagasta Region. It is a 50 MW solar power plant that is expected to begin operations during the last quarter of 2023. The lot and the environmental approvals have already been obtained. The total investment is expected to amount to US\$ 62.6 million of which US\$ 0.33 million have been booked as of December 31, 2018.





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Electricity
distribution



Enel Chile participates in the distribution business through its subsidiary Enel Distribución Chile. Enel Chile's has a 99.1% direct interest in Enel Distribución Chile.

Enel Distribución Chile's concession is a high-density consumption area. It concentrates a large proportion of the country's population, businesses parks, industrial parks, small industry and commercial activities.

Other electricity distribution Groups that participate in the electrical system are: Chilquinta Energía, CGE Distribución, Sociedad Austral de Electricidad and Empresa Eléctrica de la Frontera.

Enel Distribución Chile

Enel Distribución Chile is the largest electricity distribution company in Chile in terms of electric energy sales. It operates in 33 districts of the Metropolitan Region and its concession area covers more than 2,105 square kilometers, including the areas covered by its subsidiaries Empresa Eléctrica de Colina Ltda., Luz Andes Ltda. and Empresa de Transmisión Chena S.A.

In 2018, the Company provided electricity to 1,924,984 customers, 2.3% more than in 2017. Of total customers, 89.6% are residential customers, 7.7% are commercial customers, 0.7% are industrial customers and 2.0% are other customers. During 2018, Enel Distribución Chile sold 16,782 GWh to its final customers, which represents a 2.1% increase when compared to 2017.

Enel Distribución Chile successfully fulfilled the objectives of its losses Plan to keep losses at economically acceptable levels. As of December, the TAM metric was 5.0%.

Distribution tariffs are set every four years based on cost studies conducted by specialized consulting firms. In late 2015, the CNE issued R.E. CNE 699 that informs, among

other matters, the terms of the "Costs Study of Electricity Distribution-Related Services" as part of the 2016-2020 tariff setting process. The terms identify five new electricity distribution-related services of which the most significant are "Construction and installment of temporary junctions" and "Lease of temporary junctions".

The "Final Electricity Distribution-Related Services Cost Study Report" was published on January 20, 2017. As determined by the established process, Enel Distribución Chile presented its observations on the Report.

Later, the CNE approved the Technical Report entitled "Tariff Formulas of Non-Electricity Supply Services, related to Electricity Distribution" through Exempt Resolution CNE 213 dated April 27, 2017. To the date of this report, the tariff decree with the new tariffs is pending. Enel Distribución Chile also presented its observations on this Report, as established by the rules of the process.

Decree 5T, issued by the Ministry of Energy, became effective September 28, 2018, and updates Decree 11T, 2016 issued by the same Ministry, adjusting electricity distribution tariffs until the next tariff setting process.



Infrastructure and network projects

Smart Meters Project

The Enel group has more than 40 million smart meters in operation in the world, especially in Italy and Spain. This smart meter solution involves new meters, data concentrators, telecommunications infrastructure and centralized systems that allow remote and automated (reading, disconnections, reconnections, and tariff changes) management of meters through a two-way information flow. It also allows customers to install solar panels and inject their surplus energy into the distribution network without the need of any additional equipment.

The Smart Meter Massification Project continued during 2018 and installed a total 190,846 meters and 1,900 concentrators within 32 districts of the concession area reaching a total accumulated 291,731 meters, 2,300 concentrators and also 1,600 safety inspections. The complaints rate of the more than 29,000 quality control inspections was 0.53%.

Enel X Chile

Enel X was created as part of the Company's "Open Power" strategy, to open electricity to new uses, technologies, associations, services and more people. Its businesses are segmented in 4 categories: e-City, e-Home, e-Industries y e-Mobility.

e-City

It seeks to transform cities to make access to services easier for individuals by developing technological solutions related to lighting, safety and energy efficiency with different public bodies. .

e-Home

It seeks to transform homes by implementing innovative and efficient solutions to increase safety and efficiency focusing on the specific needs of homes and families such as, air conditioning, water heating, led lighting, among others. It's goal is also to stand out in the B2C market for its high installation and maintenance standards.





e-Industries

It seeks to transform companies through comprehensive projects that include expert services, and the implementation and control of all services within the scope of B2B. It focuses on technologies related to energy efficiency, distributed generation and electricity projects, and demand management, among others. It also intends to differentiate each company.

e-Mobility

It seeks to transform the means of transportation by offering products and services that promote the development of electric mobility and supplement such services with private and urban charging infrastructure and new technologies. It also intends to promote electric public transportation offering comprehensive solutions to transportation operators.

e-Home – Business to Customers Projects

Peñalolen FIE Project

This initiative is part of the “Energetic District” Program of the Ministry of Energy. This project was made possible by the Strategic Investment Fund, FIE (in its Spanish acronym), which is a public policy tool to finance proposals focused on improving productivity, diversifying the productive base and increase the aggregate value of the economy. The funds were managed by the Chilean Energy Efficiency Agency, AChEE (in its Spanish acronym) on a competitive basis.

The plan involves the installation of photovoltaic panels in 6 schools in Peñalolen. In one school, traditional lighting was replaced with led lighting and therefore increased the school’s efficiency.



School	Technology	Installed Capacity (kWp)
Escuela Tobalaba	Photovoltaic panels	20
Centro Educación Valle Hermoso	Photovoltaic panels	20
Colegio Likankura de Peñalolén	Photovoltaic panels	20
Escuela E-180 Matilde Huici	Photovoltaic panels	15
Escuela Juan Bautista Pastén	Photovoltaic panels + led lighting	20
Escuela Unión Nacional Árabe	Photovoltaic panels	20

Replacing Wood Heaters with Air Conditioning

The pilot project to replace wood heaters with air conditioning, opens electricity to new uses and contributes to the decontamination of cities and has consolidated a successful business, that adds value to the company, to our customers and the environment.

We have performed 9 replacement projects in industries with significant gas and particle emissions. A total 2,545 wood heaters have been removed in the residential sector to compensate industrial emissions. The contribution to local decontamination is considerable: over 53 tons of particulate matter a year has been removed from the environment

Air Conditioning Systems

We offer high-end air conditioning solutions to residential customers. It is leading brand, premium equipment that is 100% efficient (Category A) and uses only R-410 ecological coolant. It offers customers different comfort and efficiency modes, such as, Hot-Cold, Far-Infrared heat, ON-OFF, Inverter with Wi-Fi control, consumption analysis and Wind-free mode with 21,000 micropores that make the air flow almost imperceptible.

During 2018, we sold more than 15,000 devices to our customers.





e-Industries – Business to Business Projects

We have been successful at managing the opportunities and energy needs of our customers through our e-industries business by offering products and services that optimize the use and cost of electricity.

Hybrid Energy Efficiency Solution –Cumbres Terrafirme Condominium

The first condominium of homes with these three technologies, opening the entire real estate market (buildings and condominiums) to these technologies. It is an individual home solution that includes a vertical heat pump with a hot water tank to cover sanitary consumption, a 1.02 kW photovoltaic installation and automation devices for lighting, security, and sensors.

Smart Buildings and Energy Efficiency Luis Valenzuela Building (CIDEPA)

This project integrates three electricity generation technologies into a hybrid residential solution that includes a solar photovoltaic system with a solar thermal system connected to an aerodynamic heat pump. Each apartment will also have an automated system and the thermal plant is monitored online. Smart and efficient buildings, tech city friendly.

SURA-SENCORP Project New Córdova Building

This is a façade (138 MW) and rooftop (58.8) On Grid self-consumption solar project. This solar system is monitored online using inverters and connected to the Building Management System of the building.



PEPSICO solar photovoltaic Project

This is a 210.6 MW rooftop solar photovoltaic solution with multi string inverters to optimize its generation that amounts to approximately 364.6 MWh for self-consumption of the Pepsico plant located in Cerrillos, Metropolitan Region.

Electric Mobility

Public Transportation Charging Infraestructure

The modernization of the infrastructure is vital and therefore Enel X built the first electro terminal in the Peñalolen district. It has 63 chargers for buses and solar parking lots. They are structures designed to handle photovoltaic panels that generate electricity using renewable sources supplying buses and the consumption of the electro terminal itself. Also, 37 additional chargers are available at another electro terminal located in Maipú.

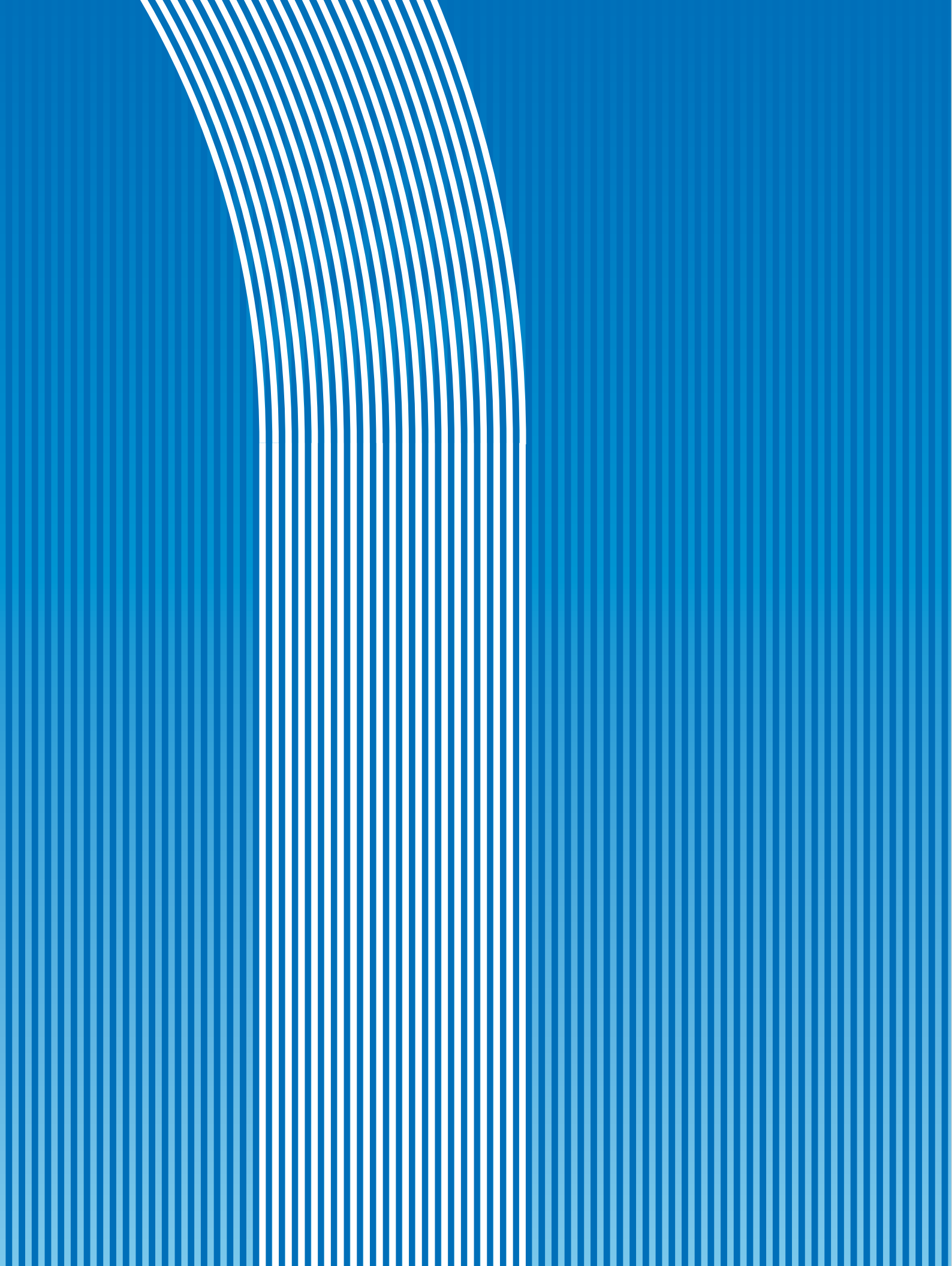
The technology of these electro terminals includes unique intelligent load management controls that will be capable of effectively managing the electricity supply of buses in real time therefore optimizing electricity consumption.

