

CERRO  
DOMINADOR  
CONCENTRATED SOLAR POWER

**2020**  
Sustainability  
Report



Name of the Organization

102-1

Cerro Dominador

Office Locations

102-3

Central Office

*Apoquindo 4501, Las Condes. Santiago.*

Project Office

*María Elena, Antofagasta.*

Ownership and type of company

102-5

EIG Atacama Management SpA

*In charge of project management in Chile.*

EIG Atacama Management Company LLC

*In charge of management in the U.S.A.*

Cerro Dominador CSP S.A.

*Owner of the 110MW concentrated solar power plant*

Cerro Dominador PV S.A.

*Owner of the 100 MW photovoltaic power plant*

Pampa Unión SpA

*Owner of the 600 MW PV Project*

Likana Solar SpA

*Owner of the 690 MW CSP Project*

Period covered by the report

102-50

2020

Contact person

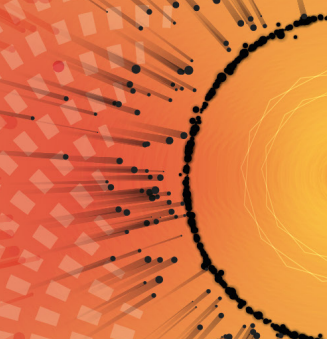
102-53

María José López

[mjlopez@cerrodominador.com](mailto:mjlopez@cerrodominador.com)

Website:

[www.cerrodominador.com](http://www.cerrodominador.com)





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**2020**  
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# WELCOME

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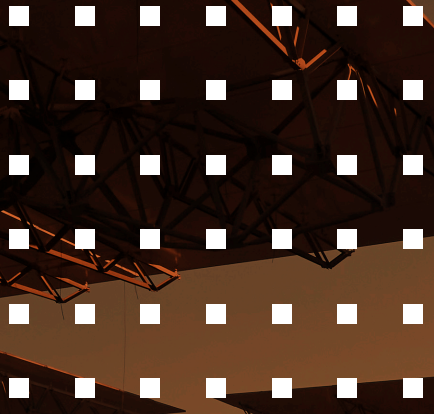
*Cerro Dominador was created after building what would become the first concentrated solar power plant in Latin America, a contribution to the grand goal of decarbonizing the country's energy matrix. This ambitious project, begun in 2014, had overcome more than one obstacle, including the outbreak of social unrest in October 2019 and the Covid-19 Pandemic throughout 2020.*

*The construction stage ended at the close 2020 and the initial operating testing is under way. Thanks to the resilience of our team and its ability to adapt and to the trust of our investors, we are about to begin operation.*





CERRO  
DOMINADOR





# A few words from our CEO

102-14

*In the name of everyone who forms a part of Cerro Dominador, it is my satisfaction to present our third sustainability report and the second that we have made public. Here we disclose the main issues that marked our agenda in 2020 and our great challenges for 2021.*

*The global health crisis caused by the COVID-19 virus changed the way in which we operate as a society. We have all had to adapt our way of living to a new reality.*

*Cerro Dominador is focused on giving preference to telecommuting to the extent possible, above all for employees at risk. The occupational health and safety teams at our plants put measures into operation that involved making certain changes to the shift system, delimiting spaces and encouraging physical distancing, frequently disinfecting workplaces, requiring face coverings and frequent hand-washing. The preventive measures were publicized in a widespread campaign inside our company and in collaboration with our on-site contractors. All decisions that we made were thus based on the unrestricted protection of the health of our employees, as a result of which we can report that only that 65 employees became infected out a total of 42 of our own employees and an average of 1,401 contractor employees in 2020, and fortunately, none resulting in death.*

*From the beginning, we have been convinced that our capability is a real contribution to the modernization and diversification of the country's energy sector. The results in 2020 show that we have resources, the knowledge and the*

*passion required to successfully build and operate the first concentrated solar power (CSP) plant in Latin America.*

*Developing our project will work towards Chile's challenge of progressing to a sustainable energy matrix. It is crucial for a modern economy to have a flexible power grid that will allow a greater penetration of variable renewable energies. In this context, CSP, currently offered by Cerro Dominador, plays a central role.*

*Our objective is to offer 100% flexible, renewable and stable energy 24 hours a day. And the projects we develop are aligned with that strategy. Chile's goal of becoming carbon-neutral by 2050 is very ambitious and Cerro Dominador is proud to be a part of the solution. Our work is always focused on offering added value to our customers.*

*Chile needs, deserves, and can have a more diverse energy matrix. We have proposed demonstrating that the necessary potential exists to implement smart and flexible energy projects that provide a practical solution to the country's needs. The Cerro Dominador project was implemented not only according to the highest standards of operation, but also from the viewpoint of sustainability that pervades all our actions. Our Group has launched the 24/7 solar revolution this year, a strategy to mobilize our capacity to create economic, environmental and social value.*

*Our sustainability strategy has identified and defines the means by which we relate to each of our stakeholders, to whom we have made commitments that will make us a contribution to the economy and sustainable development of the country, very particularly in the Region of Antofagasta, our home.*

*In this sustainability strategy, we have promised to report according to the Task Force on Climate-Related Financial Disclosures (TCFD) so as to measure and present our climate-change management according to high standards. We will be reporting on our progress in this respect in the coming years.*

*In 2020, we also added sustainability standards to the contracts with our main contractors. We have two projects under development and we want to continue implementing the best practices in this regard.*

*During 2020, 60% of workers hired for operation and maintenance of the project resided in the region of Antofagasta and 20% of them were women.*





We have set the goal of progressing in gender equity within the organization. Today, 43% of our staff are women. Our gender-equity efforts within the organization and with our contractors earned us recognition from the C3E initiative at the "Women in Clean Energy" event. This has been one of the prizes of which we are proudest as it reflects how we work, which can be summarized as being professionals and fair with all our counterparties.

We have joined two programs, one called "Energy + Women" of the Ministry of Energy of Chile and the other called "Win Win," of the United Nations. These programs have helped us learn to identify gender-equity gaps and to design actions to shorten them by introducing good pay equity and representation practices.

In addition to being about to begin commercial operation of our CSP plant, this year we signed an important agreement with South Pole to participate in the Verified Carbon Standard program under which we will be able to sell carbon emission reduction certificates. This is a true contribution to the sustainability of the companies in the country, which will be able to certify a reduction in their carbon footprint thanks to our project.

In an exceptional year like this one, our achievements were not only a source of pride for our team; they also constitute a clear signal to our investors, the authorities and the community in general: Cerro Dominador keeps its promises. We are an agile, innovative company committed to the values of sustainability, good governance and development of the local economy.

Despite the challenging health crisis, we consolidated as a solid, committed team in 2020 that has the capacity to develop new projects that will lead the way to our future. These results have been validated by the 2020 climate study in which we earned 21 points more than in 2019, achieving a score of 82.

On behalf of everyone comprising Cerro Dominador, I invite you to take a look at the actions we took in 2020 in our effort to be more sustainable .

Fernando González, CEO of Cerro Dominador

# Cerro Dominador in numbers

We are Cerro Dominador, the group behind the first Concentrated Solar Power (CSP) plant in Latin America. We have proposed fortifying the energy industry of Chile by delivering reliable clean energy through innovative, sustainable solutions that contribute to the decarbonization of the national energy matrix and to a more electric future.

\* Capex (capital expenditures) is the capital or fixed asset investment made by a company to acquire, maintain or improve its non-current assets.

**2**  
**Projects**  
in development

**392,000**  
solar panels in operation in a photovoltaic power plant

**1 Concentrated solar power plant**  
completed  
(in commissioning)

**42**  
Employees

**43%**  
of our employees are women

**1,401**  
Annual average number of workers employed in construction

**63%**  
of our suppliers are local

**US\$ 57.660.000**  
Capex (\*)

**304 GWh**  
of energy generated by the photovoltaic plant in 2020

**1.5 million m<sup>2</sup>**  
of mirrors



# A challenging year



2020 redefined the way we relate as people and as institutions. For the energy industry, the health crisis caused by the spread of the Covid-19 virus brought to light the crucial role our services play in ensuring that homes, businesses, hospitals and public institutions can continue to function.

Cerro Dominador adopted all health precautions and measures required to care for the health and safety of our employees and contractors, both in Santiago and in María Elena. We began telecommuting, we established strict biosafety measures and we identified the groups at risk among our employees, among other work- and pay-related actions, to help keep them stress-free during the health crisis.

This unprecedented setting revealed the importance of increasing the competition in the renewable energy industry considering its potential to contribute to a future economic reactivation. The economic investment made in this period demonstrates the trust in our sector: at the close of the year, Unconventional Renewable Energy (URE) represented 27% of power generation in Chile, a figure that is expected to continue to rise.

This exceptional framework constantly put to test the capacities of our team, and it is with great pride that we report on the satisfactory outcome. The main challenges we faced involved the closing of the borders because of the health crisis since the last stage of the construction required the participation of international technicians.

Despite this, we are about to inaugurate the first concentrated solar power plant in Latin America. It is a direct contribution to the development of the energy sector in the country and demonstrates that Chile's energy matrix can and needs to be diversified. We are therefore moving towards an analysis of the potential impacts of future regulatory reforms to the power generation sector in order to incorporate that information to our strategic planning.



# 2020 Milestones

## MARCH

**We completed the installation of the Cerro Dominador tower receiver.**

*This 2,300-ton structure was raised to a height of more than 220 meters on the complex's central tower. It will concentrate the solar radiation reflected from the 10,600 heliostats located around the tower to heat the salts that are then stored to generate electricity.*

## APRIL

**End of the salt melting process.**

*We melted 46 thousand tons of salts from the Atacama Desert produced by SQM, a mining company. This meant reaching the 94% progress milestone in the project. The salts are stored at 565°Celsius in hot salt tanks and 290°Celsius in cold salt tanks.*

## JUNE

**We signed an agreement for the sale of carbon emission reduction certificates.**

*Starting in 2021, we will be able to sell carbon emission reduction certificates under the Verified Carbon Standard program thanks to an agreement with South Pole. Other companies will be able to reduce or neutralize their carbon footprint as a result.*

## AUGUST

**Ministers of Energy and of Science visited our Cerro Dominador plant.**

*Our facilities were visited by the Ministers of Energy and of Science, accompanied by the Mayor of María Elena, as part of the "Chile will recover step by step" plan that considers the energy sector to be an engine for the country's economic reactivation.*

**A contract with the Saesa group entered into effect.**

*Electricity will be supplied under this agreement to unregulated customers in the south of the country. It is in effect for 8 years and will supply 100% solar energy that will reduce the annual CO2 emissions of customers.*

## OCTOBER

**Participation in FIDELMOV: An E-mobility fair**

*FIDELMOV is a trade fair where you can see the latest world trends in electro-mobility. Presentations were given by national and foreign authorities and experts, who discussed the development of electric-powered machinery and vehicles.*

## DECEMBER

**Construction ended of the first concentrated solar power plant in Latin America.**

*This stage, so long-awaited, ended with the last construction maneuvers. Now the commissioning testing will begin, followed by the start-up of the first CSP plant in Latin America.*



# Recognitions



Generadoras de Chile

## Third Place in the contest on “Good practices for a more sustainable electricity future”.

Our program entitled “Fostering alliances: more and better local suppliers for María Elena,” received recognition in this contest that highlighted the initiatives contributing to the local and productive sustainable development of communities in the north and center of the country.



## 2020 National Environment Prize of Fundación Recyclápolis in the categories of “Fire” and “Best of the Best”

The “Fire” category of the National Environmental Prize recognizes companies that use energy resources efficiently and consume them responsibly. Of the 130 proposals evaluated, the panel chose 22 finalists and awarded 7 projects. Cerro Dominador was among the finalists and was also recognized as one of the “Best of the Best.”



## Organizational Leadership Prize from C3E

The “Women in Clean Energy, Harnessing All Talent” event was held as part of the 11th Clean Energy Ministerial Global Forum that congregates 27 countries representing 90% of the world’s clean energy. There the Prizes for Women of Distinction and Organizational Leadership of the C3E were announced, which honored the Cerro Dominador concentrated solar power project for the role that women played in its construction.



# Energy that creates networks

102-12

102-13

Cerro Dominador trusts in the power of working together. We know that we must work together with the different stakeholders in the sector to increase the competitiveness of the URE sector within the national energy matrix. This has led us to engage in the following initiatives:



We are a member of Amcham Chile, a key ally in promoting free trade, investment and a complete integration of Chile and the United States, which creates value for our partners and for society.



We are one of the founders of the Concentrated Solar Power Association (abbreviated as ACSP in Spanish). Its main goal is to disseminate concentrated solar power technology in the country.



Cerro Dominador is a member of the Chilean Association of Renewable Energy and Storage (abbreviated as ACERA in Spanish). We adopt the main interest of this organization of “promoting a regulatory framework for Unconventional Renewable Energy (URE) to compete under arm’s length conditions with other traditional sources.”



## Generadoras de Chile

We are part of the Association of Power Generating Companies of Chile, which was established on the ideal of “inspiring and leading the energy transition by promoting public policies and public practices for the best use and generation of electricity.”



We are members of World Energy Council Chile, a platform for open debate by high-level leaders from the public, private and academic sectors where the most important issues of the energy business in the country are featured.



# CERRO DOMINADOR: WE CREATE THE FUTURE TODAY





# Get to Know Us

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102-4

102-6

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*Cerro Dominador was born with goal of contributing to the country's sustainability by diversifying the Chilean energy matrix through the development of projects for renewable energy generation.*

*Our central office is in the Metropolitan Region, while our operation is located in the municipality of María Elena in the Region of Antofagasta. We have one photovoltaic plant already in operation that will be complemented by the first concentrated solar power plant in Latin America (inside the same solar complex) and two other projects of the same kind on the table: Likana Solar, in Calama; and Pampa Unión, located in Sierra Gorda. All these projects have a common denominator: providing sustainable energy solutions 24/7 under the seal of being sustainable throughout the different phases of the project.*

## *Why Antofagasta?*

The Region of Antofagasta has one of the highest ratios of direct solar radiation on the planet. This zone of Chile has little or no environmental humidity, making it ideal for the development of solar energy.