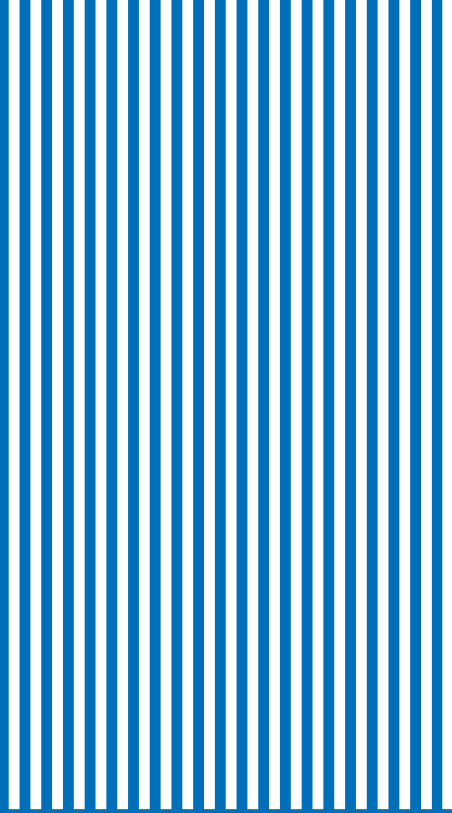
Public Transportation Charging Infraestructure for Private Transportation Users

During 2018, a total 72 residential chargers were commercialized of which 50 were infrastructure and installation projects. These wallboxes are the most convenient and reliable solution for customers and has strengthened the relationship with our partners: BMW, Nissan, Renault, and Mitsubishi by helping them offer their customers a better electro mobile experience.

The Company implemented a public charger project with BMW Chile to extend the public charging network by installing 9 new public chargers in Santiago, Viña del Mar and Concepción.







19

Environment and
Sustainability



Environmental Management Highlights

Environmental protection is a major pillar in Enel's strategy. Hence, they have directed their efforts towards constant improvement by searching for potential efficiencies in their processes and products, incorporating cutting-edge technology. Their purpose is not just to comply with norms and reduce environmental externalities, but also to take care of their environment.

Enel's policy and internal process implementation does not just focus on reducing environmental risks; they also seek to consolidate the company's leadership position in the energy market. Human resource and environmental protection, the struggle against climate change and sustainable economic growth are all strategic factors considered during the planification, implementation and development of Enel Chile's activities.

Among the environmental processes and policies implemented during 2018, we highlight:

- Enel Green Power SpA's Quality, Safety and Environmental Policy, September 4, 2017.
- Policy 292, 1st Version: "Risk Evaluation and Environmental Impact/Aspect Methodology", October 23, 2017
- Organizational Procedure 545 Version: "Waste Management", February 9, 2018.
- Policy 106 Version 3: "Environmental incident classification, communication, analysis, and report", July 10, 2018
- Stop Works Policy, which, during 2018, expanded their scope of action from health and safety to archaeology and environment.

During 2018, several actions were taken to safeguard and optimize environmental management, some of which are highlighted in the following section.

Implementation of the Integrated Model for Environmental Measurements (MIMA)

This is an internal mechanism that ensures compliance of each power plant's environmental commitments, which is being jointly developed by diverse areas of the company, prioritizing the most relevant environmental commitments.

Waste Management

One of the company's goals by 2018 was to "Reduce the annual generation of waste by 5%, quantified in its final disposition."

The following actions were taken to achieve this goal:

- Pilot Recycling Stations: Installed recycling stations in the Pehuenche and Rapel power plants.
- Waste Recovery: During 2018, a contract was signed to sell non-hazardous waste from the Maule, Laja and Biobio hydroelectric power plants.
- Waste Baseline: During 2018, the waste quantification registry was updated (Hazardous - Non-Hazardous and Domestic) in renewable power plants.
- Power plants waste management enforcement and appropriate waste segregation practices.
- "International Recycling Day" diffusion and commemoration with speeches and video transmissions.
- Reusable bags were given to company collaborators to encourage their use and reduce the use of plastic bags.



Environmental Disputes and Sanctioning Process

In August 2018, the SMA presented two charges against the company associated to the Renaico wind farm and the Cerro Pabellón geothermal power plant.

Renaico Wind Farm:

- On August 6, 2018, the SMA issued Exempt Resolution N°1/ Rol D-076-2018, filing charges against Enel Green Power South SpA.
- In September 2018, the company submitted a "Compliance Program" to the SMA, in response to the charges filed against the Renaico Project.
- In November 2018, the SMA gave the company feedback regarding the "Compliance Program" presented.
- In December 2018, Enel answers the feedback received from authorities regarding the "Compliance Program".

- The Resolution that approves the "Compliance Program" was published December 31, 2018. Therefore, during 2019 the company will work towards fulfilling this Program.

Cerro Pabellón Geothermal Power Plant:

- On August 9, 2018, the SMA issued Exempt Resolution N°1/ Rol A-002-2018, filing charges against the North Geothermal Plant S.A.
- On September 2018, the company presented a "Compliance Program" to the SMA, in response to the charges filed in August.
- On December 13, 2018, the SMA issued a resolution rejecting the "Compliance Program" proposed by Enel.
- On December 17, 2018, Enel presented an appeal for reversal, which was received by the authority. The company will be presenting its defense during 2019.





Wind and Photovoltaic (Solar) Plant Monitoring

To comply with Environmental Commitment Resolutions (RCA in its Spanish acronym) and mitigate potential environmental impact, Enel Chile monitors the environment.

Environment monitoring is performed with the purpose of getting to know the state of an environmental aspect that allows us to know its specific condition.

During 2018, Bird Wildlife was monitored (Affected Avifauna Monitoring Program- Avifauna Monitoring, Bird Census-monitoring the bandurria patterns) Flora was monitored; Fauna was monitored (Contingency plan for wildlife- monitoring reptiles); Archeological Sites were monitored (Archeological Follow-up Plan); Vegetation propagation was monitored; Archaeological monitoring at Wind Farms; wind farm noise was monitored and mitigated.

Compliance with Environmental Commitment Resolutions (RCA)

The actions taken during 2018 related to the Ralco Power Plant to comply with the RCA of renewable power plants are highlighted below:

- Reforestation agreement with Universidad de Concepción: 422 reforested hectares in the Lonquimay area.
- Restorations: Completion of the restoration efforts of landfill and deposit sites used during the construction of Ralco Power Plant.

- Improvement of the Drinking Water System: Execution of projects to improve the drinking water system for the Ayin Mapu indigenous community, relocated because of the construction of the Ralco Power Plant. The project benefits 85 indigenous families.
- Alto Bío Bío Housing Program: Establishment of an agreement with the Alto Bío Bío Municipality and construction of homes for indigenous families relocated because of the construction of the Ralco Power Plant. The project benefits 54 Indigenous families in the district.

Well Water and Oil Recovery System

In the Sauzal, Sauzalito, Rapel, Cipreses and Isla hydroelectric power plants, an oil skimmer system to recover oil from wells are in place, extracting oil that has drained from the units to the drainage ditch. This initiative seeks to minimize the potential impact of contamination to waters under the dam produced by oil leakages and filtrations.

Round tables and studies

During 2018, the following environmental management efforts are highlighted:

- Completion of the "Environmental Flow Pilot Project" study in the Maule and Laja rivers.
- Incorporation of the RECOGE plan from MMA to the multidisciplinary round table for the Huemul Conservation Program in the VIII Region.



Compliance with the Thermoelectric Power Plant Emissions Standard

In terms of complying with the demands established by the D.S. 13/11 Thermoelectric Power Plant Emissions Standard, during 2018, Enel Generación Chile's thermal park and its GasAtacama subsidiary carried out several improvements to the Continuous Emissions Monitoring System (CEMS), such as changing the data acquisition systems (DAHS) of the thermal plants and the installation of CEMS to monitor thermal energy flow, installing flow CEMS in the Taltal, San Isidro and Quintero thermoelectric power plants.

During 2018, the Environmental Superintendence (SMA) published the verification reports of compliance with the established limits according to the decree, based on the emissions figures in the quarterly reports that each power plant uploaded to the "Thermoelectric Power Plant" website of such Superintendence. The SMA verified that the emissions from all the company's electric generation units (UGE) complied with the established limit.

Green Taxes

In April 2018, the thermoelectric power plants reported their emissions according to the emissions quantification method presented and authorized by the SMA to determine green tax payments. A total tax of Ch\$ 16,437,440,924 was paid, which considers the atmospheric emissions from the Enel Generación Chile thermal park and its GasAtacama S.A. subsidiary.

New Projects

On February 14, 2018, the Environmental Impact Declaration (DIA in its Spanish acronym) "San Isidro Power Plant Water Supply and Liquid Waste Disposition Optimization System" was approved by the Antofagasta Region Assessment Committee, through the Exempt Resolution N° 016.

On May 25, 2018, the Environmental Assessment Service (SEA) of the Antofagasta Region issued Exempt Resolution 0106, indicating that the "Bess Energy Storage System in the Taltal Thermoelectric Power Plant" project is not required to comply with the SEIA in order to begin construction.





Sustainability

Sustainable business model

Enel Chile's sustainable business model seeks to focus the business itself on sustainability.

The Company has played a leading role in the country's energy transition by having more than 1 GW of non-conventional renewable installed capacity; by promoting electric mobility; bringing in 100 electric buses through a private-public partnership; by promoting electric heating; and by installing almost 300,000 intelligent meters for customers to manage their consumption.

This is how Enel Chile intends to have an active role in the sustainable development of Chile. The 2018 sustainability plan focuses on 4 strategic guidelines:

- Innovation and asset optimization
- Growth in low carbon products and services
- Inclusion of local communities
- Inclusion of the people we work with

In 2018, the milestones of each one of these guidelines involve the investment in digitalization, adding flexibility to the Company's generation mix, prioritizing renewables and also installing the second dome on the coal field of the Bocamina thermal plant, which today is recognized as a power plant with high environmental standards in the region.

Regarding growth in low carbon services and technology, the leadership position of Enel Green Power as the number 1 renewable operator with 1 GW installed capacity is worth highlighting. Enel X invests in decontaminating cities, playing a leadership role in electric mobility by providing 100 buses for Santiago, and replacing more than 2,500 traditional heaters with electric ones.

With respect to the work with local communities, Enel Chile has employees dedicated to community relations, maintaining a fluent dialog with more than 100 communities, and building and managing long-term agreements with each one of them.

In terms of the last strategic guideline, our accomplishments are achieved with the daily effort of individuals that are considered the focal point of our strategy. We build challenging routes with these individuals to move towards inclusion and destroying physical and cultural barriers to diversity. Facilitating the conciliation of work and family life is also part of this goal. In 2018, 16% of Enel Chile collaborators have become part of the Smart Working and Work Flexibility program.

The 2018 and the 2019 plan are based on prioritizing health and occupational safety, solid corporate governance, environmental sustainability, a sustainable supply chain, and the long-term creation of economic value for the sustainable development of our business.

Stakeholders and materiality

The Company has focused its sustainability management on inclusion and transparent collaboration with its stakeholders. Enel Chile is working on criteria and principles to achieve a fair relationship with all stakeholders, to involve them from the beginning of the design stage of a project, assuring equal conditions and equal access to information required for the decision making process. This is performed by identifying the most relevant stakeholders involved in each operation and evaluating potential areas of impact and joint opportunities.

The Enel Group participates in Chile promoting private-public actions to proactively contribute to improve private company compliance and behavioral standards to strengthen a culture inspired in transparency, honesty, and long-term sustainable relationships. Within this context, an agreement was formalized with Chile Transparente to strengthen and include actions into the Company's compliance system.

Local needs are directly related to the Company's goals in materiality matrices that are developed for each territory to carry out the projects that are adequate to reach shared goals and priorities.

The significant presence of the company in the territory allows having a constant view of the opportunities and instances available to align solutions and add value to all stakeholders. These opportunities have fostered the development of circular economy solutions, i.e., the transformation of waste, such as, pallets into community eco construction material.

Enel Chile's business culture is guided by the Open Power Vision, committed to the United Nations Sustainable Development Objectives, the creation of shared value and complying with the company's Human Rights Policy.

Compliance system and complaint channel

Enel Chile has implemented a Penal Risk Prevention Model that builds on the Ethics Code and the Zero Corruption Tolerance policy. Enel Chile opposes to any form of corruption, direct or indirect, within any process of the value chain, any business location and with any stakeholder.

This model is based on the Global Compliance Program of the Enel Group, which is comprised of a series of specific programs that respond to local legislation and the highest international standards, such as, ISO 37,001, the Foreign Corrupt Practices Act FCPA (U.S.A) and the Bribery Act (United Kingdom). The Group has also incorporated the definitions of the Global Compact and the Sustainable Development Objectives, both developed by the United Nations.

The Penal Risk Prevention Model covers all the requirements of the Crime Prevention Model defined by Law 20,393. The objective of the Compliance System is to contribute to Enel's development of a long-term relationship of trust with its stakeholders, implementing activities in a responsible manner and communicating them transparently. The focus on the creation of shared value allows collaborating with the local industry in defining a common standard to comply with and aligned to international best practices.

This system has been conceived as the focal point of the company's operations and is therefore a guideline on behavior for all company employees. The Board of Directors approves the programs of the compliance system and, with the support of the Head of Crime Prevention, implements the programs. The Head of Crime Prevention has the organizational authority and resources to carry out his duties adequately. The Board of Directors periodically evaluates and monitors the implementation and Improvement of the Company's programs.

Suppliers and contractors' employees adhere to the provisions of these programs by means of the general contracting conditions, a set of clauses that stress the importance and facilitate the control and proper implementa-





tion of the compliance system specified in Law 20,393 applicable to Enel Chile and all its subsidiaries. Enel Chile and each subsidiary has its own specific compliance system.

If a potential or real action that opposes the principles of the Penal Risk Prevention Model were to take place, any stakeholder may present a complaint through the Complaints Channel managed by the Internal Audit Department. This channel has specific management procedures that guarantee confidentiality and no retaliation to the complainant.

This channel is managed with an external platform that uses industry standards in terms of confidentiality and is accessible through the internet, telephone or in writing.

Open Power Vision

Enel Generación Chile has identified the “Open” concept as the focal point of its business, a cornerstone of its strategy and operations. The idea is to Open energy to more people; Open energy to new technologies; offer people new ways to manage energy; add new uses to energy; and add more contributors to energy.

Sustainable development objectives

In 2015, the United Nations adopted the new Sustainable Development Objectives (ODS in its Spanish acronym). This initiative invites companies to use creativity and innovation to face sustainable development challenges, such as poverty, gender equality, access to clean water and energy, and climate change among others. At the time, Enel SpA (“Enel”) announced the Group’s commitment to contribute to achieving four of the 17 objectives. Particularly, Enel and its companies worldwide have focused on the following objectives:

1. Quality education (ODS 4):

In 2018, Enel Chile contributed with scholarships and supplementary education for more than 13,500 youngsters, in addition to the 25,000 students that received benefits up to 2017.

2. Affordable energy (ODS 7):

Enel Chile is committed to promoting affordable and sustainable energy for the neighboring communities to its facilities. The Company's goal for 2020 is to add 70,000 beneficiaries to the ones existing in 2016. In 2018, roughly 29,000 beneficiaries were added to the 141,000 existing ones. From 2015-2018, there have been more than 170,000 beneficiaries, nearly 6% of the goal set in the 2018-2020 plan.

3. Decent job and economic growth (ODS 8):

Promote sustainable, inclusive job opportunities and economic growth for 500,000 people. Enel Chile expects to add 150,000 people to the beneficiaries existing in 2016 by 2020. During 2018, nearly 30,700 have had access to local economic development by forming small and medium sized companies or participating in training programs. Enel Chile has contributed with approximately 12% of the Group's goal in 2018-2020 plan regarding this objective, reaching a total 361,500 beneficiaries during the 2015-2018 period.

4. Action for the climate (ODS 13):

Adopt initiatives to fight climate change in order to be carbon neutral by 2050. The goal is to reduce CO₂ (g/kWh) emissions. Enel Green Power Chile has made significant investments in this area and is getting closer to accomplish its objective.

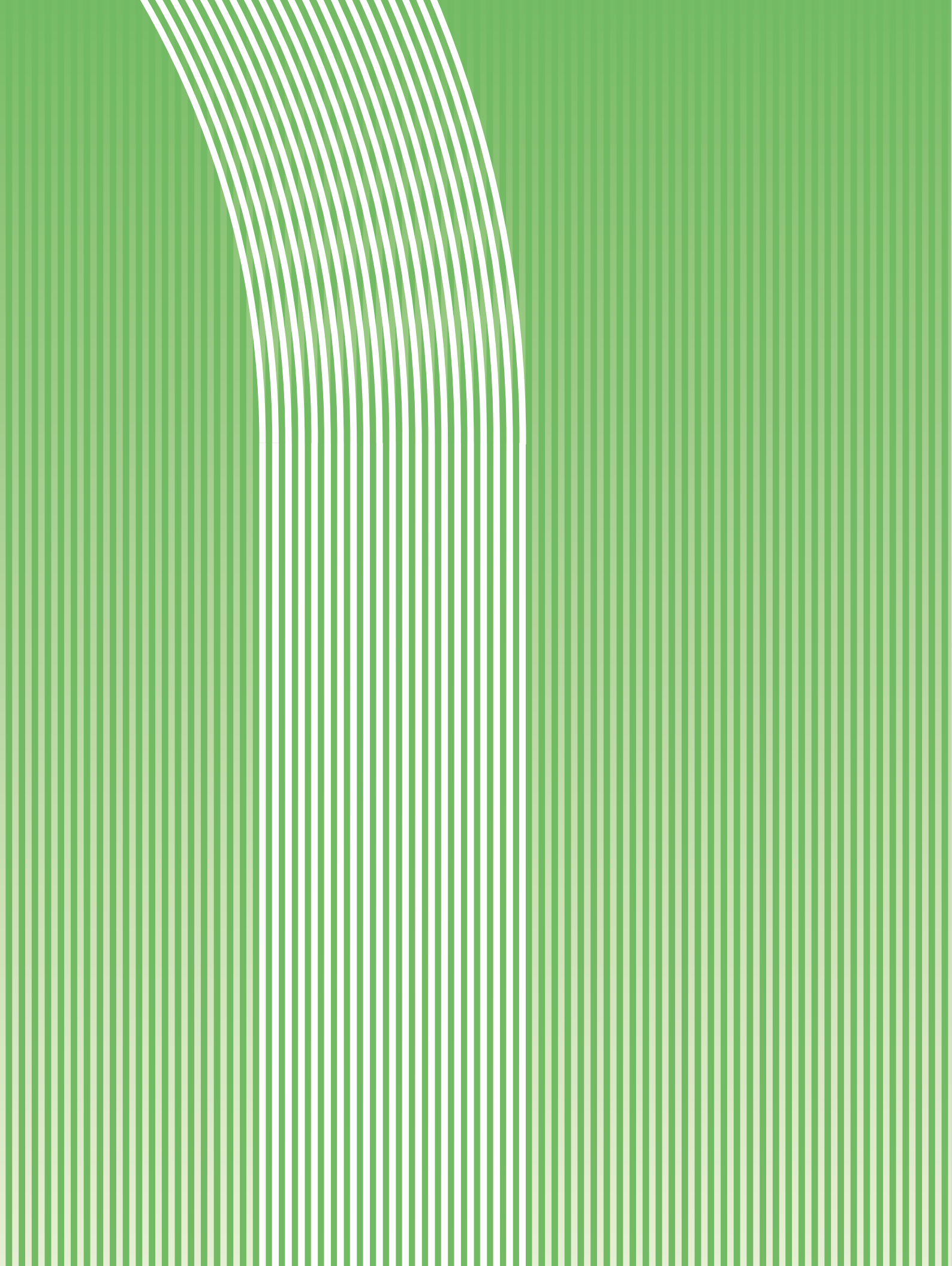
Human Rights Policy

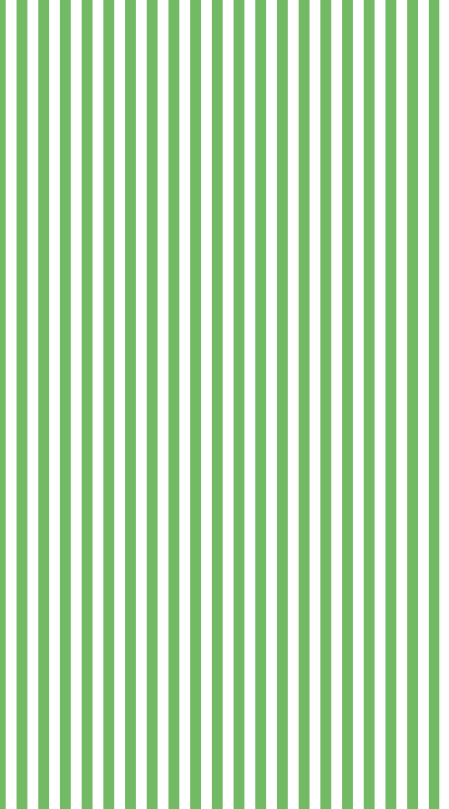
The Company approved its Human Rights Policy in 2013. It represents Enel Chile's commitment and responsibility towards this critical aspect of social and corporate sustainability. The document sets out the Company's commitment to all human rights, particularly those that affect corporations and the activities carried out by all Company employees in Chile.

Within this framework, the company performed a Human Rights diagnosis (Due Diligence) in Chile to identify situations at risk and prevent them. The results of the diagnosis were disclosed to the stakeholders. This process continues to be constantly monitored and specific plans are implemented to minimize related risks.

In 2018, the company implemented significant improvements to mitigate the risks detected through due diligences performed in the territories in which it has electricity assets.







20

Ownership share
table

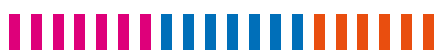


Direct and Indirect Ownership Shares

Company	Business	Ownership
Enel Generación Chile	Gx	93.55%
Pehuenche	Gx	92.65%
Aysén Energía	Gx	51.00%
Aysén Transmisión	Tx	51.00%
Enel Distribución Chile	Dx	99.09%
Transquillota	Tx	50.00%
GasAtacama Chile	Ox	100.00%
GNL Chile	Ox	33.33%
EE Colina	Dx	100.00%
Luz Andes	Dx	100.00%
Empresa de Transmisión Chena S.A.	Tx	100.00%
Cameros	Ox	57.50%
Gasoducto Atacama Argentina	Ox	100.00%
Enel Green Power Chile Ltda.*	Gx	99.99%
Empresa Eléctrica Panguipulli S.A.*	Gx	100.00%
Diego de Almagro Matriz SpA*	Gx	100.00%
Parque Eólico Tal Tal S.A.*	Gx	100.00%
Geotérmica del Norte S.A.*	Gx	84.59%
Empresa Nacional de Geotermia S.A.*	Gx	51.00%
Parque Eólico Valle de los Vientos S.A.*	Gx	99.99%
Parque Talinay Oriente S.A.*	Gx	61.37%
Almeyda Solar SpA*	Gx	100.00%
Enel Green Power del Sur SpA*	Gx	100.00%
Enel X Chile Spa	Ox	100.00%
Energía Marina	Ox	25.00%

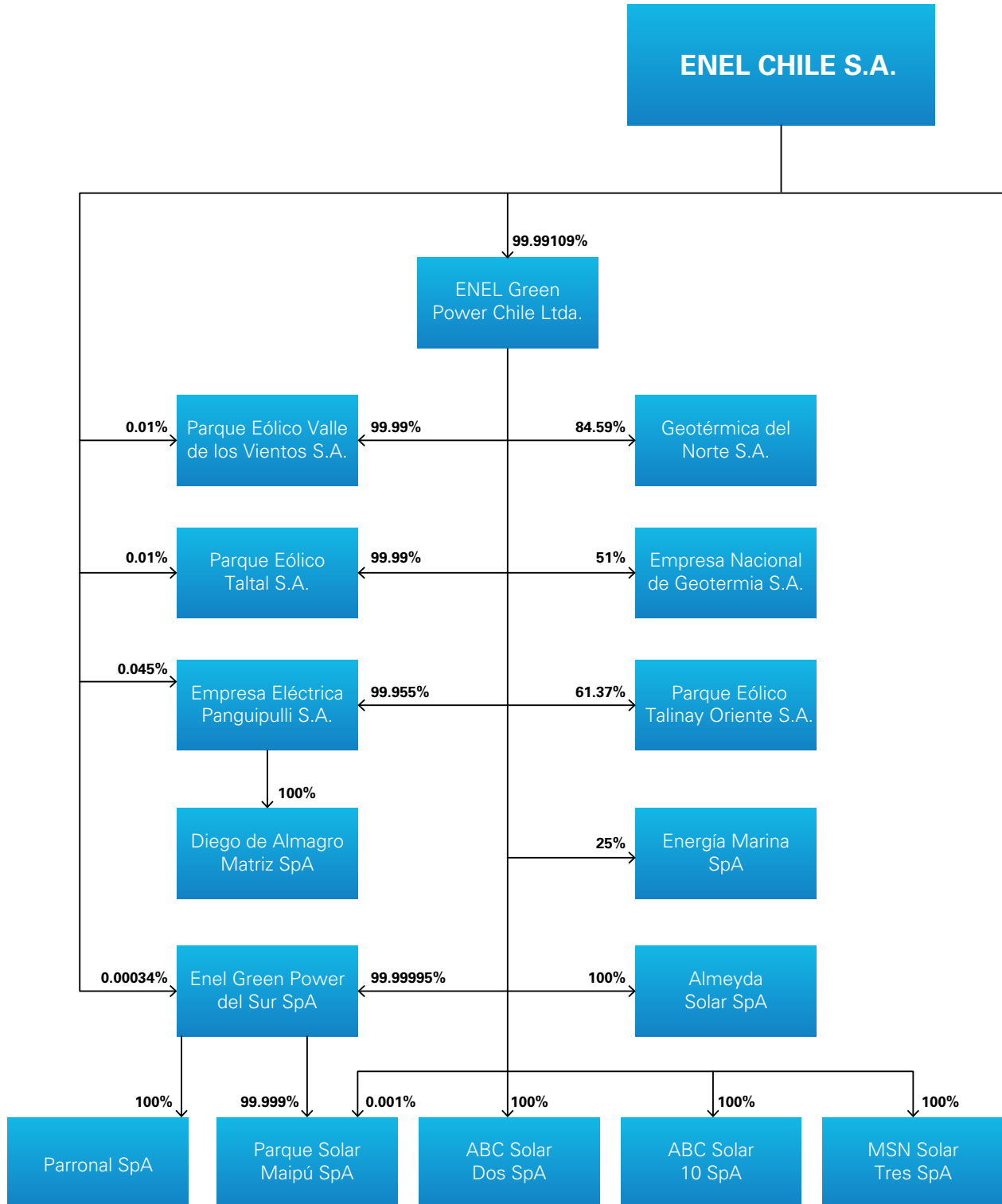
*shareholdings added to Enel Chile on April 2, 2018