## *Highest level of radiation on Earth*

The Atacama Desert has a direct radiation of 3,500 kWh (kilowatts per hour) per square meter.\*

\* According to Global Solar Atlas, posted by the World Bank Group at <https://globalsolaratlas.info/map>

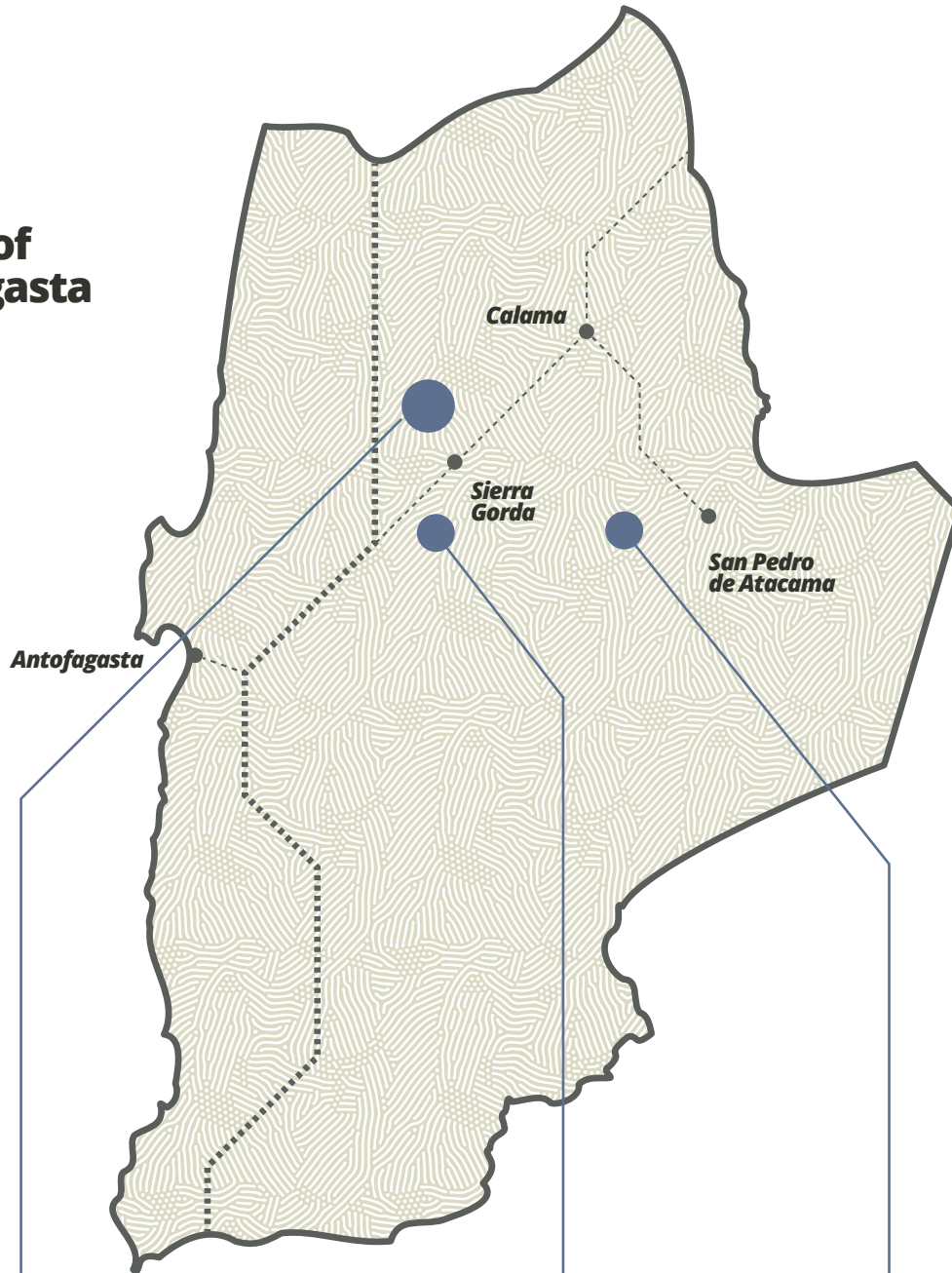
## **YIELD OF OUR PHOTOVOLTAIC PLANT: A LEADER IN CHILE**

**The photovoltaic plant of Cerro Dominador produced 304 GWh\* in 2020. The plant factor was 34.7%, putting us very close to the world target of 35%.**

\* Source: National Energy Coordinator (CEN).



## Region of Antofagasta



### PHOTOVOLTAIC PLANT (IN OPERATION)

Located in María Elena. Installed capacity of 100 MW and 392,000 panels that capture the sun's energy and transmit it directly to the grid.

### CONCENTRATED SOLAR POWER PLANT (IN START-UP)

It has 10,600 heliostats in a solar field measuring more than 700 hectares. This plant has resolved the issue of intermittent generation when there is no sun or wind, and it can operate autonomously 17.5 hours during periods of no sunlight.

### PAMPA UNIÓN (IN DEVELOPMENT)

Pampa Unión is a photovoltaic plant situated in the municipality of Sierra Gorda in the Region of Antofagasta. The Environmental Approval (RCA in Spanish) of this plant authorizes a production of 210 MW, which is expected to be expanded to 600 MW in the future. This will be done by submitting an Environmental Impact Statement (DIA).

### LIKANA SOLAR (IN DEVELOPMENT)

Located in the locality of Calama, it will involve building 3 towers with a 12-hour energy storage capacity and an installed capacity of 450 to 600 MW (we have submitted an Environmental Impact Statement, known as DIA in Chile, for that expansion). It will produce 3,150 GWh/year of electricity on a net basis, which makes it the largest CSP tower complex in the world.

## Vision and Values

102-16

Our vision is to be the engine behind the transformation of the Chilean energy matrix, anticipating energy generation that will lead to a sustainable future.



### Values

#### **Commitment to the environment and sustainability:**

*We are people committed to working to improve the current environmental conditions of the planet.*

#### **Integrity and respect:**

*We do our job under the highest standards of ethics, and we value and respect the work of each member of the organization and of our counterparties.*

#### **Professionalism and efficiency:**

*We are a high-performing team known for doing a high-quality job, both in terms of the content as well as the way in which we present it.*

#### **Innovation:**

*We are always looking for new ways to improve our work by incorporating technology to what we do and being open to new ideas. We are decided individuals unafraid of change.*



# 24/7 Solar Revolution

## *Our Sustainability Strategy*

102-26

Our 24/7 Solar Revolution sustainability strategy aims to create value for our stakeholders and society in general. We have set down commitments and goals in this strategy to help achieve carbon neutrality and a permanent sustainable development 24 hours a day, 7 days a week.

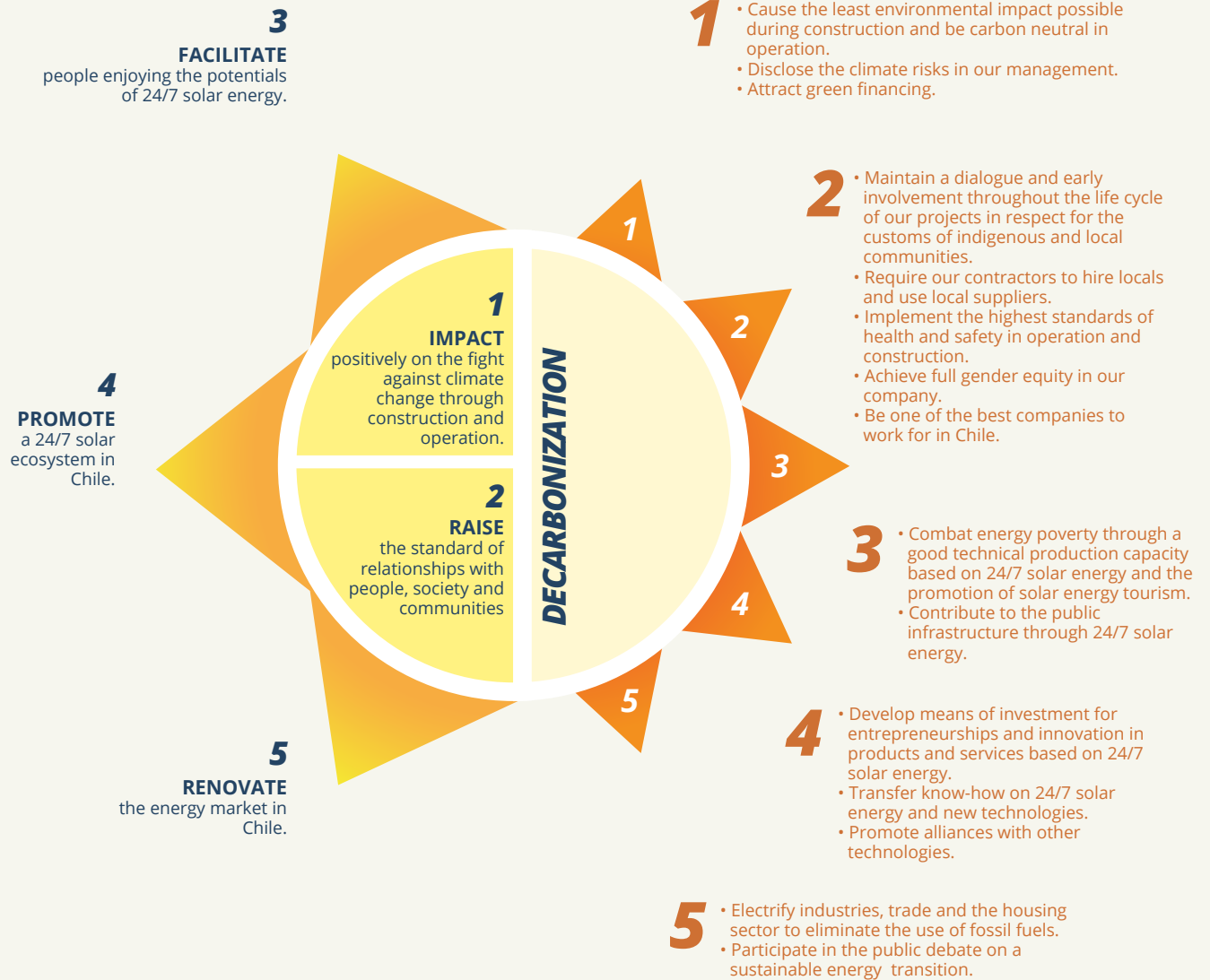
This strategy was approved by the company's Executive Committee in 2020. It will enable us to meet the expectations and commitments we assumed to our different stakeholders, including society as a whole, so that everyone can enjoy the benefits of solar energy.

The 24/7 Solar Revolution comprises five pillars: two for our internal management and three for our impact on citizens, entrepreneurs and suppliers, public policy and the market. Each pillar sets specific

goals for the medium and long term and our progress in achieving them will be disclosed annually through the publication of our sustainability reports. This report will explain our performance regarding the different pillars that we expect to strengthen in the coming years.



## 24/7 SOLAR REVOLUTION – STRATEGY



## SUSTAINABLE DEVELOPMENT GOALS ADDRESSED BY THE STRATEGY





# Materiality in 2020

102-40 102-42 102-43 102-21

We made a study of materiality to define and present the contents in this report in which our stakeholders participated. Their opinions were incorporated to validate the matters reported in this document and to enrich the design of our sustainability strategy.

## IDENTIFICATION

*Sustainability framework*

Analysis of secondary sources:

- Benchmarking against 6 national and international companies.
- Review of press articles.
- Review of internal documents and information circulated throughout the company.
- A review of international indexes, standards and rankings.

## PRIORITIZATION

*Internal and external inquiry*

### Internal inquiry:

- A survey of collaborators (n=27).
- Eight interviews of key officers and actors in the company.

### External inquiry

- 20 interviews with diverse external stakeholders:
- National, regional and local authorities.
  - Trade associations.
  - The community.
  - Suppliers.
  - The media.

## VALIDATION

*Approval by the Executive Committee*

The Executive Committee of Cerro Dominador evaluated the sustainability strategy and the material topics of the company, making observations that resulted in what is presented in this report.

# Material Topics

102-44 102-46 102-47 103-1 103-2 103-3

Based on a materiality study, we identified the following material topics that are also related to the pillars of our 24/7 Solar Revolution Strategy.





MATERIAL TOPIC	BOUNDARY	WHY IS IT MATERIAL?	STAKEHOLDERS INVOLVED
Environmental management of the operation	Internal	We aim for our commitments and practices to be consistent. This means producing clean energy through a clean operation.	Environment
Monitoring of the effects of climate change on Cerro Dominador	Internal	The energy we produce helps mitigate the effects of climate change, yet we are also concerned with how climate change affects our business.	<ul style="list-style-type: none"> <li>• Environment</li> <li>• Investors</li> </ul>
Corporate Governance	Internal	A transparency, ethical and diverse corporate governance is key to achieving the goals we have set as a company.	<ul style="list-style-type: none"> <li>• Board of Directors</li> <li>• Investors</li> </ul>
Economic and financial performance	Internal	We aim to create business opportunities for a long-term financial viability.	Investors and shareholders
Community relations and development	External	We intend to contribute to the sustainable development of the territories where we work by establishing long-lasting relationships of trust.	Community
Local hiring	External	Hiring locally is crucial to our operation and it has become a material topic for the company.	<ul style="list-style-type: none"> <li>• Community</li> <li>• Suppliers</li> </ul>
Sustainable people management	External	We aim to deliver the tools and opportunities to our collaborators so that they can work in a pleasant and professionally challenging work environment.	Collaborators
Promotion of solar energy	External	We aspire to expanding the uses and knowledge of solar energy among people by installing capacities based on solar energy.	Community
Social investment in solar energy	External	We aim to promote the use of solar energy in public spaces and to create social investment so that it becomes widespread.	Community
Innovation	External and internal	Innovation is a tool for continuing improvement and we therefore promote it in and outside of the organization.	<ul style="list-style-type: none"> <li>• Collaborators</li> <li>• Community</li> <li>• Suppliers</li> </ul>
Local and national supplier development	External	We aspire to creating a solar economy where local and national suppliers can develop and contribute.	Suppliers
Promotion of solar entrepreneurship	External	We aim to promote a solar economy by encouraging the development of solar-energy-based entrepreneurs.	Community
Energy transition	External	Our contribution is key to the country's energy transition and we aim to participate in initiatives promoting it.	<ul style="list-style-type: none"> <li>• Community</li> <li>• Authorities</li> </ul>
Regulation and public policy	External	We actively participate in our regulatory and legal framework to encourage the change to sustainable renewable energy.	Authorities