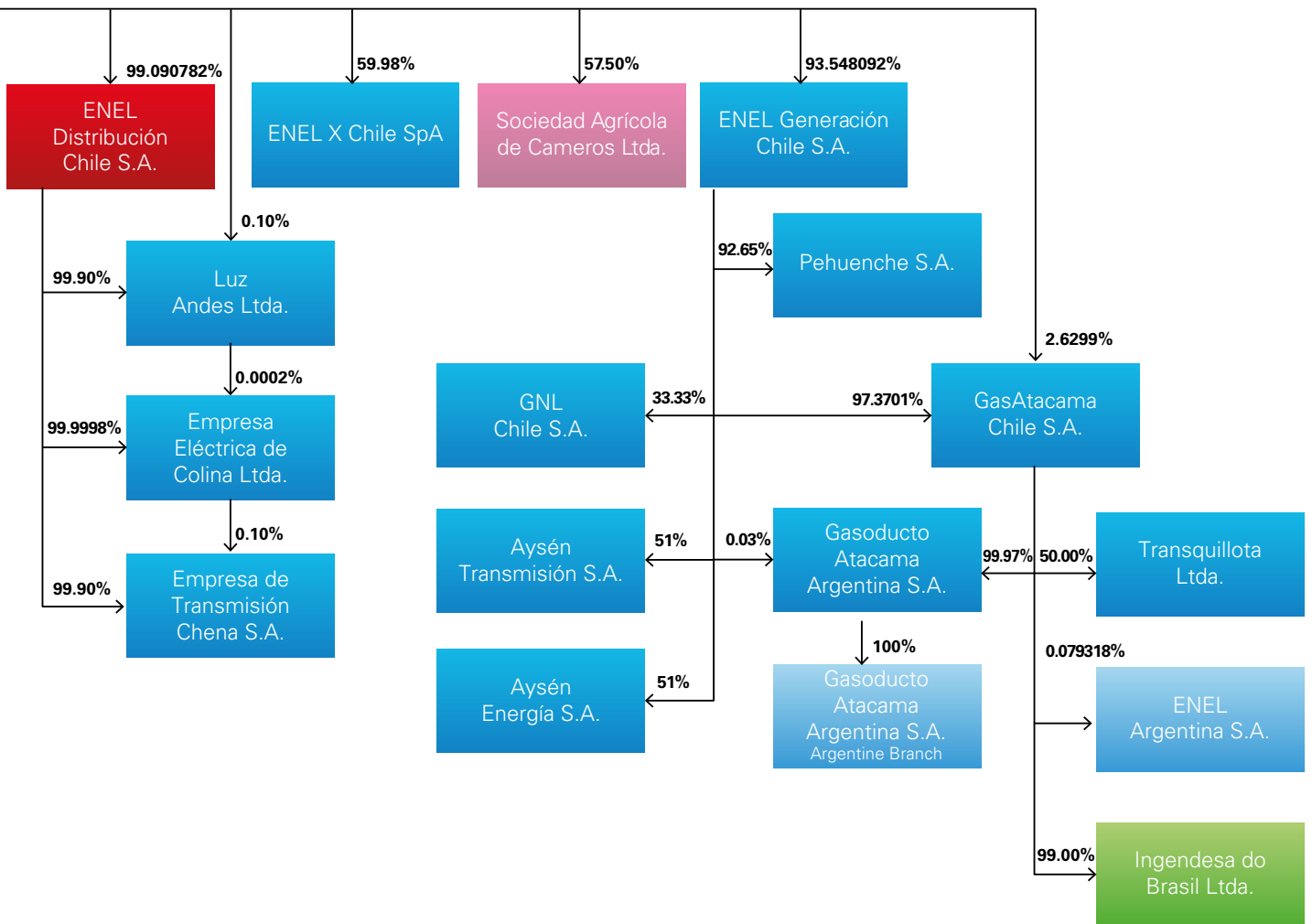
Gx: Generation
 Dx: Distribution
 Tx: Transmission/Commercialization
 Ox: Gas pipeline, others

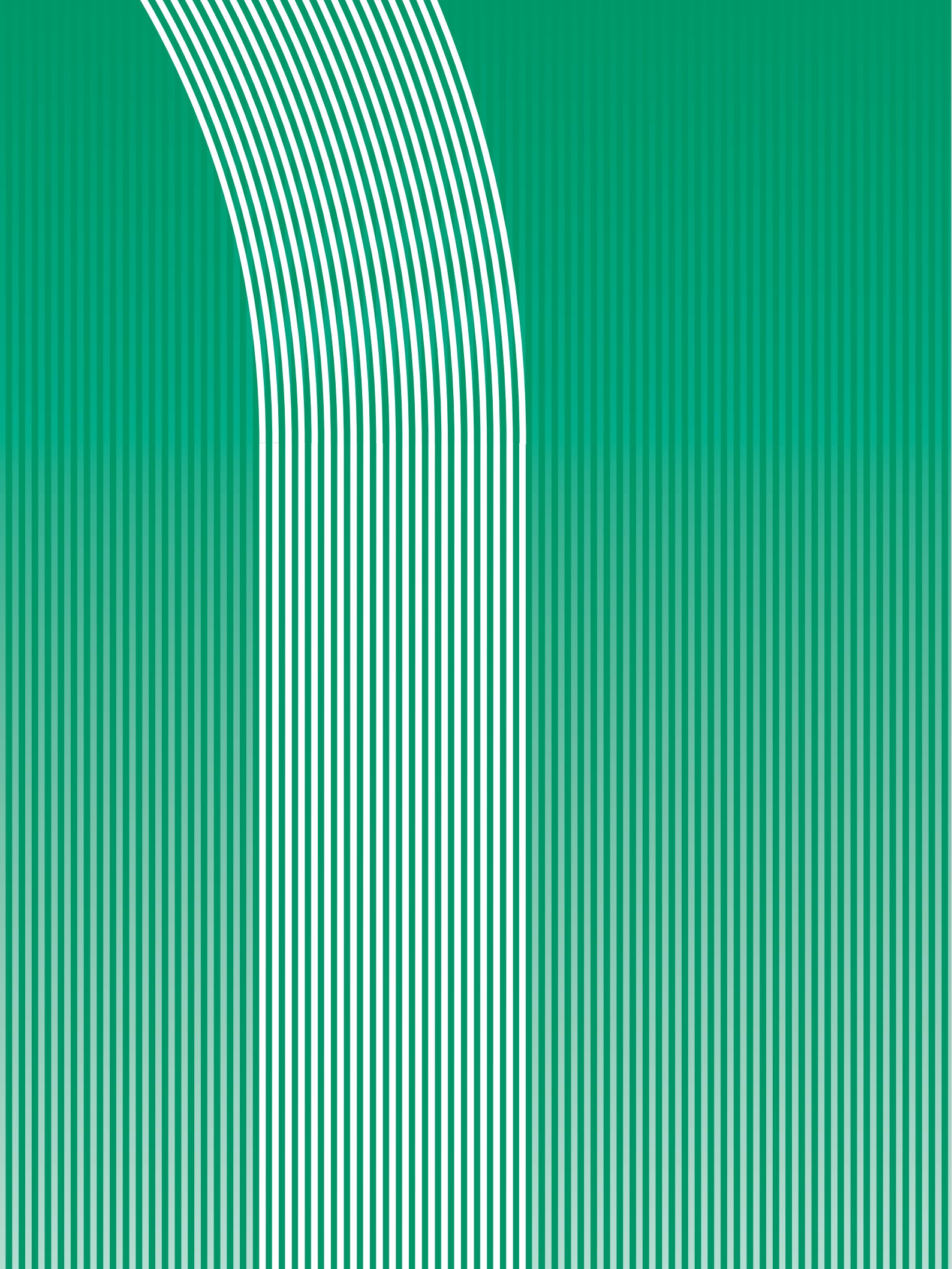


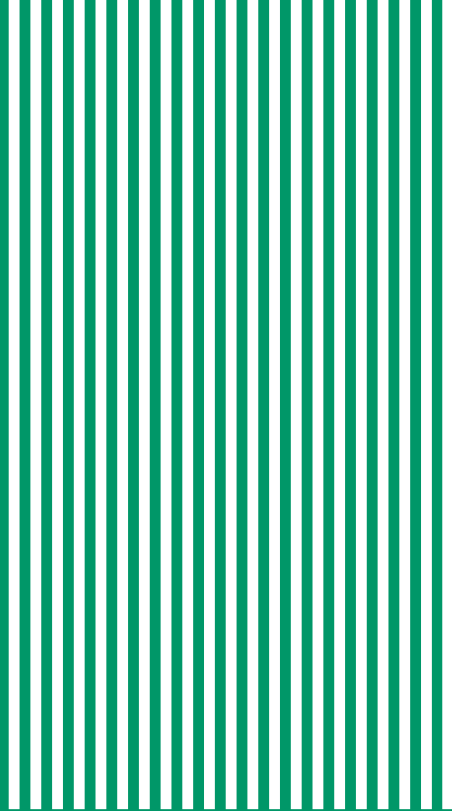


Organization structure









21

Company's
significant events



Consolidated Significant Events

In accordance with Articles 9 and 10, section 2, of the Securities Market Law 18,045 and as established under General Norm N° 30 of such Superintendence, the following significant events were informed:

Enel Chile S.A.

- On January 22, 2018, it was informed as a significant event that Enel Chile S.A. (hereafter "Enel Chile" or the "Company") on January 19, 2018, the legal period for dissenting shareholders to exercise their withdrawal rights arising from the merger agreement of Enel Green Power Latin America S.A. into the Company (the "Merger") approved at the Extraordinary Shareholders' Meeting held on December 20, 2017 (the "Meeting") has expired.

During such period and based on the information available as of this date, the shareholders that all together represent a total of 1,024,251,979 common shares of the Company, or 2.09% exercised their withdrawal rights. According to the relevant legal provisions and regulations and particularly Official Letter No 32,435 issued by the Financial Market Commission (former Superintendence of Securities and Insurance) dated November 7, 2017, the price of the shares of the shareholders that exercised their withdrawal rights will be paid by the Company as of the date the Merger is effective pursuant to the terms and conditions agreed upon by the Meeting. The Company will opportunistically inform on the aforementioned through a significant event.

Consequently, one of the conditions precedent to the Merger has been satisfied, i.e., that the Enel Chile shareholders that exercise their withdrawal rights do not represent more than 5% of the Company's com-

mon shares with voting rights, and that as a result of the exercise of such withdrawal rights, as of the date of expiration of the dissenting shareholders' withdrawal rights, no shareholder exceeds the 65% maximum shareholding concentration limit established by the Enel Chile bylaws. This percentage is to be calculated considering the number of shares in which will be divided the new equity of Enel Chile, to be approved as part of the Merger and the capital increase that is required to have sufficient shares to deliver to Enel Generación shareholders within the context of the Enel Generación Tender Offer.

- On February 8, 2018, it was informed as a significant event that, with regard to the Reorganization process approved by the extraordinary shareholders' agreement held on December 20, 2017 (the "Meeting"):

- The Company will commence the preemptive rights subscription period, both in Chile and in the United States of America, of the 10,000,000,000 new common shares issuance financed with the Ch\$8 20,000,000,000 capital increase approved by the Meeting on February 15, 2018. The notice of the preemptive rights to subscribe these shares, which sets the beginning of the preemptive rights subscription period will be published in the El Mercurio de Santiago newspaper on the previously mentioned date. Pursuant to the ESM's agreement and the terms and conditions of the Reorganization, the shares that remain available once the preemptive rights subscription period has ended will be allocated to the shareholders of Enel Generación Chile S.A. ("Enel Generación") that tender their shares in the Enel Generación Offer of Shares (the "Enel Generación TO"), if it is declared successful, as required by its terms and conditions.

The effectiveness of this Capital Increase is subject to the conditions precedent approved by the Meeting. In accordance with such approved conditions, the share subscription contract of the shareholders or third parties that decide to exercise their preemptive subscription rights during the preemptive rights subscription period will be conferred on the first business day of the month following the date in which the Company publishes the results notice declaring the Enel Generación PTO successful as determined by article 212 of the Securities Market Law. The subscribers must pay for their shares on the respective contract subscription date, the same date in which the subscription contracts become effective and the shares are delivered to the subscribers.

2. The Company will commence the Enel Generación PTO, both in Chile and in the United States of America, to purchase all Enel Generación shares that are not owned by Enel Chile and that represent 40.02% of all shares that represent the equity of Enel Generación. As stated by Law, the terms and conditions of the Enel Generación PTO will be detailed in the tender commencement notice and prospectus.

The Enel Generación PTO commencement notice will be published in two local newspapers, both on February 15, 2018. The Enel Generación PTO will be conducted for a 30-calendar day period to begin on February 16, 2018. Notwithstanding the above mentioned, the Company will extend this time frame in five calendar days, reaching a total 35 calendar day term, in accordance with the Securities Market Law 18,045, and finally conclude on March 22, 2018.

- On March 25, 2018, it was informed as a significant event that, with regard to the Reorganization process approved by the extraordinary shareholders' agreement held on December 20, 2017 (the "Meeting");:

1. In compliance with Article 212 of the Securities Market Law N° 18,045, Enel Chile published in "El Mercurio de Santiago" and "La Tercera" newspapers on March, 25 2018, the Notice informing on the outcome of its offer to purchase up to the total amount of shares issued by Enel Generación Chile S.A. ("Enel Generación") not already held by Enel Chile, that is, 3,282,265,786 shares issued by Enel Generación ("Enel Generación PTO") equivalent to 40.02% of such company's common stock, declaring that such offer has been successful according to its terms and conditions. A copy of the published notice is attached to this disclosure.

Pursuant to the Enel Generación PTO, Enel Chile has purchased, on its own behalf, 2,753,096,167 shares issued by Enel Generación (including the shares represented by American Depositary Shares ("ADS") purchased through a Public Tender Offer carried out in the United States of America), equivalent to 33.6% common shares issued by Enel Generación. As a result, Enel Chile has become the owner of a total 7,672,584,961 shares issued by Enel Generación (including the shares represented by the ADSs purchased), reaching a total 93.55% shareholding of Enel Generación's subscribed and paid in capital.

Therefore, Enel Chile declares having satisfied each and every one of the conditions of every stage of the Reorganization approved by the Meeting, and, thus, declares the capital increase of Enel Chile approved by the Meeting, not fulfilled, as a resolutive condition.

Consequently, every stage of the Reorganization will cause effect on each respective date stated below:

- (a) Merger: The merger by incorporation of Enel Green Power Latin America S.A ("Enel Green Power") by Enel Chile (the "Merger") will cause effect on Abril

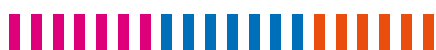




2, 2018, that is, the first working day of the month following Enel Chile's published Notice on the outcome, pursuant to Article 212 of the Securities Market law declaring the Enel Generación PTO a success. On that date, Enel Chile will acquire all assets and liabilities, capital and shareholders of Enel Green Power and will succeed it in all its rights and obligations resulting in its full dissolution.

- (b) Capital Increase of Enel Chile: The resolutive condition applicable to Enel Chile's capital increase approved by the Meeting with the purpose, among others, to issue sufficient shares to be delivered to the shareholders of Enel Generación as part of Enel Generación PTO if it were not successful. Based on the above mentioned, as of April 2, 2018, the shareholders or third parties that exercised their pre-emptive subscription rights during the pre-emptive rights period, which ended March 16, 2018, may grant the respective share subscription contract and proceed to pay for such subscribed shares.
- (c) Enel Generación PTO: Pursuant to Article 212 of the Securities Market Law N° 18,045, the date of the company's shareholder's acceptance of the Enel Generación PTO and the formalization of the shares sold as part of the Enel Generación PTO is the date of the Notice of the outcome of the PTO. However, the payment of the price of the Enel Generación PTO and the subscription of Enel Chile's common stock will be carried out on April 2, 2018, according to the terms and conditions described in the Enel Generación PTO prospect.
- (d) Amendment to Enel Generación Bylaws: The amendment to the Enel Generación bylaws approved by the company's Extraordinary Shareholder's Meeting held on December 20, 2017, became effective on March 25, 2018, date in which the Notice of the outcome as required by Article 212 of the Securities Market Law declares the Enel Generación PTO a success.
2. Finally, and in accordance with the Ordinary Office No. 32,435 issued by the Superintendency of Securities and Insurance, today the Financial Market Commission, dated November 7, 2017, the share price of the shareholders dissidents who exercised their right to withdraw of Enel Chile as a result of the approval of the Merger, will be paid by Enel Chile from the date on which the Merger is effective in accordance with the terms and conditions agreed at the Shareholders' Meeting, that is, since April 2, 2018 with their corresponding readjustments and interests.
- On March 28, 2018, it was informed as a significant event that on March 27 and 28, 2018, a group of Banks have disbursed, in favor of Enel Chile, Ch \$ 517,680,625,000 and US\$ 697,500,000, each respective date, in favor of Enel Chile, in accordance with a "Senior Unsecured Term Loan Credit Agreement", to finance the cash needs arising from the corporate reorganization transaction called "Project Elqui" known by the market.
 - At the Enel Chile's Ordinary Shareholders Meeting held April 25, 2018, the new Board of Directors of the Company was elected for a three-year period with the following individuals:
 - 1.- Mr. Herman Chadwick Piñera
 - 2.- Mr. Giulio Fasio
 - 3.- Mr. Salvatore Bernabei
 - 4.- Mr. Daniele Caprini
 - 5.- Mr. Fernán Gazmuri Plaza
 - 6.- Mr. Pablo Cabrera Gaete
 - 7.- Mr. Gerardo Jofré Miranda
 - At the Board meeting held April 25, 2018, the Board of Directors agreed to appoint Mr. Herman Chadwick Piñera as Chairman of the Board of Directors and Mr. Domingo Valdés Prieto as the Secretary of the Board of Directors.

- Also, at the aforementioned meeting, the Board of directors proceeded to appoint the Directors Committee, in accordance to the Corporations Law N° 18,046 and the Sarbanes Oxley Act, electing Fernán Gazmuri Plaza, Pablo Cabrera Gaete and Gerardo Jofré Miranda. In accordance with the provisions of Circular N° 1,956 of the Superintendence of Securities and Insurance, it was duly informed that the aforementioned members of the Directors Committee are independent directors.
 - The Board meeting appointed Mr. Fernán Gazmuri Plaza as the Financial Expert of Enel Chile's Directors' Committee and the Directors' Committee of the Company appointed Mr. Fernán Gazmuri Plaza as the Chairman and Mr. Domingo Valdés Prieto as Secretary of the Directors Committee.
 - At the ordinary shareholders meeting held April 25, 2018, it was agreed to distribute a minimum mandatory dividend (from which the interim dividend paid in January 2018 is deducted) and an additional dividend totalizing Ch\$192,160,453,281.
 - Given that the above-mentioned interim dividend has already been paid, the distribution and payment of the remnant of the final dividend shall amount to Ch\$155,025,509,218.
 - The extraordinary shareholders' meeting held May 14, 2018, informed having agreed to distribute the minimum mandatory dividend (from which the interim dividend paid in January 2018 is deducted) and an additional dividend totalizing Ch\$192,160,453,281. It was also said that given that the above-mentioned interim dividend has already been paid, the distribution and payment of the remnant of the final dividend shall amount to Ch\$155,025,509,218.
 - The supplementary information is that, after deducting the interim dividend paid in January 2018, the remaining definitive dividend that will be distributed and paid amounts to \$2.24134 per share, calculated based on the total of shares subscribed by midnight on May 12, 2018. As already informed, this dividend will be paid as of May 18, 2018.
 - The aforementioned, at the date of the referred Significant Event, were still pending the subscription and payment of certain shares corresponding to shareholders or third parties who decided to exercise their preemptive subscription rights during the 30 day preemptive subscription period from February 15, 2018 to March 16, 2018; and there were some shareholders who, despite having exercised their withdrawal right, to that date, had not claimed the corresponding price.
 - On June 7, 2018, in accordance with articles 9 and 10, paragraph 2, under the Securities Market Law N°18,045, duly authorized, I hereby inform you of the following significant event, that today, June 07, 2018, Enel Chile S.A. has issued bonds pursuant to the Form F-3 Registration Statement of the Securities Act of 1933 of the United States of America, submitted to the U.S. Securities and Exchange Commission on May 30, 2018. The above-mentioned bond issuance is described in the form referred to in circular letter 1,072 of this Financial Market Commission, which is attached to this letter.
 - On September 27, 2018, in accordance with articles 9 and 10, second subparagraph, of the Securities Market Law N° 18,045, and duly authorized, I hereby inform as a significant event that in the ordinary session of the Board of Directors held today, the Chief Executive Officer of the Company, Mr. Nicola Cotugno, has submitted his resignation. He will remain in his position until September 30, 2018, and then will take on new tasks within the Enel Group.
- In addition, in the same Board meeting of Enel Chile S.A. Board of Directors appointed Mr. Paolo Pallotti as the new Chief Executive Officer of the Company and will assume this position as of October 1, 2018.
- On November 29, 2018, in accordance with articles 9 and 10, second subparagraph, of the Securities Market Law N° 18,045, and as established under General Norm N°30 of the Financial Market Commission, and duly authorized, I hereby inform as a significant event that the Board of Directors of Enel Chile in its session held today, has approved the Strategic Plan of the Company for the 2019-2021 period.