# 3

## CONSCIENTIOUS LEADERSHIP

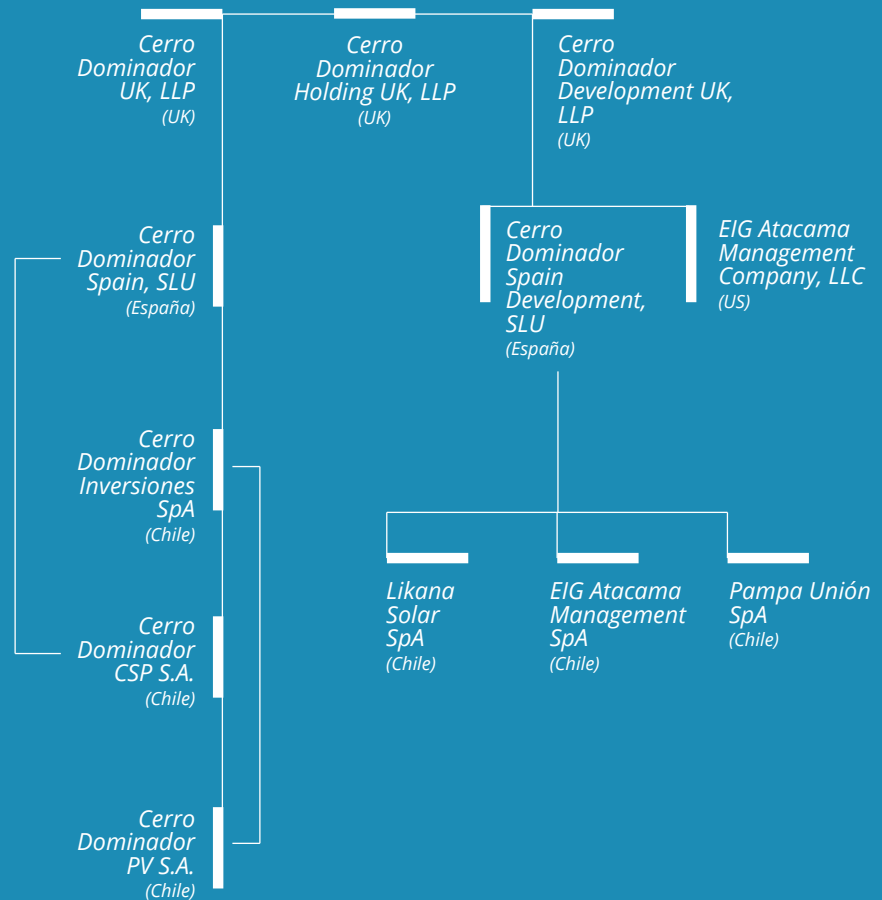


# Corporate governance with a sustainable DNA

102-22

[Material Topic]

The Cerro Dominador Group is owned by funds managed by EIG Global Energy Partners. They provide strict guidelines for compliance with Environmental, Social and Governance (ESG) standards by the companies forming a part of the group.



Note: Pampa Union SpA used to be called Cerro Dominador II SpA.

Cerro Dominador PV S.A. and Cerro Dominador CSP S.A. are closed corporations forming part of the group, and they are also the project companies owning the assets. The joint stock companies in the group are managed by EIG Atacama Management SpA, and this latter is managed by its sole shareholder, Cerro Dominador Spain Development SLU.

The corporate governance of the Group's corporations in the group is a Board of Directors comprised by:

**Jean-Daniel Bourgeaud, Chairman of the Board.  
Alternate: Pablo Cavallaro.**

Mr. Bourgeaud is Managing Director and runs the EIG office in London. He also supervises investment in energy and renewable energy. He is a member of the Executive and Investment Committees. He joined EIG in 2006. Before that, he was a member of the Inter-American Development Bank (IDB).

**Walid Mouawad, Director  
Alternate: Francisco Vizcaino.**

Mr. Mouawad is Managing Director and a member of the investment team, focused mainly on energy, infrastructure and renewable energy transactions in Europe. He was a director of the Global Energy Team at WestLB, where he spent four years creating and organizing project finance transactions in the EMEA.

**Fernando González, Director  
Alternate: Nicole Pitronello.**

He has more than 25 years of executive experience in the energy industry, having worked at one of the Fortune 500 Big 4 Accounting Firms and at emerging companies backed by venture capital.

The Board of Directors is responsible for our companies being managed correctly. It makes decisions on finance transactions, on contracts for the main projects and on the grant of powers of attorney to perform transactions and sign documents. Powers of attorney delegate responsibilities to make the daily operation of companies more agile, and are mainly granted to give power of representation, powers to deal with banks and to make contracts.





## Executive Committee

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In Chile, the group is led by Fernando González, CEO, who works with a highly trained Executive Committee responsible for the company's everyday operations .



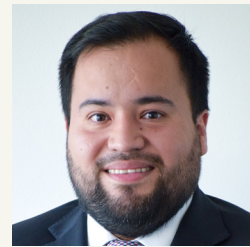
**Fernando González**  
CEO



**Pablo Cavallaro**  
Legal and Public  
Affairs Director



**María José López**  
People and  
Corporate Affairs  
Director



**Juan Marcelo  
Luengo**  
Regulation and  
Commercial Director



**Gustavo Rioseco**  
Director, Energy  
Business and  
Management



**Diego Rausei**  
Chief Financial  
Officer



**Francisco Vizcaíno**  
Project Director

The members of the Executive Committee have been appointed because of their skills and experience in the matters they direct inside Cerro Dominador. This Committee is the highest body of governance in Chile and it is comprised of 6 directors who are Argentine, Chilean and Spanish. There is also one woman who represents a 16.6% women's participation.

The Executive Committee monitors our project portfolio on a daily basis and decides on the commercial, legal, financial, sustainability, operating, communication and other guidelines.

# Ethics and Compliance

102-17

205-2

205-3

85%  
of managers  
received  
anticorruption  
training  
during 2020\*

As a young company, we understand the need and the benefits of beginning our project under sound ethical guidelines. In 2017, our team created a Cerro Dominador Code of Conduct and supplemental policies. These documents are now being updated.

There are currently three ways in which these guidelines are communicated to collaborators:



Each of the collaborators receives a Code of Conduct and associated guidelines as part of their induction to the company.



All employees receive mandatory training each year.



The Code of Conduct and its supplemental policies can be viewed on the company's server every day and at any time.

Each year, all employees of Cerro Dominador are informed of the company's anticorruption policies.

The documents are in both Spanish and English. The Compliance Officer and the Legal Director are responsible for the ways in which advice on ethical matters can be requested.

\* Diego Rausei became Chief Financial Officer in the last quarter of the year, and he will receive this training in 2021.

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## QUESTIONS ON ETHICS AND WHISTLEBLOWING

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# 1

### WHISTLEBLOWING:

There are two ways to ask questions or report conduct:

- People outside the organization can submit their complaints to the complaint system set up on our website.
- If the complaint comes from within the organization, it must be sent to [denuncia@cerrodominador.com](mailto:denuncia@cerrodominador.com).

The whistleblowing channels can be used anonymously, and we guarantee whistleblowers total confidentiality in the handling of the complaint. Our whistleblower policy states that there will be no reprisals for defending or reporting in good faith any real violations or suspected bad practices, for participating in the corresponding investigations, or for making use of your rights.

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# 2

### INTERNAL INVESTIGATION:

The Ethics Committee will begin an internal investigation to determine the truth and severity of the claims and the type of measures to be adopted in response.

All cases are investigated confidentially. Whistleblowers are kept informed of the status of the investigation unless it will affect the course of the investigation. The accused will have the right to be notified of the claim and to present a defense.

---

# 3

### REPORT, PENALTIES AND/OR RECOMMENDATIONS

The investigation will end in a report describing the claim, indicating any penalties and making recommendations to improve the prevention of events like the one in the claim. Depending on the severity of case, the penalties may be:

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Written or verbal admonition to the people involved

Termination of employment contracts

Termination of contracts with third parties who were proven to be involved in the events



No cases of corruption were found inside the organization in 2020

In 2020, only one complaint of a potential conflict of interest was received that could not be proven. The complaint was reported to the person accused, it was investigated and resolved.



# Risk Management

102-15 201-2



At this time, the director of each area and their team are responsible for monitoring and managing the risks present in their respective areas and they must consider Environmental, Social and Governance aspects (ESG).

For 2021, we are building our risk management model based on recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), for which we will use outside consultants.

We see this way of reporting as a process, so we will begin with a climate-change analysis of the company and we will train all members of the Executive Committee in climate change, sustainability and TCFD.

We also have a Strength, Weakness, Opportunity and Threat (SWOT) analysis that we use to permanently monitor the topics identified.

## IDENTIFYING OUR OPPORTUNITIES AND STRENGTHS

Many of the opportunities of Cerro Dominador relate to the effects of climate change and to the way that the Chilean energy matrix can be adapted to the requirements of generation from non-contaminating sources.

The relatively small size of our team is a great advantage because we can respond agilely.

Chile has been facing a prolonged drought that impacts hydraulic generation. Added to this is the removal of coal-fired power plants in the nation in order to decarbonize the country's energy matrix. This is good for the entry of basic renewable technologies like CSP, and it will help accelerate the entry of new renewable energy projects like those being promoted by Cerro Dominador.

As a corporate citizen, we know that there are great expectations and interest in developing the renewable energy sector in the country and an ambitious carbon-neutral goal. So, the economic impact of the projects we develop creates value in the zones where they are built, both because they create jobs - above all, locally - and strengthen the national industry.

Being first in something, in this case a technology, is never easy, but it gives strength to future projects of this type.

# Economic and financial performance

[Material Topic]

## Direct economic value generated and distributed

201-1

**US\$119,713,109**  
Economic value generated

**US\$135,679,114**  
Economic value distributed

**US\$3,669,635**  
Collaborators

**US\$5,010,503**  
Taxes<sup>2</sup>

**US\$61,709,195**  
Financiers

**US\$65,232,090**  
Operating costs

**US\$57,690**  
Donations

- Note: The figure includes all companies in the Cerro Dominador group.

- <sup>2</sup> It includes payments for municipal business licenses, signs, garbage collection, etc.

We have proposed growing and generating value on the basis of solid work according to principles of sustainability and good governance. We know that we can be a true economic contribution that supports not only a strengthening of our sector but also of the localities where our projects are located.

So, we invest in building world-class power plants following the thrusts of innovation, competitiveness and integrity that characterize our projects.

In 2020, we continued to invest actively in renewable energy for Chile. Since our inception, the total investment exceeds US\$1.3 billion.

**2020 CAPEX (USD)**

**\$57,660,000**

The dividend policy is aligned to the commitments acquired by the company in its bank loans contracted in 2018.



# 4



**IMPACT POSITIVELY  
ON THE FIGHT  
AGAINST CLIMATE  
CHANGE  
THROUGH  
CONSTRUCTION  
AND OPERATION**





TARGETS	2023 GOALS	STATUS IN 2020
Cause the least environmental impact possible during construction and be carbon neutral in operation.	Implement at least 3 environmental contribution programs.	In process.
	Our projects will be built according to environmental standards (offices and camps).	Requested from contractors.
	Reduce resource consumption and Greenhouse Gas Emissions (GHG) every year.	Requested from contractors.
Disclose the climate risks in our management.	Annual report according to the TCFD method.	In process.
Attract green financing.	At least 25% of our financing is green.	In process.

# Monitoring the effects of climate change on Cerro Dominador



Cerro 1

*[Material Topic]*

The effects of climate change cause changes to ecosystems and institutions. So, companies have had to incorporate an analysis of the effects of climate change on their businesses. Those analyses have been compiled by the Task Force on Climate-Related Financial Disclosures (TCFD), which provides guidelines for organizations to identify and make decisions on the financial risks associated with climate change.

In 2020, we analyzed the application of these guidelines as part of our “24/7 Solar Revolution” sustainability strategy. The result was we will begin with outside consulting in 2021 to identify the main risks and opportunities of Cerro Dominador in the different climate change scenarios.

## Environmental management of our operation

*[Material Topic]*

We have set the goal of being a major player who aims to accelerate Chile’s energy transition by developing 100% 24/7 renewable energy solutions: hybrid, innovative and efficient projects that contribute to a carbon-neutral planet. The Cerro Dominador project was conceived and implemented not only according to the highest renewable energy operating standards but also under a clear conviction that to be sustainable in the long term, we must incorporate sustainability criteria that go beyond compliance with existing environmental regulations. Our sustainability strategy includes environmental considerations that we aspire to implement and meet in the coming years.

# Emissions management

## GG EMISSIONS REDUCTION

305-2

All our projects reduce CO<sub>2</sub> emissions for customers, whether end customers or businesses. The more than 30 years of useful life of a complex as a whole will avoid the emission of 640 thousand tons of carbon dioxide, equal to the emissions of 135 thousand vehicles a year.

We did not set GHG emission reduction goals during the construction of our project. However, the tons of CO<sub>2</sub> that our project will avoid offset the tons of CO<sub>2</sub> generated in the construction stage.

We are committed to a sustainable operation, including in the construction phase. Therefore, we report Scope 2\* GHG emissions in CO<sub>2</sub>e resulting from the consumption of diesel fuel in the operation. Diesel fuel is consumed by vehicles in general and the machinery and equipment operated on the construction site. 6,047 tons of CO<sub>2</sub>e<sup>3</sup> were emitted in 2020 by our contractors who are building the project.

## NOISE EMISSIONS

According to the study submitted to the Environmental Impact Assessment Service (SEIA), noise is being emitted during the construction phase of our project. Those levels did not reach 20 dB in the zones found to be impacted by noise, so the project was developed in compliance with the governing noise pollution regulations.

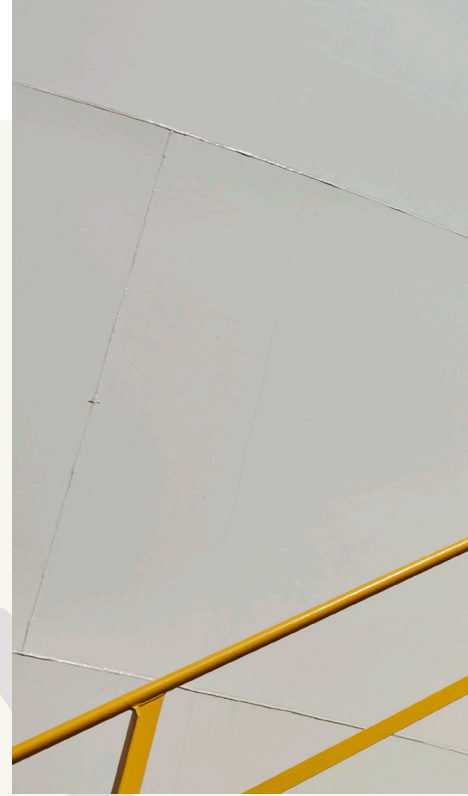
\*

- Direct emissions (Scope 1): are GHG emissions that occur from sources that are owned or controlled by the company.
- Indirect emissions from the use and distribution of energy (Scope 2): are GHG emissions associated with the consumption of electricity and/or steam generated by third parties.
- Other indirect emissions (Scope 3): are GHG emissions not owned or controlled by the company, such as the transportation of employees and work-related air or ground travel.



## Water management

Our operations are not located in water-stressed zones. Nonetheless, we are aware of the climate and the issues associated with access to water in the Region of Antofagasta. We are, therefore, committed to developing an operation that uses this resource conscientiously and reuses it in daily functions required for the plant's routine.



### WATER CONSUMPTION

303-5

The water consumed in 2020 came mainly from three sources:

**INDUSTRIAL WATER**  
*(Municipality of Sierra Gorda and Aqueduct)*  
75% of the total

Used in construction and operations in general.

**POTABLE WATER**  
24.4% of the total

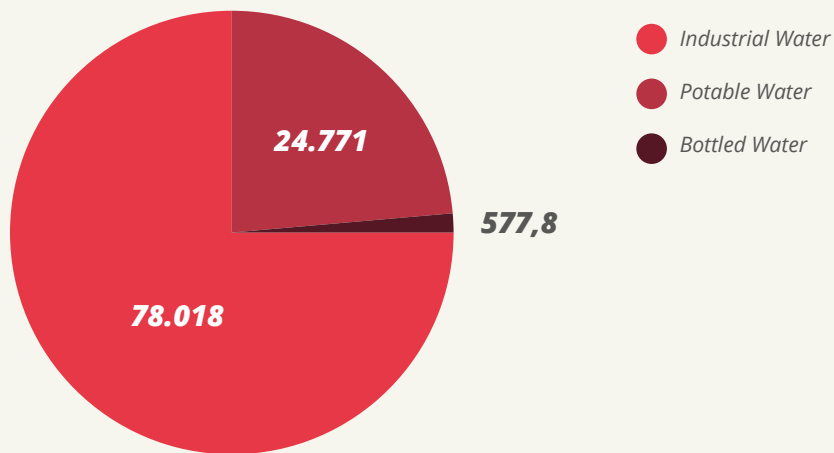
**BOTTLED WATER**  
0.6% of the total

Allocated to use and consumption by our workers.



**Our total water consumption was 103,355 m<sup>3</sup> in 2020**

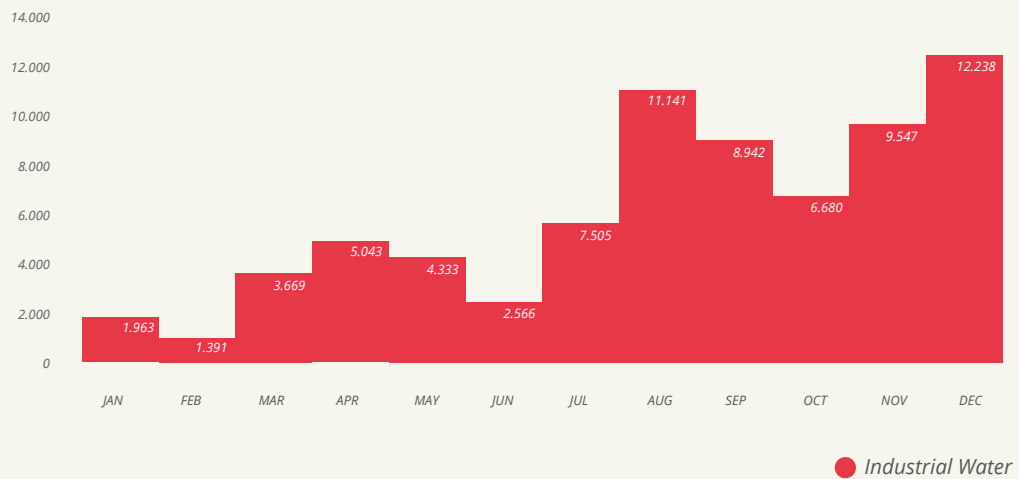
### WATER CONSUMPTION (M<sup>3</sup>) IN 2020



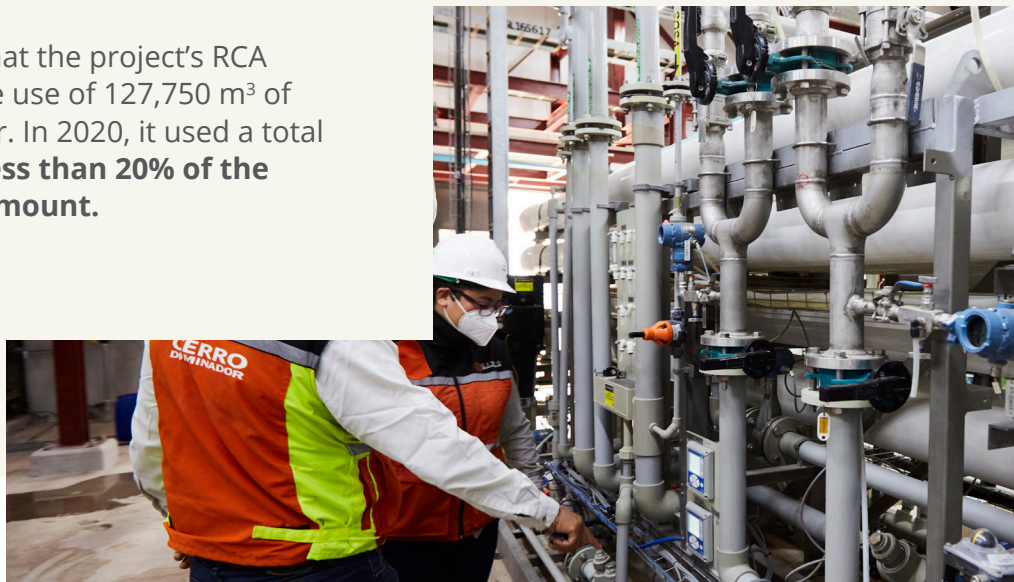
Our potable water consumption in 2020 did not vary greatly month to month as the number of workers on the project remained stable. The consumption of potable water was also similar to the figure reported in 2019, i.e., 23,259 m<sup>3</sup>.

We saw an increase in consumption of the industrial water from the aqueduct starting in July, with two peaks in August and December that were due to the increase in the hydraulic testing of the main systems in August and the start-up of the water-steam cycle in December. The use of industrial water rose 81.5% compared to 2019 when total consumption from this source was 42,981 m<sup>3</sup>. The need for water was more intensive in the final stage of construction. This increase was the result of the hydraulic testing and filling cycle. 2020 is therefore the year when we will use the most water. Once operation starts, our consumption will be around 3.5 liters.

### WATER CONSUMPTION BY MONTH (M<sup>3</sup>)



Please note that the project's RCA authorizes the use of 127,750 m<sup>3</sup> of water per year. In 2020, it used a total 103,366 m<sup>3</sup>, **less than 20% of the authorized amount.**





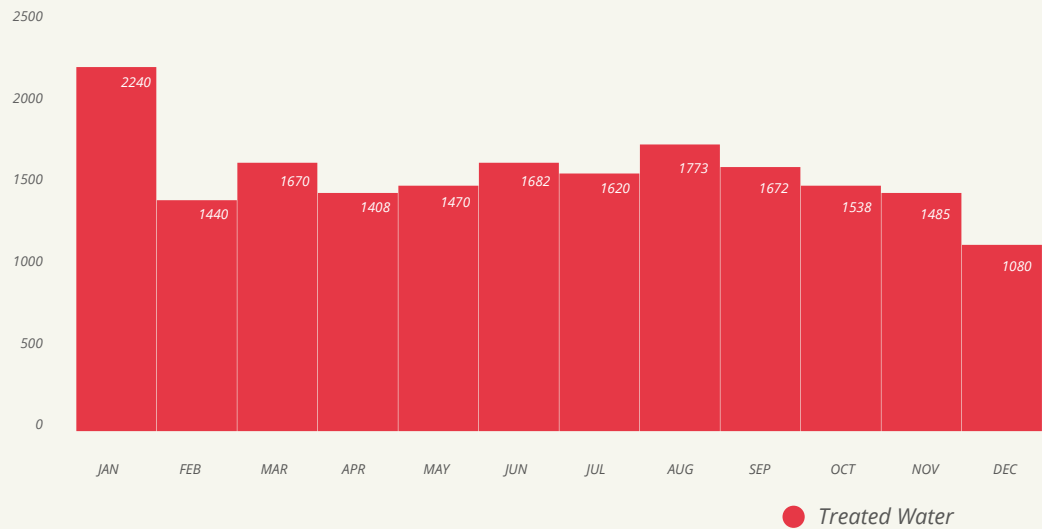
## WATER TREATMENT

303-4

We have water treatment plants to reuse a percentage of the water we consume and leave it ready and apt for removal and treatment by the sanitary utility.

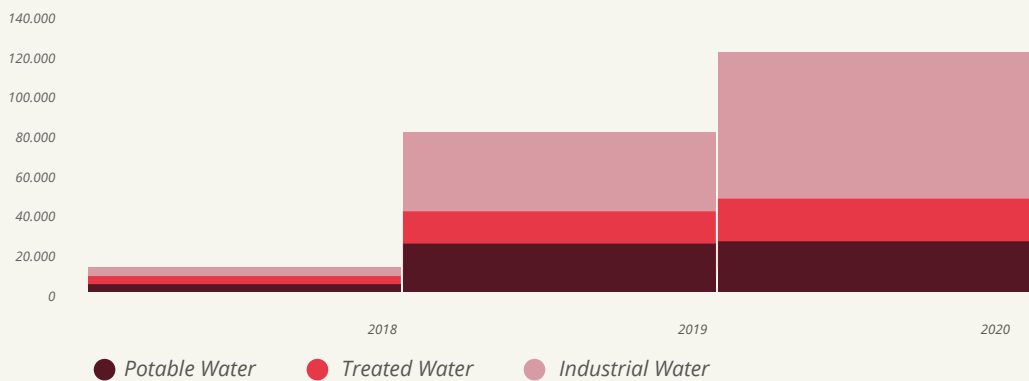
The water from the aqueduct is treated before use at the plant. During operation, the water is cooled by air condensers and recirculated in a closed system.

## WASTEWATER (M<sup>3</sup>)



In general, we can make the following comparisons of water use in the last three years:

## WATER CONSUMPTION IN M<sup>3</sup> IN THE LAST THREE YEARS



Note: The 2018 numbers encompass only two months of construction.

## Fuel management

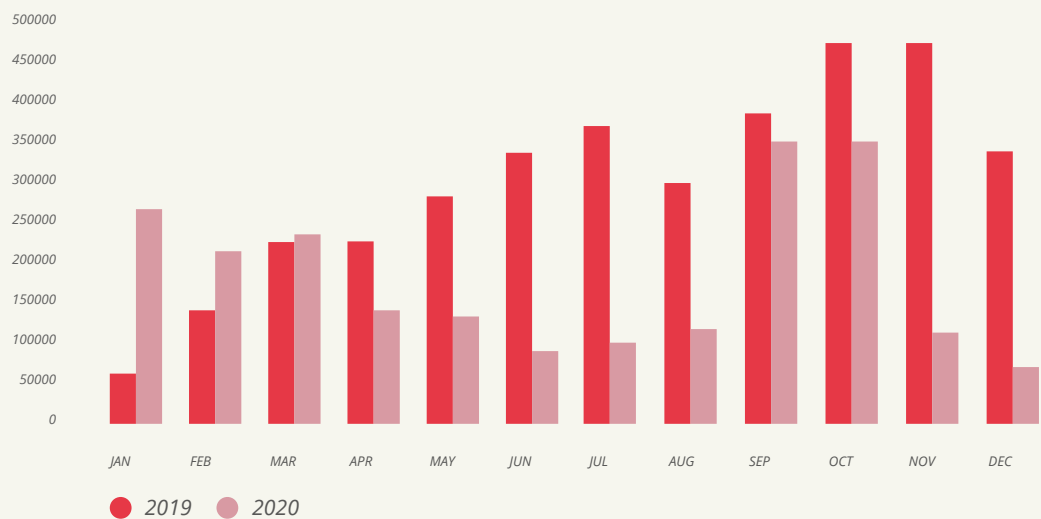
Diesel fuel is used in the construction phase to operate and move machinery and vehicles. The variations in use in 2020 were due to the type of work being done. We aimed to use this resource optimally and avoid any unnecessary movement and operations that would use fuel inefficiently.

The consumption of diesel fuel will fall drastically after our plant begins operation because fewer vehicles, machinery and other industrial equipment will be needed.

Our diesel consumption in 2020 totaled 2,159 m<sup>3</sup>. This is 40% below the figure reported in 2019, when total consumption was 3,595 m<sup>3</sup>.

Peak fuel consumption is associated with commissioning testing that began in 2019. The peaks in 2019 were in October and November, when 471 m<sup>3</sup> were consumed each month. The commissioning testing continued in 2020 and the peak months of consumption, 350 m<sup>3</sup> each month, were in September and October.

**FUEL CONSUMPTION (M<sup>3</sup>) IN THE LAST 2 YEARS**



# Waste management

306-3

We have promised to generate the least quantity of waste during our activities and to ensure that final disposal is according to the type of waste generated and the possibilities of being recycled or reused.

As a company, we have the legal obligation to report and record the generation and certified disposal of sludge and of both liquid and solid non-hazardous and hazardous industrial waste.

We also keep records of household waste, which is disposed of in a sanitary landfill or recycled.