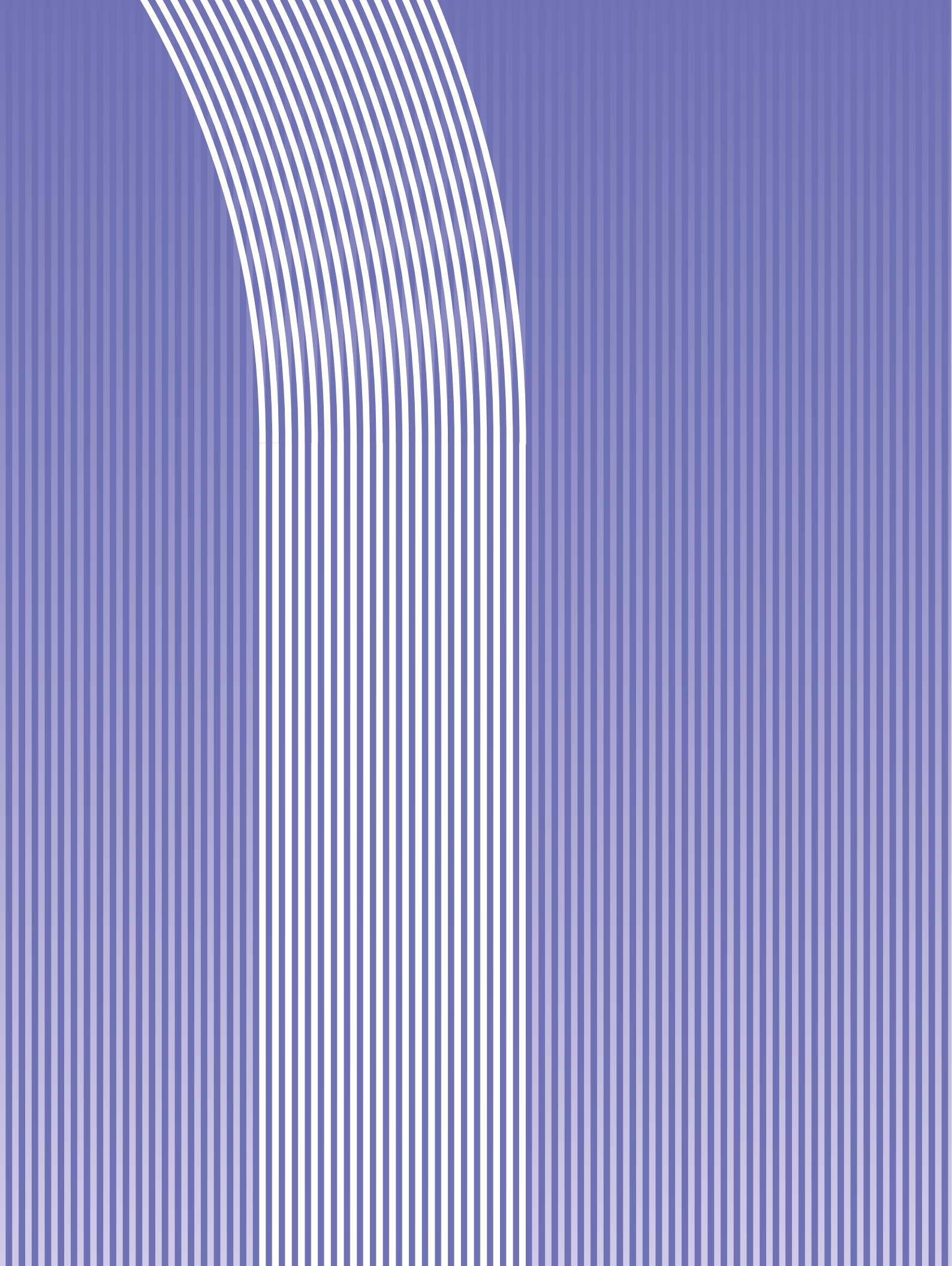


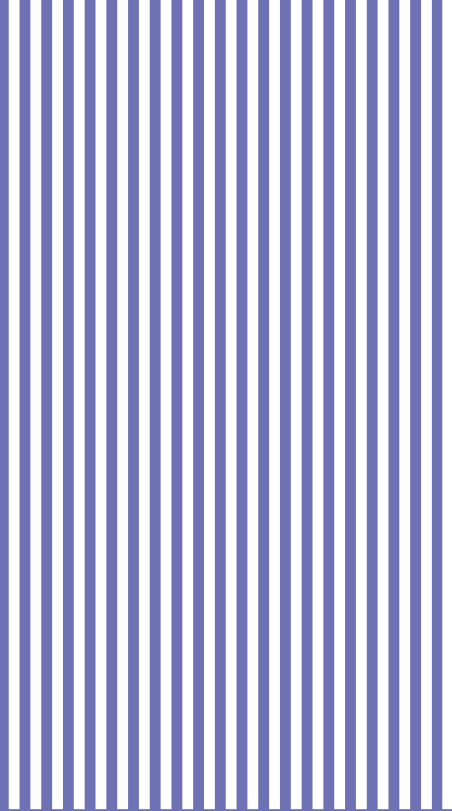
- The macro elements included in the Strategic Plan for the three-year period 2019-2021 have an estimated accumulated EBITDA of US\$ 5,370 million and an estimated accumulated CAPEX of US\$ 2,200 million.
- Considering that the contents of the referred Strategic Plan follows and is based on projections and hypotheses that might or might not come true in the future, its effects cannot be established at this date.
- On November 29, 2018, in accordance with articles 9 and 10, second subparagraph, of the Securities Market Law N° 18,045, and as established under General Norm N°30 of the Financial Market Commission,

and duly authorized, I hereby inform as a significant event that Enel Chile S.A. (hereafter "Enel Chile" or the "Company"), in the ordinary session held today the board of directors unanimously agreed the distribution of an interim dividend of Ch\$ 0.4523627013 per share attributable to the 2018 fiscal year to be paid January 25, 2019, equivalent to 15% of Enel Chile's net income as of September 30, 2018, based on the Company's Financial Statements at such date.

As set forth in the Commission's Circular Letter No 660 of 1986, we sent you Form No 1 that provides information regarding the interim dividend.







22

Identification
of subsidiaries
and associate
companies



AGRÍCOLA DE CAMEROS

Name
Sociedad Agrícola de Cameros Limitada

Type of Company
Limited Liability Company

Taxpayer ID
77,047,280-6

Address
Camino Polpaico a Til-Til, S/N Til-Til, Chile

Telephone
(56 2) 2378 4700

Subscribed and Paid Capital (ThCh\$)
5,738,046

Corporate Purpose
The purpose of the company is the exploitation of agricultural land.

Core Business
Real estate and agriculture

Directors
Hugo Alvarez de Araya Sanhueza
Ingrid Morales Ávila
Manuel Larraín García
María Cristina Auad Faccuse
Cristián Guadi Imbarack Dagach

Alternate Directors
Fernando Morey Sampaio
Solange Zincke Cavalieri
Jose Hernández Flores
Jorge Geldres Reyes
Andrés Garib Auad

Senior Executives
Hugo Alvarez de Araya Sanhueza
Chief Executive Officer

Business Relations
Service contract provided by Enel Chile: Provision of internal audit and compliance control services. Price: expressed in UF per hour that Enel Chile's staff assigns to the contracted services.

ENEL DISTRIBUCIÓN CHILE S.A.

Name
Enel Distribución Chile S.A.

Type of Company
Publicly held Limited Liability Stock Corporation

Taxpayer ID
96,800,570-7

Address
76 Santa Rosa St., 8th floor
Santiago, Chile

Telephone
(56 2) 2675 2000

Subscribed and Paid Capital (ThCh\$)
230,137,980

Corporate Purpose
Distribution and sale of electricity, either hydraulic, thermal or any other source of electricity in Chile, as well as the distribution, transportation, and sale of fuels of any kind, and supplying this energy or fuel directly or through other companies to as many customers as possible.

Core Business
Electricity distribution.

Board of Directors
Rodolfo Avogadro Di Vigliano (Chairman)
Monica Hodor
Alessandra Billia
Hernán Felipe Errázuriz Correa

Senior Executives
Ramon Castañeda Ponce
Chief Executive Officer
Simone Tripepi
Andrés González Cerruti
Daniel Gómez Sagner
Horacio Aránguiz Pinto
Victor Tavera
Yanett Henríquez Zamora
Rodrigo Vargas Gómez

Business Relations
(I) Service contract provided by Enel Chile: Comprehensive procurement service; Materials purchasing; Contracting of works, services and consultancies, Reception. Storage and supply of recurrent and non-recurrent materials, sales agent. Price: Mark-up over average price of consumed materials. (ii) Service contract provided by Enel Chile: Financial management, management and corporative services. Price: monthly amount fixed in UF. (iii) Trade accounts receivable (iv) Administration services provided by Enel Chile. Price: monthly amount fixed in UF.

ENEL GENERACIÓN CHILE

Name
Enel Generación Chile S.A.

Type of Company
Publicly held Limited Liability Stock Corporation

Taxpayer ID
91,081,000-6

Address
76 Santa Rosa St.
Santiago, Chile

Telephone N°
(56 2) 2630 9000

Subscribed and Paid Capital (ThCh\$)
552,777,321

Corporate Purpose
Generation and supply of electricity; provision of engineering and consulting services; and construction and exploitation of infrastructure projects in Chile and abroad.

Core Business
Electricity Generation

Board of Directors
Giuseppe Conti (Chairman)
Francesco Giorgianni
Hernan Cheyre Valenzuela
Frabrizio Barderi
Julio Pellegrini Vial
Antonio Scala
Cristiano Bussi
Luca Noviello

Senior Executives
Valter Moro
Chief Executive Officer
Raúl Arteaga Errázuriz
Luis Ignacio Quiñones Sotomayor
Bernardo Canales Fuenzalida
Humberto Espejo Paluz
Claudio Helfmann Soto
Luis Vergara Adamides
Michele Siciliano
Claudio Órdenes Tirado
Juan Alejandro Candia
Carlo Carvallo Artigas

Business Relations
(i) Service contract provided by Enel Chile: Procurement services; Materials Purchasing; Contracting of works, services and consultancies. Price: Directly proportional to costs associated to staff and to operating and maintenance expenses. Every year, the amount for next annual period is determined, introducing the proper improvements and efficiencies. (ii) Service contract provided by Enel Chile: Money desk and treasury services. Price: Monthly amount expressed in UF. (iii) Service contract provided by Enel Chile: Accounting services. Price: Monthly amount expressed in UF. (iv) Service contract provided by Enel Chile: Internal audit and compliance control services. Price: UF amount per hour that Enel Chile staff dedicates to contracted services. (v) Trade accounts receivable (vi) Administration services provided by Enel Chile.

CHENA

Name
Empresa de Transmisión Chena S.A

Type of Company
Privately held corporation

Taxpayer ID
76,722,488-5

Address
76 Santa Rosa St. 8th floor
Santiago, Chile

Telephone N°
(562) 2353 4698

Subscribed and Paid Capital (ThCh\$)
250,429

Corporate Purpose
Electricity transmission

Core Business
Electricity transmission

Board of Directors
Ramon Castañeda Ponce
Daniel Gómez Sagner
Francisco Messen Rebolledo

Senior Executives
Victor Hugo Balbontin Artus
Chief Executive Officer

Business Relations
(i) Network planning service contract provided by Enel Distribución Chile: supervision and remote operation, supervision, and coordination of connections and disconnections, planning and control of maintenance program, local operations, maintenance and emergency service, network planning, operations of facilities. Price: monthly amount fixed in UF.
(ii) legal counsel service contract provided by Enel Distribución Chile: topo management, legal services, and secretary to the board. Price: Monthly amount fixed in Chilean pesos.

GASATACAMA CHILE

Name
GasAtacama Chile S.A.

Type of Company
Privately held corporation

Taxpayer ID
78,932,860-9

Address
76 Santa Rosa St., Santiago, Chile

Corporate Purpose
The company has the following purpose:
a) develop the generation, transmission, purchase, distribution and commercialization of electricity or energy of any other source; b) purchase, extract, operate, process, distribute, commercialize and sell solid, liquid and gas fuels; c) sell and provide engineering services; d) acquire, purchase, transfer, lease, charge and develop, in any form, the concessions referred to in the Electricity Law, maritime concessions and water rights of any nature; e) transport natural gas, by itself or jointly with third parties in Chile or abroad, including the construction, location, and operation of gas pipelines and other activities directly or indirectly related to such operations; f) catchment, extraction, treatment, desalination, transportation, distribution, commercialization, delivery and supply of seawater, in all its forms, including natural, drinking, desalinated or treated in any way, either by itself or through a third party; g) invest in all types of assets, tangible or intangible, movable or fixed; h) organize and create all kinds of companies whose objectives are related or linked to the energy industry in any form, or that use electricity as the main input, or that relate to any of the aforementioned activities. To achieve its purpose, the company may carry out all acts and enter into all contracts that contribute to its business activities, including the purchase, sale, acquisition or disposal, on any account, of all kinds of assets, tangible or intangible, movable or fixed and may enter into whatever kind of existing companies or join in their formation.

Core Business
Electricity generation and gas transportation

Subscribed and Paid Capital (ThCh\$)
482,511,131

Directors
Raúl Arteaga Errázuriz (Chairman)
Sergio Ávila Arancibia
Carlo Cavallo
Pablo Arnés Poggi
Humberto Espejo Paluz

Senior Executives
Valter Moro
Chief Executive Officer

Business Relations with Enel Chile S.A.
Communications, human resource management, and capital management service contract provided by Enel Chile S.A. Price: monthly amount expressed in UF.

GASODUCTO ATACAMA ARGENTINA

Name
Gasoducto Atacama Argentina S.A.

Type of Company
Privately held corporation

Taxpayer ID
78,952,420-3

Address
76 Santa Rosa St, Santiago, Chile

Corporate Purpose
The transportation of natural gas, either by itself, through or jointly with a third party, in the Chile or abroad, including the construction, location and operation of gas pipelines and other operations directly or indirectly related to this objective. The company has incorporated an agency in Argentina under the name of Gasoducto Cuenca Noroeste Limitada Sucursal Argentina whose purpose is the construction of a gas pipeline between Cornejo, a town in the province of Salta and the Argentina-Chile border in the vicinity of Paso de Jama in Chile's Second Region.

Core Business
Gas transportation

Subscribed and Paid Capital (ThCh\$)
126,309,044

Directors
Raúl Arteaga Errázuriz
Pablo Arnes Poggi
Alex Diaz Sanzana

Senior Executives
Valter Moro
Chief Executive Officer

Business Relations with Enel Chile S.A.
The company has no business relationships with Enel Chile.

GNL CHILE

Name
GNL Chile S.A.

Type of Company
Privately held corporation

Taxpayer ID
76,418,940-K

Address
532 Rosario Norte St. office 1303, Las Condes,
Santiago, Chile

Telephone
(562) 2892 8000

Subscribed and Paid Capital (ThCh\$)
1,860,332





Corporate Purpose

The purpose of the company is: a) contract the services of GNL Quintero S.A., a liquefied natural gas ("LNG") regasification company, and utilize its entire natural gas storage, processing, regasification, and delivery capacity and LNG available at its regasification terminal, including its expansions, if any, and any other matter stipulated in the contracts the company might sign for the use of the regasification terminal; b) import LNG from suppliers, as determined by LNG purchase contracts; c) sell and deliver natural gas and LNG, as determined by the natural gas and LNG sales contracts signed by the company with its customers; d) manage and coordinate the schedules and nominations of LNG shipments, as well as the delivery of natural gas and LNG among various customers; and e) fulfill all its obligations and demand the enforcement of all its rights under the previously identified contracts, coordinate all operations under these contracts and, in general, carry out any type of act or enter into any contract that might be necessary, useful or convenient in order to accomplish its purpose.

Core Business

Import and commercialization of natural gas

Directors

Juan Oliva Vásquez
Yasna Ross Romero
Luis Arancibia Yametti

Senior Executives

Alejandro Palma Rioseco
Chief Executive Officer

Business Relations

The company has no business relationships with Enel Chile.

PEHUENCHÉ

Name

Empresa Eléctrica Pehuenche S.A.

Type of Company

Publicly held Limited Liability Stock Corporation, registered in the SVS Corporations Registry under number 293.

Taxpayer ID

96,504,980-0

Address

76 Santa Rosa St., Santiago, Chile

Corporate Purpose

Generate, transport, distribute and supply electricity, and acquire and benefit from the respective concessions.

Core Business

Electricity generation

Subscribed and Paid Capital (ThCh\$)

175,774,920

Board of Directors

Raúl Arteaga Errázuriz
Luis Ignacio Quiñones Sotomayor
Paula Riveros Pérez
Fernando Vallejos Reyes
Juan Candia Narvaez

Senior Executives

Carlo Carvallo Artigas
Chief Executive Officer
Claudio Toledo Freitas
Vicente Villaseca Villalobos

Business Relations

Communications, human resource management, and capital management service contract provided by Enel Chile S.A. Price: monthly amount expressed in UF.

TRANQUILLOTA

Name

Transmisora Eléctrica de Quillota Ltda.

Type of Company

Limited liability Company

Taxpayer ID

77,017,930-0

Address

Route 60, km 25, Lo Venecia, Quillota, V Region of Valparaíso, Chile

Corporate Purpose

Transportation, distribution, and supply of electricity, either by itself or through a third party.

Core Business

Electricity transmission

Subscribed and Paid Capital (ThCh\$)

4,404,446

Representatives

Pedro de la Sotta Sánchez (Enel)
Joint Manager (Technical Support Chile)
Santiago Bradford Vicuña (Colbún)
Joint Manager
Goran Nanik(Colbún)
Joint Manager

Business Relations with Enel Chile S.A.

The company has no commercial relations with Enel Chile.

LUZ ANDES

Name

Luz Andes Limitada

Type of Company

Limited Liability Company

Taxpayer ID

96,800,460-3

Address

76 Santa Rosa St.
Santiago, Chile

Telephone N°

(56 2) 2634 6310

Subscribed and Paid Capital (ThCh\$)

1,224

Corporate Purpose

Distribution and sale of electricity, and sale of household, sports, entertainment and computer appliances.

Core Business

Electricity distribution

Joint Administration

Claudio Inzunza Díaz
Rodrigo Vicente Arévalo Cid

Senior Executives

Claudio Inzunza Díaz
Chief Executive Officer

Business Relations

(i) Service contract provided by Enel Chile: Comprehensive procurement services, materials purchasing, contracting works, services and consultancies, reception, storage and supply of recurrent and non-recurrent materials, sales agent. Price: Mark-up over average price of consumed materials. (ii) Service contract provided by Enel Chile: Internal audit and compliance control services. Price: UF amount per hour that Enel Chile' staff dedicates to contracted services. (iii) Administration service contract provided by Enel Chile.

EMPRESA ELÉCTRICA DE COLINA

Name

Empresa Eléctrica de Colina Ltda.

Type of Company

Limited Liability Company

Taxpayer ID

96,783,910-8

Address

31 Chacabuco St., Colina
Santiago, Chile

Telephone

(56 2) 2844 4280

Subscribed and Paid Capital (ThCh\$)

82,222

Corporate Purpose

Distribution and sale of electricity, and sale of household, sports, entertainment and computer appliances.

Core Business

Electricity distribution

Joint Administration

Francisco Javier Evans Miranda
Rodrigo Vicente Arévalo Cid

Senior Executives

Francisco Javier Evans Miranda
Chief Executive Officer

Business Relations

(i) Service contract provided by Enel Chile: Comprehensive procurement services, materials purchasing, contracting works, services and consultancies, reception, storage and supply of recurrent and non-recurrent materials, sales agent. Price: Mark-up over average price of consumed materials. (ii) Service contract provided by Enel Chile: Internal audit and compliance control services. Price: UF amount per hour that Enel Chile' staff dedicates to contracted services. (iii) Administration service contract provided by Enel Chile. Price: Monthly amount expressed in UF.

ENEL GREEN POWER CHILE LTDA.**Name**

Enel Green Power Chile Ltda.

Type of Company

Limited Liability Company

Taxpayer ID

96,920,110-0

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

842,086,413.75

Corporate Purpose

Investment in all types of assets related to electricity generation, transmission, and distribution as well as the installation, operation, exploitation and administration of such assets.

Core Business

Investment in electricity generation and transmission assets.

Administration

The bylaws include a Board of Directors

Board of Directors

Ali Shakhtur Said (Chairman)
Antonio Scala
James Lee Stancampiano

Alternate Directors

Adrien Coudurier
José Manuel Astudillo Sepúlveda
Francesco Tutoli

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A services contract with Energia y Servicios South America SpA for legal services, commercial services, management, purchases, business innovation and development.
3. A master services agreement with Enel Generación Chile S.A. governing the engineering services among both companies related to electricity generation and transmission projects.
4. Electricity supply contracts with Enel Generación Chile S.A.
5. A contract to govern the different types of guarantees granted by Enel Chile S.A. to Enel Green Power Chile (comfort letters, corporate guarantees and bank guarantees).
6. A general services contract with Enel Chile S.A. to provide EGP Chile security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
7. A services contract with Enel Generación Chile S.A. to provide EGP Chile management support services, regulatory analysis services, and energy management services. Enel Green Power Chile also provides business development services and operating and maintenance services of Canela wind farm to Enel Generación Chile S.A.
8. A trade account management contract with Geotérmica del Norte S.A.

ALMEYDA SOLAR SPA**Name**

Almeyda Solar SpA.

Type of Company

Joint Stock Company

Taxpayer ID

76,321,458-3

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

3,500.000

Corporate Purpose

Generation, distribution and commercialization

of solar energy or any other non-conventional renewable energy source.

Core Business

Photovoltaic solar energy generation.

Administration

Performed by Board of directors, as stated by bylaws.

Board of Directors

Ali Shakhtur Said (Chairman)
Roberto Alhucema
Juan Candia Narváez

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide EGP Chile management support services, regulatory analysis services, and energy management services.
5. A contract for technical support provided by Enel Green Power SpA.

ENEL GREEN POWER DEL SUR SPA**Name**

Enel Green Power del Sur SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,412,562-2

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

353,605,313

Corporate Purpose

Generation, distribution and commercialization of wind energy or any other non-conventional renewable energy source.

Core Business

NCRE powered electricity generation.





Administration

The bylaws include a Board of Directors

Board of Directors

Ali Shakhtur Said (Chairman)
James Lee Stancampiano
Osvaldo Fariás Luke

Alternate Directors

José Manuel Astudillo Sepúlveda
Juan Candia Narváez
Adrien Coudurier

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide EGP Chile management support services, regulatory analysis services, and energy management services.
5. A contract for technical support provided by Enel Green Power SpA.

EMPRESA ELECTRICA PANGUIPULLI S.A.

Name

Empresa Eléctrica Panguipulli S.A.

Type of Company

Privately held corporation

Taxpayer ID

76,412,562-2

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

48,038,707.05

Corporate Purpose

Generation, supply, and distribution of electricity; investment in electricity generation and distribution companies and also the purchase and sale, commercialization, import and export of all types of products, machinery and raw materials.

Core Business

Electricity generation and distribution and investment in generation

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Ali Shakhtur Said (Chairman)
James Lee Stancampiano
Jaime Toledo

Alternate Directors

José Manuel Astudillo Sepúlveda
Juan Candia Narváez
Adrien Coudurier

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide EGP Chile management support services, regulatory analysis services, energy management services and operation and maintenance of the company's Pullinque and Pilmaiquén power plants.
5. A contract for technical support provided by Enel Green Power SpA.

EMPRESA NACIONAL DE GEOTERMIA S.A.

Name

Empresa Nacional de Geotermia S.A.

Type of Company

Privately held corporation

Taxpayer ID

99,577,350-3

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

23,268,985.7

Corporate Purpose

Research and exploration of geothermal generation by performing studies,

measurements, and other research projects to identify geothermal resources.

Core Business

Exploration of geothermal resources.

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Walter Moro
Ali Shakhtur Said
Rodrigo Lobos Roldán
Carlos Alberto Reyes Comandari

Alternate Directors

Liliana Schnaidt Hagedorn
Francesco Tutoli
Gonzalo Paredes Saieg

Senior Executives

Guido Cappetti
Chief Executive Officer

Business Relations

A contract with Enel Green Power Ltda. for financial and accounting services.

GEOTERMICA DEL NORTE S.A.

Name

Geotérmica del Norte S.A.

Type of Company

Privately held corporation

Taxpayer ID

96,971,330-6

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

488,236,221.33

Corporate Purpose

Research and exploration of geothermal resources; commercialization of all products, byproducts and raw materials that derive from geothermal exploration and the generation, transmission, distribution and commercialization of any type of electricity.

Core Business

Generation, distribution and commercialization of geothermal electricity.

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Walter Moro (Chairman)
Ali Shakhtur Said
Pedro Echeverría Faz
Giuseppe Di Bello

Alternate Directors

Liliana Schnaidt Hagedorn
 Francesco Tutoli
 Jorge Leal Saldivia
 Adrien Coudirier

Senior Executives

Guido Cappetti
 Chief Executive Officer

Business Relations

1. A contract with Enel Green Power Chile Ltda. to provide the company engineering services, technical inspection of construction works, contract management, purchases, public relations, sustainability, safety and environment, IT services, accounting, finance, tax, legal services and other management services related to administration.
2. A contract with Enel Green Power Chile Ltda. for trade accounts management.

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services.
5. A contract for technical support provided by Enel Green Power SpA.

Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services.
5. A contract for technical support provided by Enel Green Power SpA.

PARQUE EOLICO TALTAL S.A.**Name**

Parque Eólico Taltal S.A.

Type of Company

Privately held corporation

Taxpayer ID

76,179,024-2

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

8,199,805

Corporate Purpose

Construction, operation, and maintenance of wind farm generation projects.

Core Business

Wind power generation

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Ali Shakhtur Said (Presidente)
 James Lee Stancampiano
 Osvaldo Farías Luke

Alternate Directors

José Manuel Astudillo Sepúlveda
 Juan Candia Narváez
 Adrien Coudirier

Senior Executives

Walter Moro
 Chief Executive Officer

PARQUE EOLICO VALLE DE LOS VIENTOS S.A.**Name**

Parque Eólico Valle de los Vientos S.A.

Type of Company

Privately held corporation

Taxpayer ID

76,052,206-6

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

1,157,022.84

Corporate Purpose

Generation, distribution, and commercialization of wind power or any other source of non-conventional renewable energy.

Core Business

Wind power generation

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Ali Shakhtur Said (President)
 James Lee Stancampiano
 Osvaldo Farías Luke

Alternate Directors

José Manuel Astudillo Sepúlveda
 Juan Candia Narváez
 Adrien Coudirier

Senior Executives

Walter Moro
 Chief Executive Officer

PARQUE TALINAY ORIENTE S.A.**Name**

Parque Talinay Oriente S.A.

Type of Company

Privately held corporation

Taxpayer ID

76,126,507-5

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (US\$)

140,502,351.12

Corporate Purpose

Planning, development and exploitation of wind power projects.

Core Business

Wind power generation.

Administration

Performed by a Board of Directors, as stated by the Corporations Law.

Board of Directors

Ali Shakhtur Said (Chairperson)
 James Lee Stancampiano
 Osvaldo Farías Luke

Alternate Directors

José Manuel Astudillo Sepúlveda
 Juan Candia Narváez
 Adrien Coudirier

Senior Executives

Walter Moro
 Chief Executive Officer





Business Relations

1. A contract with Enel Chile S.A. for treasury or trade accounts management. The transactions among both companies is subject to an interest rate set at market conditions.
2. A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).
3. A general services contract with Enel Chile S.A. to provide the company security, general services, human resource, organizational services, auditing, finance, communications, legal, sustainability and other services related to administration.
4. A services contract with Enel Generación Chile S.A. to provide the company management support services, regulatory analysis services, and energy management services.
5. A contract for technical support provided by Enel Green Power SpA.

DIEGO DE ALMAGRO MATRIZ SPA

Name

Diego de Almagro Matriz SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,306,985-0

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

5,000,000

Corporate Purpose

Construction, exploitation, operation and maintenance of the Diego de Almagro Solar photovoltaic solar electricity generation and transmission project.

Core Business

Operation of solar power plants.

Administration

Performed by Empresa Eléctrica Panguipulli S.A. as the only administrator according to provisions of the company bylaws

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

A contract to govern the different types of guarantees granted by Enel Chile S.A. to the company (comfort letters, corporate guarantees and bank guarantees).

ABC SOLAR 2 SPA

Name

ABC Solar 2 SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,336,638-3

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

1,000,000

Corporate Purpose

Research, development, construction, operation and maintenance of renewable energy electricity generation facilities.

Core Business

Development of renewable electricity generation projects.

Administration

Performed by a Board of Director as established by the company bylaws.

Directors

Anna Paola Minervini (Chairperson)
Valter Moro
Sergio Guerra Rojas

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

The company has no commercial relationship with Enel Chile.