Waste can be classified in three groups:

- Household waste
- Non-hazardous industrial waste
- Hazardous industrial waste (solid and liquid)

TYPE OF WASTE GENERATED	2018	2019	2020
Bay wastewater treatment plant gray water (m <sup>3</sup> )	-	-	22.0
Household waste (tons)	-	-	520.0 **
Non-hazardous industrial waste (tons)	193.3	1,879.0	1,682.5
Hazardous solid waste (tons)	9.2	34.0	5.4
Hazardous liquid waste (kg)*	-	30.000	25.000

\* Waste oil and lubricants, except for emulsions.

\*\* Original values in m<sup>3</sup> converted to tons using standard waste density data.



## HAZARDOUS AND NON-HAZARDOUS INDUSTRIAL WASTE

306-5

We contract services that certify that hazardous industrial waste, non-hazardous industrial waste and sludge are correctly disposed of. As shown in the previous chart, liquid hazardous waste is comprised of all oil and lubricants from operations, while solid hazardous waste is comprised of plastic, lumber or other materials that have come in contact with, for example, oil, lubricants or paint.

Non-hazardous solid industrial waste consists of site debris, lumber, paper, cardboard and plastic. Lastly, sludge is produced from water treatment. This raw sludge is removed by certified companies to ensure that it is properly treated. The results of sludge management are shown in the next table:

NON-HAZARDOUS LIQUID WASTE (M <sup>3</sup> )	2020
Sludge from the Camp wastewater treatment plant	474.0
Sludge from the photovoltaic plant's wastewater treatment plant	316.0
Sludge from the Power Island's wastewater treatment plant	107.5

306-4

## RECYCLED WASTE

In 2019, we developed a program to promote recycling. In 2020, the focus was on recycling cardboard, paper and plastic bottles in our operations. This activity is a united effort among contractors and Cerro Dominador, as principal, that aims to make our teams aware of the management of non-hazardous waste.

The results of this program were as follows in 2020:

RECYCLING (KG)	2019	2020
Cardboard	885	1,472
Paper	197	836
Plastic Bottles	111	68

## Respect for the landscape and biodiversity

304-1

### OPERATION IN PROTECTED ZONES

Our construction process has respected all environmental commitments assumed under our RCAs in which we aim to cause the least impact possible on the environment.

The Cerro Dominador facilities are not emplaced in protected zones or biodiversity preservation zones. Nonetheless, we respect care for the landscape and the biodiversity of the surroundings.

### PROTECTING ARCHEOLOGICAL SITES OF INTEREST

The north of Chile where our plants and future projects are located is a zone rich in archeological material protected by the National Monuments Law. We have protocols that are in compliance with governing laws and with the commitments assumed to conserve the sites declared to be of archeological interest.

We have currently identified three sites that have been appropriately marked. We are committed to their conservation and to compliance with the law. Therefore, no one in our operation can enter these sites and any facilities that might potentially damage them must be relocated. This work is according to the law and is inspected by professionals trained to ensure adequate conservation of heritage.

## Environmental compliance

307-1

102-11

Our commitment to environmental compliance is fulfilled by a strict monitoring of our activities, managed by a team that has the tools and the commitment required to perform their work in respect for our established protocols.

We received no admonitions or fines for a violation of environmental regulations in 2020. All our activities are conducted according to our commitments under the project's RCA.

5

**RAISE THE  
STANDARD  
OF RELATIONSHIPS  
WITH PEOPLE,  
SOCIETY AND  
COMMUNITIES**





**TARGET**

**2023 GOALS**

**STATUS IN 2020**

Maintain a dialogue and early involvement throughout the life cycle of our projects in respect for the customs of indigenous and local communities.

100% of our projects schedule dialogue and early consultation in special respect for native peoples and their customs.

Although our future projects were acquired with the environmental approvals included, we will engage in early community relations before beginning any disturbance of the territory, particularly where there are indigenous communities.

Require our contractors to hire locals and use local suppliers.

75% of our work force is national during both construction and operation.

At the close of 2020, 85% of people hired for operation and maintenance of the project were Chilean. This is an important achievement for a new industry in Latin America.

60% of our suppliers are local and/or national.

63% of suppliers contracted by the construction contractor are domestic. 92% of suppliers retained by Cerro Dominador are also Chilean.

50 people are trained each year in technical skills related to our business.

In 2020, a survey was made of profiles required for concentrated solar power plants. Training began this year of 55 beneficiaries, co-funded by Corfo.

Implement the highest standards of health and safety in operation and construction.

An accident ratio of 1 in new projects.

In process.

Achieve full gender equity in our company.

A pay gap of zero by position and women comprise at least 40% of the organization.

In process.

Be one of the best companies to work for in Chile.

Receive a score of 80 from GPTW in 2022.

In process.

# Sustainable people management

[Material Topic]

## TALENT MANAGEMENT

102-7 102-8

We are a team committed to developing projects that make a true contribution to the sustainability of our industry. We have the skills and passion needed to conduct operations in compliance with the highest standards of safety and reliability. The workers of contractor are also largely based in the Region of Antofagasta. We have developed a strategic bond with them based on trust and on the transfer of capabilities, which has enabled us to complete our project according to our strategic plan.

The number of workers at the project decreased in 2020 since we were entering the last phase of construction which requires fewer workers.

EMPLOYEES OF	2019	2020
Cerro Dominador	43	42
Project <sup>4</sup>	1,700	1,401

<sup>4</sup> Annual average

All of our own employees have a continuing contract and work full time. 43% of those employees work in the Region of Antofagasta.

## WE ADAPT TO MOVE FORWARD

Due to the world health crisis, in 2020 we had to adapt to the quarantines and telecommuting for the positions that could work remotely. We maintained the shift systems for our own workers and those of contractors at the plant under strict biosafety and health protocols to avoid infection, which included wearing face coverings and restricting visits to the site.

100% of our office employees telecommuted preferably in 2020, although our offices remained open and appropriate measures were in place for anyone who needed to go there.

## ATTRACTING AND RETAINING TALENT

401-1

We analyze the skills needed for each area in attracting talent, which results in the creation of a job profile and job offer. This begins the recruitment process, which can be handled either internally or externally, depending on the characteristics of the position.

In 2020 we surveyed each of the positions and profiles throughout the organization jointly with employees, supervisors and the Human Resources Department. This process was important to our consolidation as a company because it gave us a clear view of the specific functions and skills needed in new hires and a clearer structure and order regarding the roles and responsibilities within the organization.

In 2020 we welcomed 6 new employees: five men and 1 woman.

Inclusive language was used in the invitations to participate in our selection processes, and we asked those interested to provide only information on their skills as they

related to the position to which they were applying. Our selection processes are confidential and candidates are given feedback. Both men and women participate in the evaluation to minimize gender biases.

Induction gives new employees the tools they need to understand and incorporate the values of Cerro Dominador from the first day. We want employees to become a part of our organizational culture, and we ensure that they have the conditions throughout their work lifecycle that motivate them to stay with the company.

## WORK CLIMATE: KEY TO A HIGH-PERFORMING TEAM

We want to grow sustainably, so strengthening our team is a task key to the success of our strategic plan.

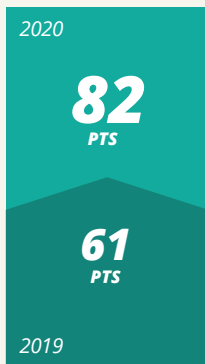
The work climate is managed by measuring dimensions relevant to our organization, such as leadership styles, a sense of belonging, internal practices, and relationships with supervisors.

We use these variables to define action plans to create and promote a work climate aligned with our values, is geared towards our goals, and offers our team opportunities for professional development.

The work climate survey is a confidential process in which collaborators can give us feedback so that we can identify areas to be strengthened and developed and also understand their interests.

In 2020 we used the same tool to measure work climate as in the previous period, which ensures that the data can be compared. We received a score of 82 in this period compared to 61 in 2019. This is a potent and meaningful increase, more so considering the difficulties that had to be faced in the year. In 2020, the following activities helped us promote a work climate good for our global performance:

### WORK CLIMATE EVALUATION



#### WEEKLY MEETINGS WITHOUT CEO

Our CEO led a weekly meeting for the entire organization to share the across-the-board subjects most relevant to keeping everyone informed and creating a sense of coherence and integration. Employees had the chance to ask questions or bring up subjects of interest.

Additionally, each supervisor held a weekly meeting with the members of their team to work in coordination on goals, even though all were telecommuting.

#### COACHING OF THE EXECUTIVE COMMITTEE

Members of the Executive Committee underwent individual and team coaching to strengthen, in particular, leadership and team synergy.

#### TEAM BUILDING

Team-building activities were held at the plant and in Santiago to encourage reflection, expression and experiences that strengthen the team.



102-41

There are no unions at Cerro Dominador, but a portion of the employees at the SPV plant are subject to a collective bargaining agreement with Sinami (National Mechanics, Welders, Electricians and Industrial Assemblers Union).

As a company, we respect the freedom of association of our own collaborators and those of contractors and understand that unionization is a valid means to establish formal dialogue between workers and the organization's managers.



## PERFORMANCE EVALUATION

404-3

All of the employees of Cerro Dominador receive an annual performance evaluation that is associated with an economic incentive and also enables us to monitor the goals met per position.

The evaluation is intended for the members of the Cerro Dominador team to be clear about our priorities and be able to hierarchize them. It is one way to orient the energy and time of each according to the company's priorities. We ensure that the critical matters are handled under certain standards. In this process, we can also strengthen the professional development of our employees.

### PHASE 1 *Setting goals*

This is done at the start of the year and is a moment when goals can be defined using the SMART method.

### PHASE 2 *Mid-year feedback*

An orientational evaluation with supervisors to determine progress, opportunities for improvement, and provide feedback to attain the proposed goals.

### PHASE 3 *Final evaluation*

Participants receive a final evaluation accompanied by a feedback session with their supervisor.

## DIVERSITY AND GENDER EQUITY

405-1

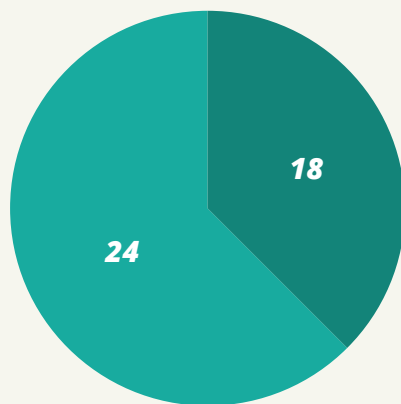
405-2

Throughout its history, our industry has been characterized by having few women among staff members. This tendency continues. According to figures of the Ministry of Energy, the average participation of women in the industry is just 23%.

That is why we are proud to report that 43% of the staff of Cerro Dominador are women.

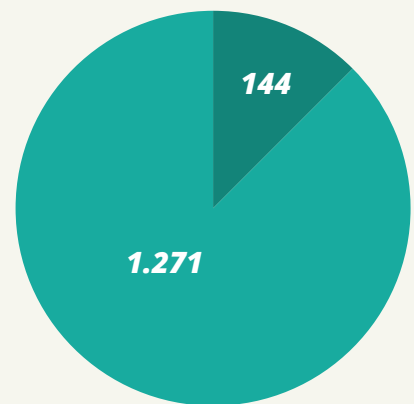
### GENDER DISTRIBUTION IN 2020

#### CERRO DOMINADOR



● Women ● Men

#### CONTRACTORS



● Women ● Men

#### GENDER DISTRIBUTION BY SEGMENT (CERRO DOMINADOR)

Executive Committee  
Executive positions  
Employees

#### 2020

Men		Women		Total	
N°	%	N°	%	N°	%
5	83%	1	17%	6	100%
9	56%	7	44%	16	100%
10	50%	10	50%	20	100%

Cerro Dominador has been committed to attaining a greater gender equity since 2019. We are members of the “Energy + Women” program of the Ministry of Energy and of the U.N. Win Win program that aims to increase the economic empowerment and leadership of women as the basis for sustainable, inclusive and equitable growth.

One of the main programs that we implemented to encourage women to participate in our project was the “Mirrors Program.” We were able to achieve a 25% share of women workers during the construction of the heliostats, additional to the 43% forming part of the female team of Cerro Dominador.

This year we are proud to have received first place in the C3E Organizational Leadership Awards because of the role of women during the construction of the Cerro Dominador plant. This award was given during the international “Women in Clean Energy: Harnessing All Talent” event of the World Clean Energy Forum.

This important recognition challenges us to continue making a difference and promoting gender equity in all stages of our projects. We created a Gender Committee as a result to monitor the gender agenda to which we have committed as a company.

**Cerro Dominador is a member of the Energy + Women program of the Ministry of Energy and the U.N. Win Win program. Both initiatives have helped identify gaps and implement good practices.**



## TOGETHER WE CAN

In 2020 we began to implement this internal initiative that aims to monitor the commitments assumed under the Ministry of Energy's Energy + Women program and the women's empowerment principles (WEPs) of the U.N. Women's organization.

The first action was to create a Gender Committee to implement and monitor the commitments to these institutions. Secondly, we used the UN Women's analytical tool to measure diverse gender issues in the organization and the chain of value across-the-board. Based on the results, we put several action plans in place to shorten the gaps found, which encompass work with key suppliers and contractors to encourage them to hire women so that women begin to work in a sector that is predominantly male.

Part of this work plan also included a stage of awareness and sensitization to violence against women and training to provide tools useful to job reinsertion.

We are also working on improving our selection processes to eliminate gender biases. Finally, we measured the pay gap that will give way to a plan to attain equity in positions.

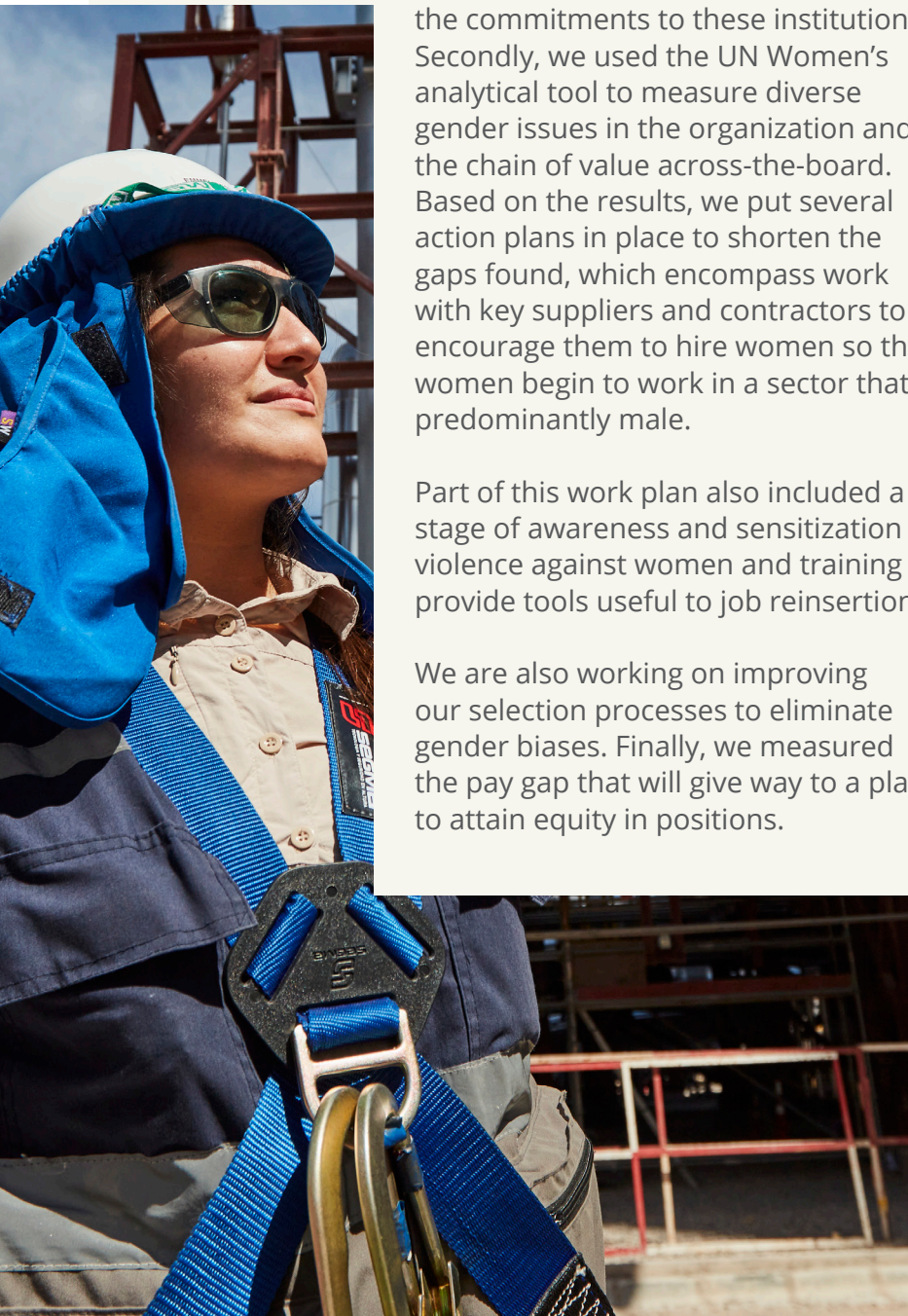
In 2020 we issued a commitment where all salaries of our employees will be equal to or above the industry average.

Therefore, we have proposed shortening the pay gap between men and women in the goal of reaching zero. That goal's roadmap contains the following steps:

1. Working for an internal salary equity.
2. Transmitting those ideals to the extended chain.
3. Contributing to eliminating bias or gender violence within the organization.

In 2020, the monthly proportion of women's salaries compared to men in executive positions was 0.72. For regular employees, it was 0.66. This calculation is based on the gross average salary, it includes expatriates and excludes the CEO's salary.

In 2021, we will see the changes after the diverse actions taken to shorten this gap.





# We work safely

*[Material Topic]*

The safety and health of our employees and those of contractors is a priority in the construction, operating and maintenance stages of our photovoltaic and concentrated solar power plants. We have a specialized team based at the plant that ensures this health and safety at all times.



## *Occupational health and safety in exceptional times: the impact of Covid-19*

In 2020, the Covid-19 protocols were added to the usual measures to keep everyone working at our facilities safe. We incorporated the health requirements ordered by national authorities and the international recommendations specific to our industry.

At the corporate offices, we implemented the preference of telecommuting in the month of March. At the same time, we made all infrastructure adaptations necessary to provide optimal conditions for those who needed to come to work. The offices currently have signs indicating the number of people allowed per meeting room, alcohol gel dispensers, acrylic dividing panels per workstation, among other initiatives. Those who do go to the office must fill in a form so that we can trace any cases of infection in compliance with all regulations of the Ministry of Health (Minsal).







On site, in recognition of its particularities, we implemented several specific practices to reduce the probability of contagion:

- First, we conducted an analysis to identify workers who were more at risk because they suffer from hypertension, diabetes and heart ailments, to avoid having them work on site at the project.
- We set up measures for entering the plant that included body temperature controls and filling in forms about possible symptoms.
- We created a communicational campaign to educate employees and contractors in contagion preventive measures and new safety protocols at our facilities.
- We set up a special unit to care for people with symptoms.
- We marked the physical distances to be observed in common areas and in the means of transport to the plant.
- We gave employees disposable and reusable face coverings and alcohol gel, and we administered quick Covid-19 tests.
- We implemented a 14-days shift system worked by the minimum number of workers needed to maintain the operation.

As a whole, we must report 118 people infected who represent 8.4% of contractor employees, and to great relief, we can say that no one died. 53 of those individuals became infected outside of the workplace and 65 inside it. We will continue to enforce these protocols systematically and strictly to keep contagion down and avoid a spread of the Covid-19 virus.

## Our Occupational Health and Safety Management System

403-1

403-8

As a company, we have set the goal of managing a work culture focused on zero accidents. To do so, we have an Occupational Health and Safety Management System (SGSST in Spanish) that is designed to continuously improve the working conditions, the environment and on-the-job safety. This means promoting a continuing physical, mental and social wellbeing of employees.

The SGSST is in compliance with the legal requirements of Chile set down in article 66-Bis5 of Law 16,744 and in Executive Decree 76. And since we are always aiming for continuous improvement, we are now implementing the Health and Safety Management System under ISO 45001:2018 to apply for certification in 2021.

Our management system covers the activities that take place in our central offices in Santiago and in the photovoltaic and concentrated solar power plants located in María Elena. This encompasses subcontracts, operations and maintenance, which means a total of 1,401 people covered.

<sup>5</sup> See <https://www.suseso.cl/613/w3-propertyvalue-69171.html> for the text of the law.

### The elements in our occupational health and safety management system are:

1. Leadership and commitment to the organization,
2. Strategic planning of the management system,
3. Organizational structure and responsibilities,
4. Supplier and contractor management,
5. Training and competencies,
6. Risk management,
7. Monitoring and audit program.



## EVALUATION OF OUR HEALTH AND SAFETY MANAGEMENT SYSTEM

Our SGSST is subject to internal audits that are intended to analyze the operating safety management of contractors.

We have a Legal Information Platform (SINAIL) in which we input objective evidence of compliance with all rules of law applicable to the company in relation to Occupational Health and Safety.

### EMPLOYEES WHOSE WORK IS COVERED BY THE INTERNALLY AUDITED HEALTH AND SAFETY MANAGEMENT SYSTEM

EMPLOYEES OF CERRO DOMINADOR		PROJECT EMPLOYEES (CONTRACTORS) <sup>6</sup>	
Number	%	Number	%
42	100	1,401	100

<sup>6</sup> This figure includes the annual average of SPV contractors and subcontractors as well as operations and maintenance.



## OCCUPATIONAL HEALTH SERVICES

403-3

All of our employees have access to health care, either at our own polyclinic or through a mutual safety association or the Chilean Safety Association (ACHS).

### MUTUAL SAFETY ASSOCIATION

*Number of people with access to this health care: 42*

The worker's compensation insurance for Cerro Dominador employees is managed through this service. This insurance is funded by payment by Cerro Dominador of a premium amounting to 0.95% of all taxable salaries.

Employees can receive:

- Pre-employment examinations
- Occupational examinations (*to work a height, in confined spaces, risk aversion and psychological and sensory examinations*),
- Epidemiological vigilance.

### CHILEAN SAFETY ASSOCIATION (ACHS)

*Number of people with access to this health care: 1,401*

The contractor is affiliated to the ACHS, which manages its worker's compensation insurance.

Employees can receive:

- Pre-employment examinations
- Occupational examinations (*to work a height, in confined spaces, risk aversion and psychological and sensory examinations*),
- Epidemiological vigilance.

### CERRO DOMINADOR POLYCLINIC

*Number of people with access to this health care: 1,401*

This service is administrated by the project's main contractor through its affiliation with the ACHS. Immediate care is provided in the event of an accident and if necessary, patients can be moved to other care centers by the Polyclinic's ambulances.

## BENEFITS

### SCHOOL BONUS

CLP\$50,000 is paid for each student of employees in school.

### MEDICAL INSURANCE

**Complementary:** The company pays 50% of the total insurance premium.

**Cancer:** It helps employees gain access to this insurance (paid for by employees).

### TRAINING

Evaluated according to the area of need and requests by managers and supervisors.

### PERFORMANCE BONUSES

For all employees, based on performance.

### MEDICAL LEAVE

The ISAPRE makes payment to the company for medical leave (paying less than the full salary), and we make up the difference. This means that employees will always receive their full salary.

### SUPPORT AFTER THE LOSS OF A FAMILY MEMBER

Cerro Dominador gives employees three days more of leave than what is stipulated by law in the event of the death of a child, spouse, or partner.

If a child is lost during pregnancy or the employee's mother or father dies, Cerro Dominador gives the employee four days more than what is stipulated by law.

In the event of the death of a sibling, 7 calendar days of paid leave are granted.

## HEALTH AND SAFETY TRAINING

403-5

We conducted a total of 11,034 hours of occupational health and safety training in 2020 covering matters such as: locking out and tagging out, reporting obligations, work at a height, first aid, working in confined spaces and similar matters.

### HEALTH AND SAFETY TRAINING IN 2020

TRAINING SUBJECT MATTER	CANTIDAD DE TRABAJADORES PARTICIPANTES	CANTIDAD DE HORAS DE CAPACITACIÓN REALIZADAS
Work at a height	30	280
Use and handling of extinguishers	37	280
First aid	30	240
Driving defensively	30	240
Reporting obligation (SPV and subcontractor employees)	2,336	4,796
Lock out and tag out (LOTO)	2,459	4,918
Confined spaces	35	280
<b>TOTAL</b>	<b>4,957</b>	<b>11,034</b>

## OCCUPATIONAL INJURIES AND DISEASES

403-9

403-10

There were no work-related injuries among our own employees in 2020. However, the frequency ratio for contractors was 2.99 because there were 7 reported injuries.

In 2020, falling from a height was found to be one of the main on-the-job risks that may have serious consequences. We therefore designed specific actions to eliminate that hazard, using our project hazard identification matrix to determine control measures that include:

- training in work at a height for all workers exposed to that risk
- installation of hard barriers
- supply of full body safety harnesses for employees working at a height above 1.80 m
- a daily inspection of safety devices used in working at a height
- daily Safe Work Analysis (SWA) for all types of work

Preventing occupational disease is also an important matter. Not only do we hold awareness and educational campaigns to prevent them; we also make qualitative evaluations of workstations, which are done by the Mutual Safety Associations of each company.

These evaluations identify the physical, chemical or biological risks and potential occupational diseases and we use them to create preventive plans in harmony with the Minsal protocols.

Cerro Dominador has identified two risks of occupational illness or injury: ultraviolet (UV) radiation and noise. We therefore promote measures such as using sun block and training in UV radiation, and we require hearing protection to be used. Thanks to this, **no employee or contractor worker has been reported to suffer from any illness as a consequence of these risks.**



# Commitment to community development

*[Material Topic]*

## THE COMMUNITIES WITHIN OUR ZONE OF INFLUENCE

Our projects are located in the Region of Antofagasta and the communities within our zone of influence are, by project:

PROJECT	MUNICIPALITIES IN THE ZONE OF INFLUENCE
Cerro Dominador	María Elena
Likana Solar	<ul style="list-style-type: none"> <li>• Calama</li> <li>• San Pedro de Atacama</li> <li>• San Francisco de Chiu-Chiu</li> <li>• Rio Grande</li> </ul>
Pampa Unión	Sierra Gorda

For the communities in the zone of influence of Likana Solar and Pampa Unión, in 2020 we worked with an expert consultant to update the Human Environment Baseline to be able to design strategies for social dialogue pertinent to the reality of these communities.

# Our community relations focal points

Cerro 2

In 2020, our community relations strategy was focused on five points:

				
<b>EDUCATION IN RENEWABLE ENERGY</b>	<b>LOCAL TOURISM DEVELOPMENT</b>	<b>HIRING LOCALLY</b>	<b>GENDER-FOCUSED HIRING</b>	<b>LOCAL SUPPLIER DEVELOPMENT</b>

*You will find more information in the "Promoting Solar Energy" Material Topic on page 60.*

*You will find more information in the "Hiring Locally" Material Topic on page 61.*

*You will find more information in the "Local and National Supplier Development" Material Topic on page 70.*

We are reviewing these guidelines for 2021. The findings from the Human Environment Baseline studied in this period provided information to redirect our efforts strategically towards creating and managing actions that will be of greater benefit to the communities surrounding us.

# Hiring Locally

Cerro 3

[Material Topic]

As we said, one of our community relations focal points is hiring locally.

Since the beginning, we have aimed to be a contribution to the communities where we operate by developing programs that promote hiring people in our zone of influence, with a particular focus on creating jobs for women. This was seen in the Mirrors Program – in effect from 2018 to 2020 – where women representing 20% to 33% of the workforce were working on heliostat assembly in the bay and erection in the solar field during the construction stage.

We want to continue the Mirrors Program in upcoming projects. This program is limited to a specific area of work, namely the heliostat manufacturing bay.

**At the close of 2020, 60% of employees hired for Operation and Maintenance of the Project came from the Region of Antofagasta. And we forecast that 20% will be women.**





Our commitment in the operation and maintenance phase is to hire 75% of employees locally, from the communities in the areas of influence of our projects, and for 20% of them to be women.

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#### MEASUREMENT OF THE MIRRORS PROGRAM IMPACTS

In 2020 we worked together with the Generators Association and First Impact (consultants expert in maximizing the social value of projects) to measure the impacts of the Mirrors Program.