ABC SOLAR 10 SPA

Name

ABC Solar 10 SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,336,669-3

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

1,000,000

Corporate Purpose

Research, development, construction, operation and maintenance of renewable energy electricity generation facilities.

Core Business

Development of renewable electricity generation projects.

Administration

Performed by a Board of Director as established by the company bylaws.

Directors

Anna Paola Minervini (Chairperson)
Valter Moro
Sergio Guerra Rojas

Senior Executives

Valter Moro
Chief Executive Officer

Business Relations

The company has no commercial relationship with Enel Chile.

MSN SOLAR TRES SPA

Name

MNS Solar Tres SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,349,123-4

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

1,000,000

Corporate Purpose

Research, development, construction, operation and maintenance of renewable energy electricity generation facilities.

Core Business

Development of renewable electricity generation projects.

Administration

Performed by a Board of Director as established by the company bylaws.

Directors

Anna Paola Minervini (Chairperson)
Valter Moro
Sergio Guerra Rojas

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

The company has no commercial relationship with Enel Chile.

PARQUE SOLAR MAIPÚ SPA

Name

Parque Solar Maipú SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,052,135-3

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

287,091,109

Corporate Purpose

Research, development, construction, operation and maintenance of renewable energy electricity generation

Core Business

Development of renewable electricity generation projects.

Administration

Performed by a Board of Director as established by the company bylaws.

Directors

Anna Paola Minervini (Chairperson)
Valter Moro
Sergio Guerra Rojas

Senior Executives

Walter Moro
Chief Executive Officer

Business Relations

The company has no commercial relationship with Enel Chile.

PARRONAL SPA

Name

Parronal SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,499,496-5

Address

76 Santa Rosa Ave., Santiago, Chile

Telephone

(56 2) 2630 9000

Subscribed and Paid Capital (Ch\$)

1,000,000

Corporate Purpose

Development, construction, exploitation and ownership of wind, hydro, and biomass electricity generation projects and purchase, sale and commercialization of energy and capacity.

Core Business

Development of wind power generation projects.

Administration

Performed by a Board of Director as established by the company bylaws.

Directors

Anna Paola Minervini (Chairperson)
Valter Moro
Sergio Guerra Rojas

Senior Executives

Valter Moro
Chief Executive Officer

Business Relations

The company has no commercial relationship with Enel Chile.

ENEL X SPA

Name

ENEL X CHILE SpA

Type of Company

Joint Stock Company

Taxpayer ID

76,924,079-9

Address

76 Santa Rosa Ave., Santiago, Chile

Corporate Purpose

Develop, implement, and commercialize innovative, cutting edge technology, products and services related to energy

Core Business

Commercialize electric goods and services.

Subscribed and Paid Capital (ThCh\$)

1,400,000

Directors

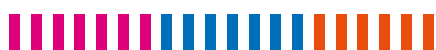
Simone Tripepi
Giulio Carone

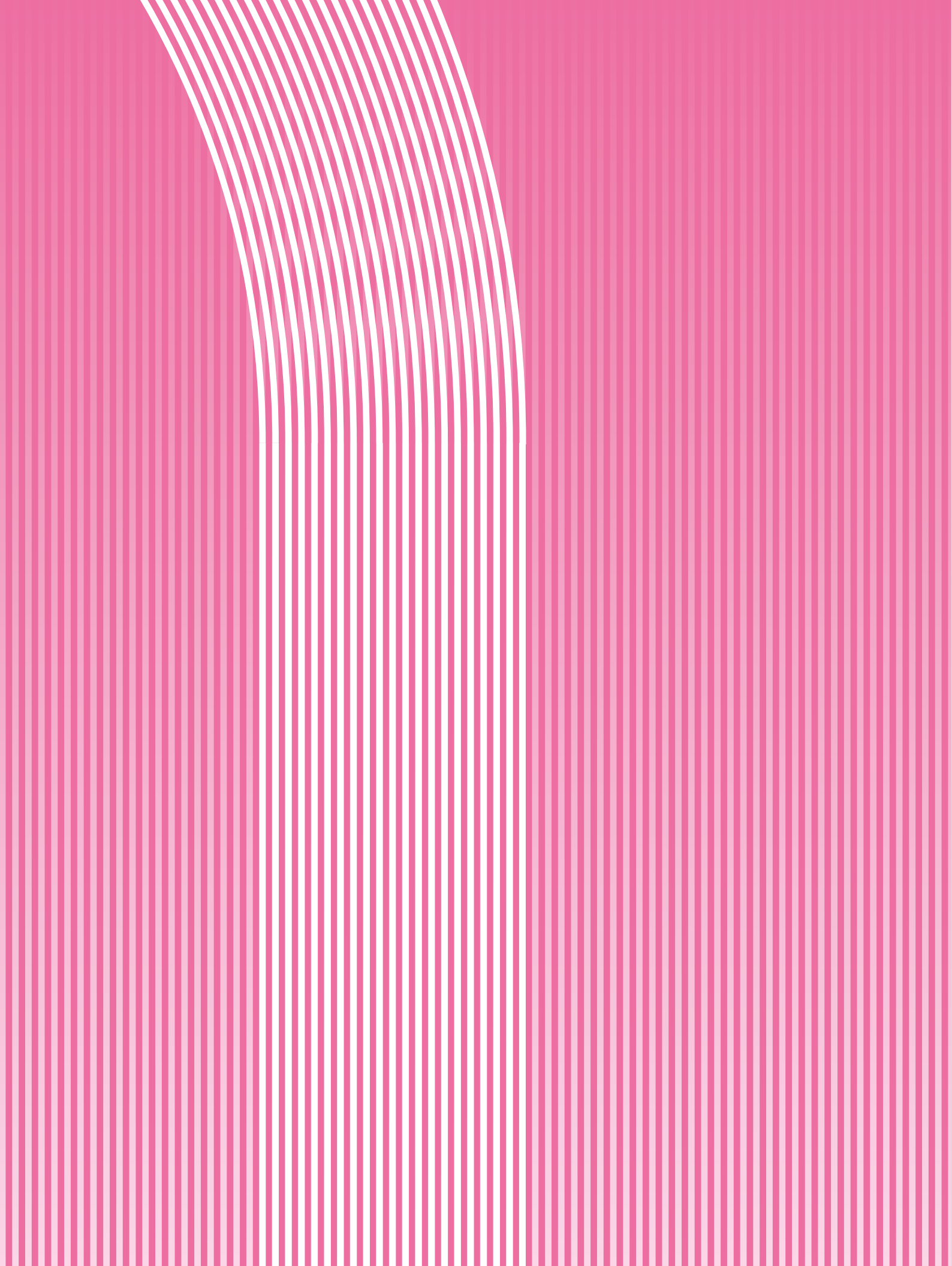
Senior Executives

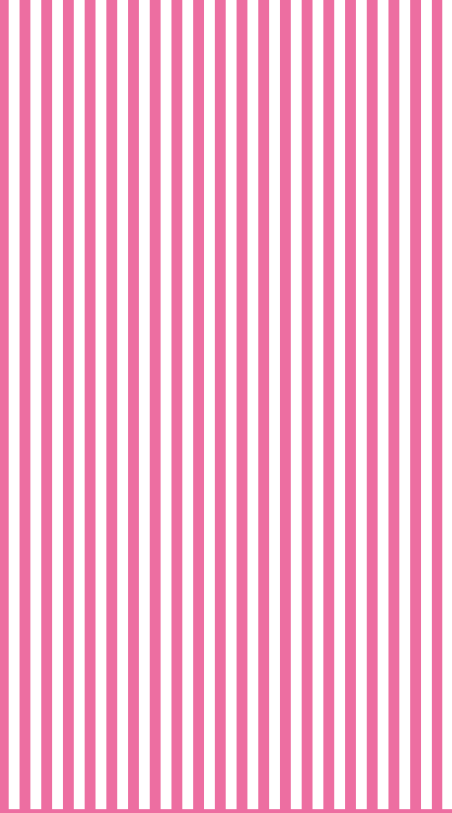
Karla Zapata Oballe

Business Relations with Enel Chile S.A.

A contract with Enel Chile to provide the company with communications, human resource management services, among others. Prices of services are in expressed in UF.

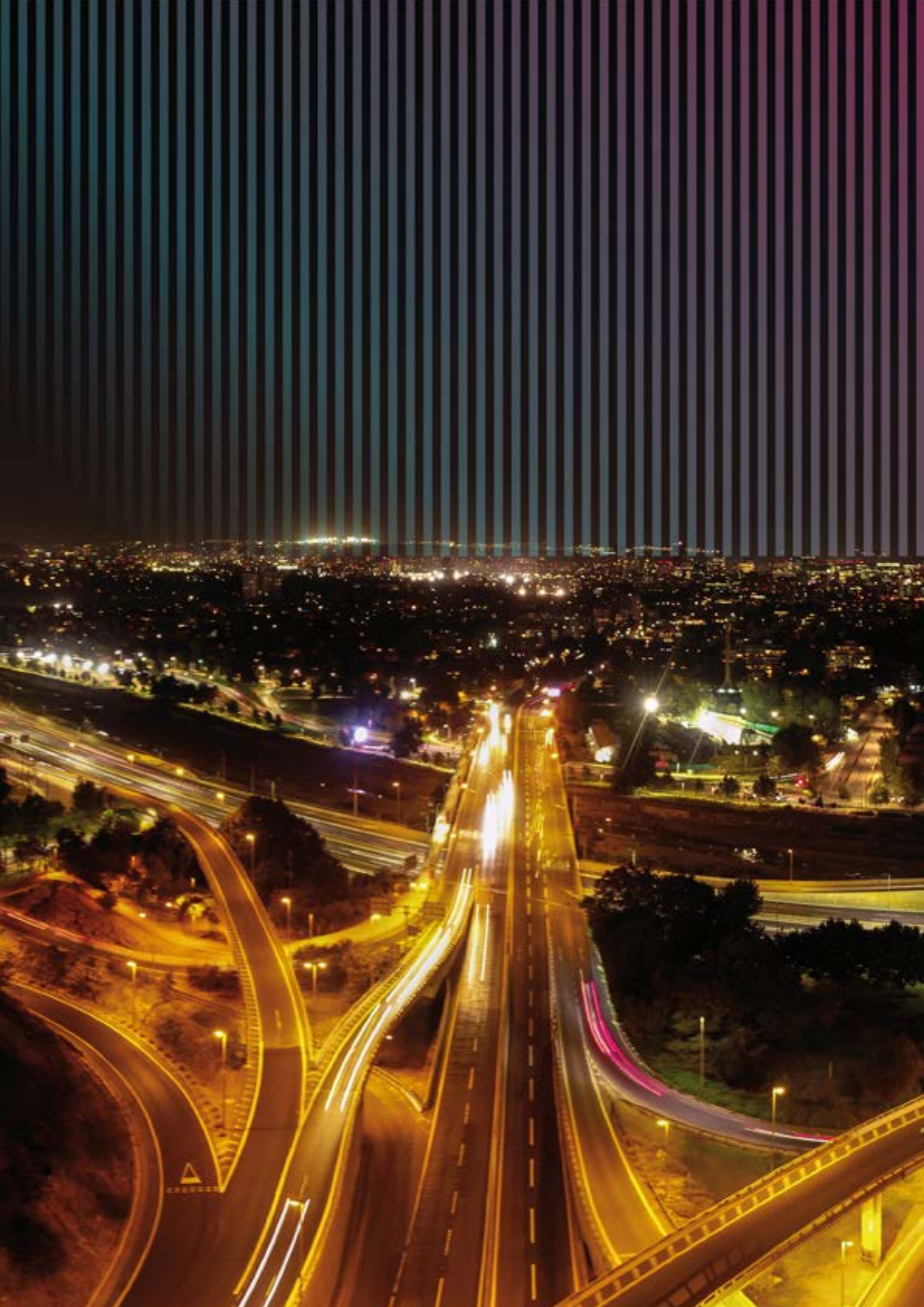






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Statement of
Responsibility



Statement of Responsibility

The Directors of Enel Chile S.A. and its Chief Executive Officer, signatories of this statement, are responsible under oath of the veracity of the information provided in this Annual Report, in compliance with the General Norm N°30, issued by the Superintendence of Securities and Insurance (currently, the Financial Market Commission)



CHAIRMAN
Herman Chadwick Piñera
Taxpayer Id: 4.975.992-4



DIRECTOR
Giulio Fazio
Passport: YA 4656507



DIRECTOR
Salvatore Bernabei
Passport: YB 0600187



DIRECTOR
Pablo Cabrera Gaete
Taxpayer Id: 4.774.797-K



DIRECTOR
Daniele Caprini
Passport: YA 9188092



DIRECTOR
Gerardo Jofré Miranda
Taxpayer Id: 5.672.444-3



DIRECTOR
Fernán Gazmuri Plaza
Taxpayer Id : 4.461.192-9



CHIEF EXECUTIVE OFFICER
Paolo Pallotti
Taxpayer Id: 26.102.661-9