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#### WHAT IS THE MIRRORS PROGRAM?

- It was created in 2018 to train women from the municipality of María Elena and surrounding areas to work on assembly of the Cerro Dominador photovoltaic plant.
- After interviews, selection and training, from 25% to 33% of the employees hired to work in the manufacturing bay were women.
- Cerro Dominador worked jointly with the Municipal Job Intermediation Office (OMIL) of the Municipality of María Elena, which collaborated in finding female candidates.

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#### The evaluation of this program concluded that:

- More women were benefitted than what was initially predicted.
- 100% of the women received the same salary as their male peers who performed similar work.
- More than 75% of women said that they had increased their income during their time in the program.
- 40% of the women beneficiaries applied, and were hired, for jobs usually performed by men.



## *Promoting hiring locally*

We have committed to being a major player in the industry and in the communities where we operate. Along these lines, in 2020, we worked with CORFO and the Regional Government on promoting a Skills Training Program (STP) for operators and maintenance technicians of concentrated solar power plants, which will benefit 55 people from the region who will gain profiles and skills unusual for our country.

Training will be imparted by the Industrial-Mining Training Center of the La Escondida Educational Foundation that will teach theory and practice in electrical, mechanical, hydraulic, operating control, instrumentation and/or process areas.



6

**FACILITATE PEOPLE  
ENJOYING THE  
POTENTIALS  
OF 24/7 SOLAR  
ENERGY**





**TARGETS**

Combat energy poverty through a good technical production capacity based on 24/7 solar energy and the promotion of solar energy tourism.

Contribute to the public infrastructure through 24/7 solar energy.

**2023 GOALS**

Develop an electrification program or energy poverty reduction program in the localities in which we operate.

A tourism project tied to our infrastructure and managed by the community, per project.

Create competitive funding contests (for schools, neighborhood boards, etc.) that promote the use of solar energy.

**STATUS IN 2020**

In process.

This year we worked on setting up the Observation Center that will contribute to science and culture.

In process.

# Promoting solar energy

[Material Topic]

Cerro 4



<sup>7</sup> The book is available to the public digitally on the Ministry of the Environment's website.

## EDUCATION IN RENEWABLE ENERGY

Given the potential for solar energy development in the country, we know that we have the responsibility and opportunity to provide clear, reliable information for people to incorporate renewable energy to their everyday life.

The "Education and Energy" program was started to promote an understanding and practical use of clean energy in schools and among the student community. The pandemic affected the continuity of our educational initiatives in 2020 because they could not be conducted in person at schools in the localities in the area of influence of our project, so we resorted to a digital format to publish the book entitled "The Power of the Sun"<sup>7</sup> together with the Ministry of the Environment.

To make these concepts understandable and put the book's contents into practice, we designed a teaching game directed towards schools in the zone. This material was co-constructed with the community in Sierra Gorda, and involved teachers, students and the authorities. It is oriented towards creating an awareness in future generations of the importance of taking action today against climate change and, therefore, of the relevance of renewable energy and good practices in using it.

"Education and Energy" was one of the 16 finalists among 870 candidates in 12 Spanish-speaking countries at the 11th Co-Responsibility Awards.

As part of our sustainability strategy, this focal point will be reinforced in the coming years to bring solar energy closer to people and communities. In 2020, some of our executives also gave talks at universities and abroad to promote solar energy and innovation.





## FOSTERING ENERGY TOURISM

As a young company, we believe that our ability to innovate can be a contribution to local tourism. Since we were responsible for the construction of the first concentrated solar power plant using tower technology in Latin America, we saw the opportunity to contribute to tourism in the zone by creating a place to spread the word about the country's energy potential.

Our facilities will have a lookout and a room for the museum-like exhibition of educational, scientific and cultural objects. The room will be managed by the municipality of Maria Elena. Additionally, a sculpture by Federico Assler, National Art Prize 2009 recipient, will be installed in the little square at the Observation Center.

This center will give continuity to the work we have been doing since 2018 with the María Elena Tourist Guide Association. We have imparted training to it in the technological and industrial potential of the zone, especially in connection with energy.



# PROMOTE A 24/7 SOLAR ECOSYSTEM IN CHILE



**TARGETS**

Develop means of investment for entrepreneurships and innovation in products and services based on 24/7 solar energy.

Transfer know-how on 24/7 solar energy and new technologies.

Promote alliances with other technologies.

**2023 GOALS**

Develop two projects a year together with 24/7 solar energy entrepreneurships.

Information activities in at least 10 schools in the Region of Antofagasta each year to disclose the potential of concentrated solar power.

One project a year with university innovation centers (Clean Technology Institute).

An alliance with one other technology.

**STATUS IN 2020**

In process.

In process.

In process.

In process.

# Local supplier development

[Material Topic]

102-9 102-10 204-1

We want to position ourselves as leaders on the market by installing technical capabilities for an industry that has a great potential for growth. That is why hiring locally has been a key focal point in our operating strategy.

69% of our suppliers provide services, meaning that people are hired both directly and indirectly. In 2020, the start of our two new projects (Likana Solar and Pampa Unión) resulted in a 26.66% increase in our direct hire of services.

**504** *the total number of suppliers in 2020*

## INDIRECT SUPPLIERS

Suppliers contracted by the construction company.

63% of these suppliers are national and 30% are foreign (*from Germany, Spain, USA, China, the Czech Republic, Holland and France, among others*)

**318** *the total number of national suppliers*

## DIRECT SUPPLIERS

Suppliers contracted directly by Cerro Dominador.

92% of these suppliers are national and 8% are foreign (*Spain, USA, Switzerland*).

## Terms of Payment

**30 days**  
to Foreign Suppliers

**From 10 to 15 days**  
to National Suppliers



63% of our total spending on the supply of goods and services goes to national suppliers (US\$ 41.145.620) \*.

*\* Does not include construction or operation costs in the electric market*

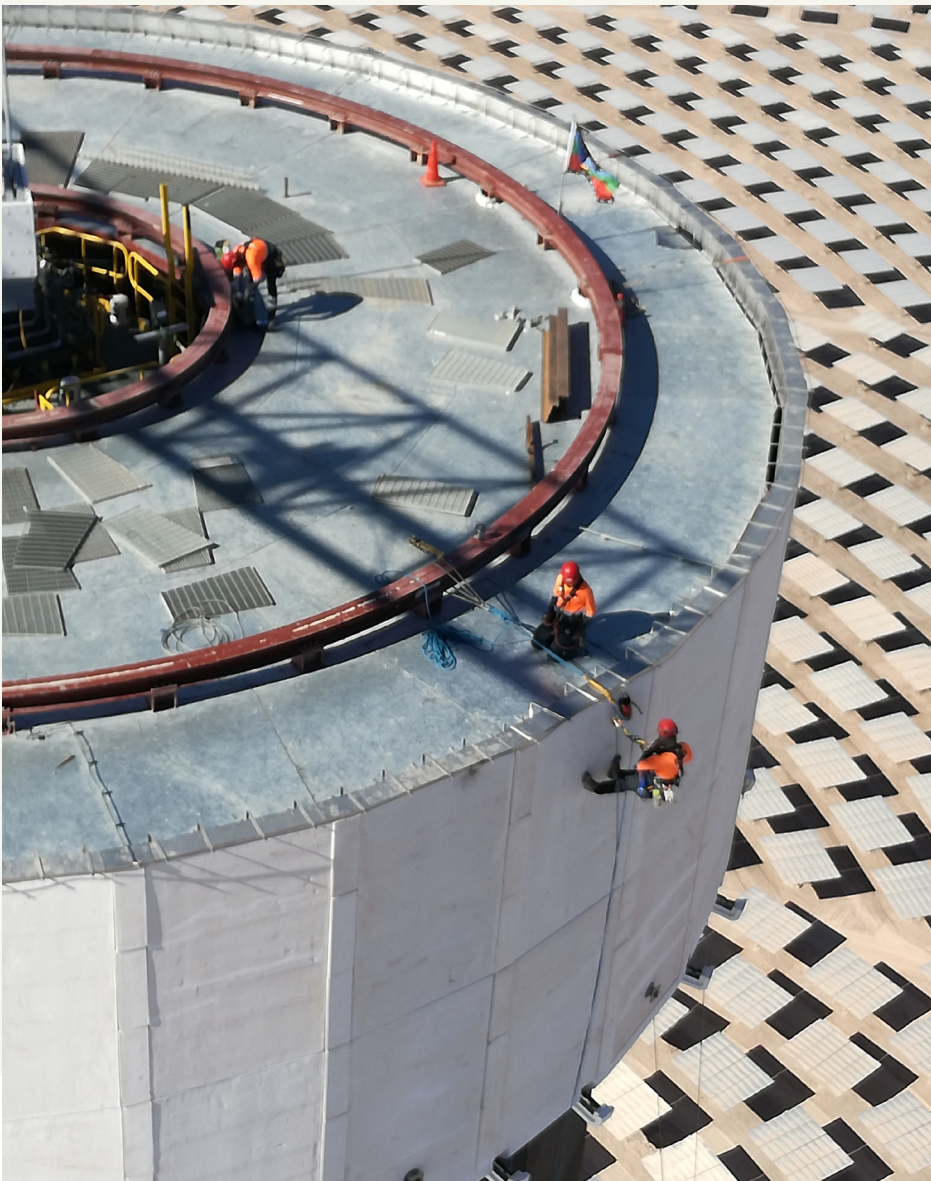
408-1

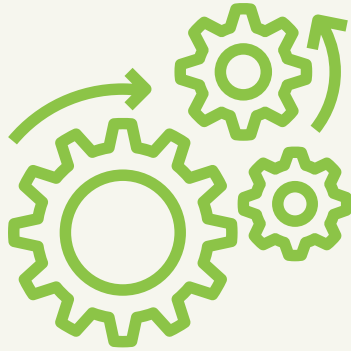
## **NO TO LABOR EXPLOITATION**

We are a world-class company committed to the most exigent industrial standards of operation and governance. We have strict protocols to ensure that we detect and prevent any labor exploitation risks, including in relation to the participation of minors in our operations and associated activities.

We review the personnel hiring records of the EPC contractor monthly to guarantee that no minors have been hired and that it is in compliance with governing laws, as stipulated in the contracts that we have signed.

There is no risk of child labor given the employee accreditation process. However, audits are extended to the accreditation of employees of the construction company's subcontractors.





### **METHODS OF SUPPLIER RELATIONS**

We are in direct contact with our suppliers through our web platform and our call center. Our procurement area channels and processes the information received in these ways, which may consist of suggestions, equipment or service presentations or claims. After processing, they are forwarded to the pertinent areas that will attend to the supplier's request.

Throughout the year we participated in several fairs of suppliers in the sector and through our associations, we exchanged information and contacts in the aim of creating business opportunities that could impact regional development.

### **SUPPLIER EVALUATION SYSTEM**

In 2019 we put a new supplier evaluation method into effect, done at the time of registration and analysis of bids. References, the customer portfolio and successful cases were evaluated together with their technical and economic bids.

In 2021, we will begin to evaluate our suppliers based on performance and the delivery of goods in 2020. This evaluation encompasses the quality of products or service workmanship, warranties, meeting delivery deadlines, and after-sales attention and service.

The elements to be evaluated will depend on the purposes for which the good was purchased or service required. Those elements include:

SOCIAL ATTRIBUTES	ENVIRONMENTAL ATTRIBUTES	ETHICAL ATTRIBUTES
<ol style="list-style-type: none"> <li>1. Compliance with Chilean Labor Laws by filing Forms F30 and F30-1 of the Labor Bureau.</li> <li>2. Percentage compliance of national contracts versus foreign contracts.</li> <li>3. Percentage compliance on hiring women versus men.</li> <li>4. Compliance with no hiring of minors.</li> <li>5. Detection of involuntary or forced work: it is audited and measures or plans are adopted.</li> <li>6. Adherence to Human Rights in specific policies and procedures and verification of their application to safety.</li> <li>7. Respect for indigenous peoples: no form of discrimination or prejudice is tolerated.</li> </ol>	<ol style="list-style-type: none"> <li>1. Quantification of inputs (water, electricity, etc.).</li> <li>2. Quantification of emissions and waste.</li> <li>3. Existence of an environmental policy.</li> <li>4. Waste recycling plan.</li> </ol>	<ol style="list-style-type: none"> <li>1. Existence of a transparency policy. The fight against bribery and corruption.</li> <li>2. The existence of conflicts of interest and Information Management Policies.</li> <li>3. Integrity of commercial and financial information issued.</li> <li>4. Adherence to our Non-Disclosure Agreement (NDA).</li> <li>5. Observance of free competition.</li> </ol>

Cerro Dominador wants its contractors to behave ethically with their own suppliers. Our main contractors therefore hold certification of employer and subcontractor compliance. This is one way to support and maintain the chain of payments in the industry.

We also have a whistleblower channel in place where different stakeholders can present their complaints and questions, which are then properly channeled.

## SUPPLIER TRAINING

Just like our employees and our contractors, our suppliers are also strategic allies in meeting our goals. Doing our daily tasks right is dependent on the quality and punctuality of their service, so aligning know-how and expectations has been a priority that we accomplish through a series of training sessions like the ones we describe below.

NAME OF INITIATIVES IMPLEMENTED IN 2020	DESCRIPTION	NUMBER OF SUPPLIERS IMPACTED	TYPE OF SUPPLIER IMPACTED (NATIONAL OR FOREIGN)
SUPPLIER RECORD	Training in Keeping Records and Documentation (Nalanda)	100%	National and Foreign
HSE	HSE Training (Personal Safety and Protection)	100%	National and Foreign
HUMAN RIGHTS	Training in Human Rights (Project Safety Personnel)	100%	National and Foreign



### **STRENGTHENING THE CAPABILITIES OF LOCAL SUPPLIERS**

Our project is greatly committed to local development. We believe in the potential of the people to drive the development of solar energy in the country.

For that reason, we have created alliances with other companies present in the territory to address the technological and productive gaps that keep suppliers from entering the chain of value of large companies.

### **A BREATH OF AIR FOR ENTREPRENEURS DURING THE PANDEMIC**

In 2020, through a public-private alliance, we worked on creating funds for local companies to alleviate the effects of the social unrest and the pandemic. Two programs were designed and put into effect to support

entrepreneurs and businesses in María Elena and Quillagua:

Reactivation Support Program:

#### **“Reactivating My Salt Flats”**

Together with other companies in the zone, we co-funded 13 local suppliers who had been awarded the salt flats reactivation project of Corfo.

#### **Emergency Funding Program: “We will promote your business together”**

This program is the result of a public-private alliance between the municipality of María Elena and different companies in the zone. The purpose is to support informal entrepreneurs and microentrepreneurs in the community who work in the tourism, mining and energy sectors and were affected by the health crisis.

## **Supporting communities during the pandemic**

**We donated food boxes and personal hygiene and safety inputs to the community of María Elena to help combat the Covid-19 pandemic.**

**We also donated diesel fuel to the Tocopilla Administration, needed to keep the lights on for one month around the sanitary cordon on the highway. Our employees also arranged for support to the community in Santiago and in María Elena through citizen organizations near the project, consisting of the donation of health care inputs, supplies and dry goods.**

# Innovation

Cerro 5

*[Material Topic]*

Innovation is an organizational value at Cerro Dominador. To promote it internally, we held the first innovation contest in 2020, an initiative of our CEO, who invited all employees to send their proposals on improving processes both administratively and technically.

At least 10 proposals were received on improvement and innovation in different areas that were evaluated by a panel of innovation experts: Jonathan (Nony) Herzfeld, founder of fiiS, a social innovation festival, and Julián Ugarte from Socialab, a renowned Chilean innovation accelerator.

First place was awarded to the proposal by José Ignacio Barrales, a Senior Market and Regulation

Engineer, who proposed a technical alternative for the Cerro Dominador Plant. Second place was won by Patricia Montecinos, consisting of a process to improve induction.

We will continue encouraging innovation inside the organization in 2021.







# RENOVATE THE ENERGY MARKET IN CHILE





**TARGETS**

Electrify industries, trade and the housing sector to eliminate the use of fossil fuels.

Participate in the public discussion on a sustainable energy transition.

**2023 GOALS**

One project a year for the electrification of a large customer's operations.

Foster observance of the Energy Portability Law and promote incentives for CSP technology to penetrate the national matrix.

**STATUS IN 2020**

In process.

In process.

# The energy transition

Cerro 6

[Material Topic]

We have decided to become a key actor in accelerating the national energy transition by developing 100%-renewable energy projects capable of providing service 24 hours a day every day.

To be able to provide continuous service, we use concentrated solar power technology by which energy demand can be supplied flexibly and continuously at any time of the day.

Cerro Dominador is a hybrid project that combines photovoltaic and concentrated solar power technology that will help reduce annual CO<sub>2</sub> emissions as shown in the table below:



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## PROJECT

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Cerro Dominador photovoltaic and concentrated solar power plants

Likana Solar

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## EMISSIONS AVOIDED

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It will help reduce CO<sub>2</sub> emissions by 640,000 tons of CO<sub>2</sub> per year on average throughout its useful life.

This project will add to the emission reductions of the photovoltaic and concentrated solar power plants.

## Our concentrated solar power technology will give the National Grid stability and continuously provide clean energy service.

### NEW POWER REGULATIONS

The Concentrated Solar Power Association (ACSP) to which we belong is one of 34 organizations participating on the task force of the Ministry of Energy that has the goal of working on new power regulations that are expected to be ready in the first quarter of 2021.

The new regulations are part of the flexibility strategy of the Ministry of Energy and propose several focal points and measures to confront the transformation of the national electric system. Due to changes in demand and the technologies involved in generation, aspects must be modernized, such as, for example, in reference to the payment for sufficiency capacity in force since the time when the national matrix was primarily hydroelectric.

Moreover, the new regulations should set down the criteria for payment of the contribution of storage, which becomes important due to the entry of variable renewable energy (VRE). The task force is also pondering

the definition and incorporation of technologies for which there is no method to determine their sufficiency capacity, which corresponds to the capacity of a system to supply peak demand. This is important, in particular for technologies like Concentrated Solar Power (CSP), because CSP has the particularity of being a means of thermoelectric generation that does not use fossil fuels and it is also a means of long-lasting storage that is restocked every day economically. This makes CSP an important contribution to the flexibility of the National Grid.

So, one of our challenges as a company is to contribute to carbon neutrality by means of plants that generate base energy and can substitute for thermoelectric power plants.

*“In Chile, in the context of the pandemic, the commitment to carbon neutrality by 2050 is strengthened by accelerating the country’s 2040 decarbonization plan. In this regard, the role of renewable energy is key because of the lower prices and competitiveness, in addition to the positive impact on creating jobs, which impacts the environment and social acceptance.”*

## **Fernando González, Cerro Dominador CEO**

### **OUR ROLE IN PROMOTING CLEAN ENERGY**

We are leaders in the use of concentrated solar power technology in Latin America. From that position, we have decided to disseminate and educate in renewable energy to promote its use as a real, viable alternative to decarbonize our economy.

In 2020 we organized the **“Sustainable Energy Talk Cycle.”** Several guests participated, speaking on subjects like investments to confront climate change, the role of innovation in decarbonizing Chile’s energy matrix, and the potential of renewable energy in economic reactivation.

We also participated, in the tender by the National Energy Commission to discourage the use of firewood. This unusual, government-led process aims to offer more competitive electricity prices so that the population in 10 municipalities where there is a high level of particulate matter concentration will prefer electric heating to firewood.



## OUR PARTICIPATION AND IMPACT

Concentrated solar power technology entails several innovations in relation to storage, the temporary manageability of energy and the flexibility of operation that are not necessarily addressed in Chilean regulations because this technology was not considered in them.

Cerro Dominador has been participating in the debate on public policy directly with the Ministry of Energy, National Energy Commission, National Electric Coordinator and other relevant actors.

The main efforts in this respect are oriented toward the different regulations including concentrated solar power technology and adequately recognizing its technical attributes and appropriate compensation for the services it provides. Here it is important to set concentrated solar power technology apart from other power plants with a capacity of storage and manageability, such as batteries or reservoirs since their characteristics are different.

Designing energy policy has been oriented mainly towards modernizing the regulations to adapt them to the new characteristics of the electricity market (variable renewable energy, decarbonization, carbon neutrality, among other subjects) and to the increase in the competition in connection with sales (Portability Law). These developments offer opportunities, consisting of greater

possibilities of contracting this technology for new customers, above all when the attributes are adequately recognized. Concentrated solar power technology is attractive to end customers and increasing competition will bring about new opportunities.

Membership in different trade associations like the Chilean Generators Association (AG), the Renewable Energy and Storage Association of Chile (ACERA) and the Concentrated Solar Power Association (ACSP) also forms a part of our impact agenda. This is of great relevance to us because we are the only company in Chile that is developing and operating concentrated solar power (CSP) technology and has installed the first plant of its kind in Latin America.



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# ABOUT THIS REPORT



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*This document is the third edition of our sustainability report. It has been prepared according to the core option of the GRI standards and includes the contribution of Cerro Dominador to the UN's sustainable development goals.*

*This document was approved by the company's Executive Committee and covers management from January 1 to December 31, 2020, encompassing both our operations located in the Region of Antofagasta and at our central office.*

*There were no changes in the expression of the information or in the preparation of this report.*



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DISCLOSURES SERVICE**

**2021**

GRI Services has reviewed, for the Materiality Disclosures Service, that the GRI table of contents is clear and that references to Contents 102-40 to 102-49 correspond to the sections indicated in the report. The service was performed on the Spanish version of the report.

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## MATERIAL TOPICS

### MONITORING THE EFFECTS OF CLIMATE CHANGE ON CERRO DOMINADOR

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
Own indicator	Own indicator	Cerro 1	Progress in implementing TCFD	32

### ENVIRONMENTAL MANAGEMENT OF OUR OPERATION

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
GRI 305: Emission 2016	Emissions	305-2 Content	Energy indirect (scope 2) GHG emissions	33
GRI 303: Water and effluents 2018	Water and effluents	303-4 Content	Water discharge	37
		303-5 Content	Water consumption	34
GRI 306: Waste 2020	Waste	306-3 Content	Waste generated	39
		306-4 Content	Waste diverted from disposal	40
		306-5 Content	Waste directed to disposal	40
GRI 304: Biodiversity 2016	Biodiversity	304-1 Content	Operational sites owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	41
GRI 307: Environmental compliance 2016	Environmental compliance	307-1 Content	Non-compliance with environmental laws and regulations.	41

### SUSTAINABLE PEOPLE MANAGEMENT

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
GRI 401: Employment 2016	Employment	401-1 Content	New employee hires and employee turnovers	45
GRI 404: Training and education 2016	Training and education	404-3 Content	Percentage of employees receiving regular performance and career development reviews.	47
GRI: 405 Diversity and equal opportunity 2016	Diversity and equal opportunity	405-1 Content	Diversity of governance bodies and employees.	48
		405-2 Content	Ratio of basic salary and remuneration of women to men.	48

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## MATERIAL TOPICS

### WE WORK SAFELY: OCCUPATIONAL HEALTH AND SAFETY

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
GRI 403: Occupational health and safety 2018	Occupational health and safety	403-1 Content	Occupational health and safety management system	54
		403-3 Content	Occupational health services	56
		403-5 Content	Worker training on occupational health and safety	57
		403-8 Content	Workers covered by an occupational health and safety management system	54
		403-9 Content	Work-related injuries	58
		403-10 Content	Work-related ill health	58

### COMMUNITY RELATIONS AND DEVELOPMENT

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
Own indicator	Own indicator	Cerro 2	Community management model	60

### HIRING LOCALLY

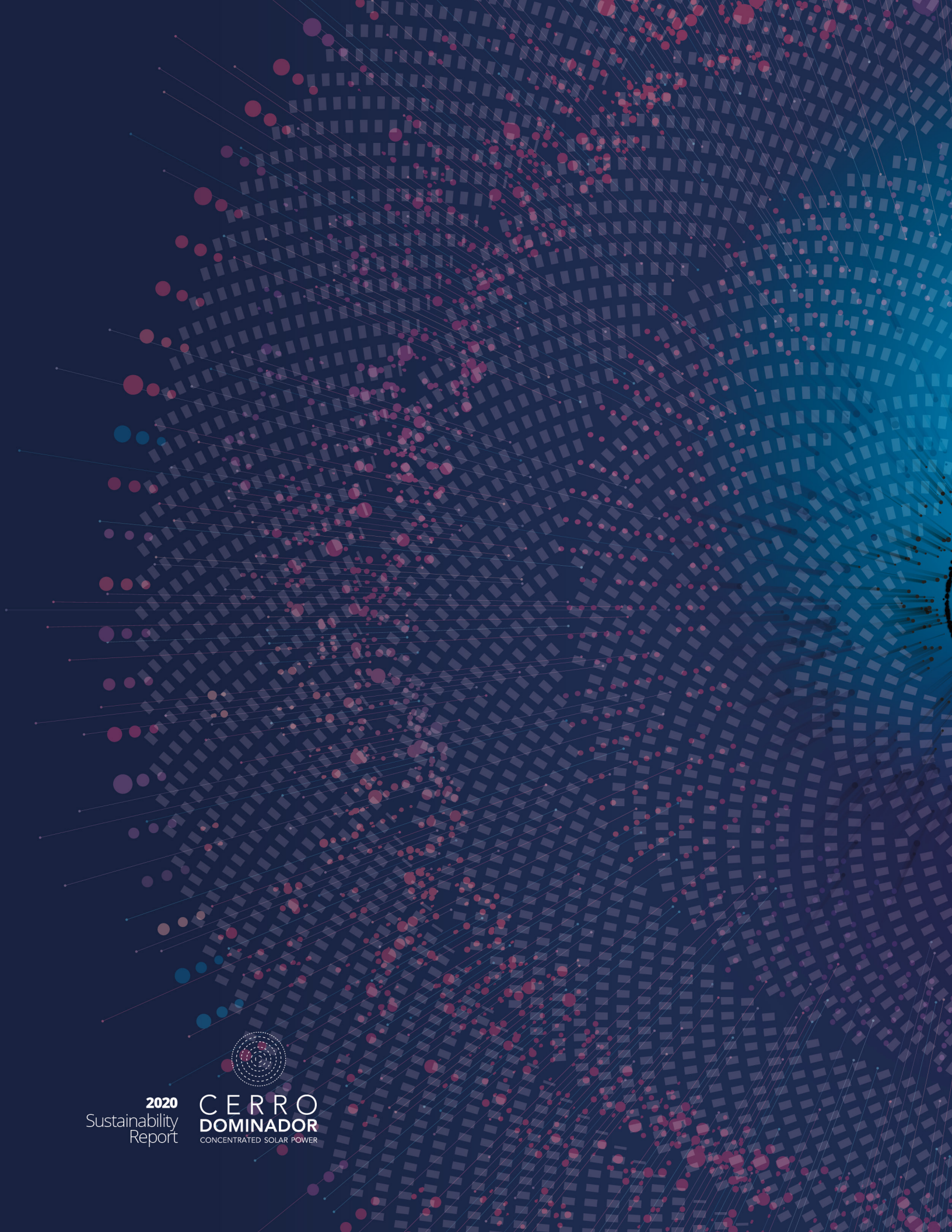
GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
Own indicator	Own indicator	Cerro 3	Local hiring programs	61

### PROMOTING SOLAR ENERGY

GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
Own indicator	Own indicator	Cerro 4	Solar education and tourism programs	66



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		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
GRI 204: Procurement practices 2016	Procurement practices	204-1 Content	Proportion of spending on local suppliers	70
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<b>INNOVATION</b>				
GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
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		103-3 Content	Evaluation of the management approach	20
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<b>ENERGY TRANSITION</b>				
GRI 103: Management Approach 2016	Management approach	103-1 Content	Explanation of the material topic and its boundaries	20
		103-2 Content	The management approach and its components	20
		103-3 Content	Evaluation of the management approach	20
Own indicator	Own indicator	Cerro 6	Engagement and impact initiatives	80



**2020**  
Sustainability  
Report

**CERRO**  
**DOMINADOR**  
CONCENTRATED SOLAR POWER





**2020**  
Sustainability  
Report

**Photographs:**

Nicole Pitronello  
Alejandro Araya  
Cerro Dominador

**Design:**

Alvaro Cárdenas - diseneria.cl