



# SUSTAINABILITY REPORT

SUMMARY | ESVAL 2020

SUMMARY

# SUSTAINABILITY REPORT ESVAL 2020

With our 2020 Sustainability Report, for the fourteenth consecutive time, we present our permanent commitment to the quality of life and sustainable development of the Valparaiso Region.

This year we faced a great challenge; the Coronavirus global pandemic affected all organizations and institutions in the country and the world and brought about a change in our priorities.

However, we continue to develop our management in a committed and transparent manner, as shown in this report, where we disclose the economic-financial, social and environmental management of our Company.

The methodology used for the construction of this document belongs to the Global Reporting Initiative

(GRI), an international guide for developing Sustainability Reports most widespread and increasingly used by companies of all types, sizes and areas in the world.

The report is based on the six pillars of our Strategic Planning 2019-2023; aligned with the GRESB evaluation methodology, (Global Real Estate Sustainability Benchmark) and highlights our contribution to the 17 United Nations Sustainable Development Goals (SDOs), to which our country acceded in 2015.

Finally, we note that this document is the tenth annual progress report for the United Nations Global Compact, which we have subscribed to since 2010.



Pacto Global  
Red Chile



**OBJETIVOS DE DESARROLLO SOSTENIBLE**

17 OBJETIVOS PARA TRANSFORMAR NUESTRO MUNDO



## 2020: THE YEAR WE LIVE IN PANDEMIC

During the reported year, the entire world was affected by a pandemic caused by the SARS-COVs virus that had the population in a health emergency.

That's how, we should have redoubled efforts to ensure that water was in the homes of all our customers, especially those who were most hit by the pandemic and the economic crisis.

### Time Line 2020

#### March

- We announce our commitment to ensure drinking water service for all people in the Valparaiso Region, with a number of measures such as zero debt cuts, no charges for bill delays, among others.
- We begin the second phase of the connection between the Los Aromos reservoir and the production plant in Concon. This work will support the supply of drinking water to more than 1 million people of the Great Valparaiso by 2040; it will allow to make more efficient use of the resource; and recharge without loss the reservoir in the winter months.

#### April

- We launched a special platform on our website, which allows vulnerable customers to access the benefits that have been established for their waterbills.
- We complete 100% of our illuminated drinking water, having sensors in the more than 4600 kilometers, and position ourselves as the sanitary with the highest sensor rate per kilometer of network, through the development of the Operational Intelligence project.
- 
- We announce the start of the renovation of drinking water networks and water collectors served on various streets of Valparaiso, with an investment exceeding \$440 million.

#### June

- We launched a Special SME Support Plan, which would allow the payment of the drinking water bill to be postponed, given the emergency situation by the Coronavirus.
- We voluntarily expand the COVID-19 help plan for people who have trouble paying their bills.
- In a historical event, in coordination with the surveillance boards of the first, second and third sections of the Aconcagua River, we signed an agreement to agree on a plan of works that ensures the future sustainability of the basin.

#### July

- We developed a non-profit alliance with the agricultural alliance of Jorge Schmidt and the municipality of Llay-Llay, in order to strengthen human consumption not only of health, but also of APRs systems in the area already connected to the company's networks. This alliance will benefit more than one million inhabitants of the Valparaiso Region.

### August

- Our Covid-19 Aid Plan had benefited more than 3,700 customers across the region.

### September

- Jorge Rivas, Superintendent of Sanitary Services (SISS), reviewed on the ground the progress of Phase 2 of the connection works between the Los Aromos reservoir and the Esvál production plant in Concón that already reached 60%.

### October

- We announced the extension of the non-payment service outage suspension period until April 2021.

### November

- We obtained five stars and a 89/100 score in environmental, social and governance assessment with GRESB indicators, becoming an industry leader in the continent.
- With representatives of the Aconcagua River Surveillance Boards and the Valparaíso Public Works service we signed a new agreement on voluntary water redistribution. The Convention, which will govern until April 2021, ensures the prioritization of human consumption and mitigates water scarcity in the area.

### December

- The Chilean – British Chamber distinguished us with the XI Award "Environmental Innovation 2020" for our role in the integrated management of the Aconcagua River basin through the agreement with J. Schmidt and the Municipality of Llay-Llay. 16 large national companies were nominated.

CHAPTER I  
**WE ARE QUALITY OF LIFE**

We are a solid organization; whose permanent goal is excellence and contribute to the quality of life of all the inhabitants of the Valparaíso Region.

We have a network of almost five thousand kilometers of pipes that we have been expanding over the years. We collect, treat and take care of the final disposal of sewage, in accordance with the Chilean Law, and based on the principle of the sustainability of water and resources.

By 2020, we managed to provide 100% of our drinking water network with more than 8,600 sensors that give

us real and online data, allowing us to make better decisions regarding leak detection, speeding up repairs, pressure management and problem care before they become an emergency.

We continue working on the connection between the Los Aromos reservoir and the production plant in Concon. This work will support the supply of drinking water for more than 1 million people from the Great Valparaíso by 2040; it will allow for a more efficient use of the resource; and recharge the reservoir without loss in the winter months.

**Región de Valparaíso**



Sectores fuera del área de concesión: P<sup>o</sup> Sto. Domingo, Olmué, Panquehue

- 1** Provincia de Petorca: Petorca, La Ligua, Cabildo, Papudo, Zapallar. |
- 2** Provincia de Los Andes: Calle Larga, Los Andes, Rinconada, San Esteban. |
- 3** Provincia de San Felipe: San Felipe, Santa María, Catemu, Llay Llay, Putaendo. |
- 4** Provincia de Quillota: La Cruz, La Calera, Hijuelos, Quillota, Nogales. |
- 5** Provincia de Marga Marga: Limache, Villa Alemana, Quilpué. |
- 6** Provincia de Valparaíso: Puchuncaví, Viña del Mar, Valparaíso, Concón, Quintero, Casablanca. |
- 7** Provincia de San Antonio: Algarrobo, El Quisco, El Tabo, Cartagena, San Antonio. |

Urban population supplied	1.538.690
Drinking water customers	658.396
Sewer customers	605.374
Drinking water coverage (%)	99.47%
Sewerage coverage (%)	93.91%

## CHAPTER II OUR VISION OF SUSTAINABILITY

The pandemic that affected the world in 2020 caused a change in our priorities. And while we continue to work with our Strategic Planning 2019-2023, called the Apollo 23 Plan, our teams had to adjust budgets, reschedule milestones and work plans due to the Covid-19.

This meant focusing on the immediate needs of our customers, related to the protection of their health and the hygiene measures involved in having the water supply uninterrupted; and with their economic needs, considering that many lowered their incomes or simply failed to work because of the contagion.

In addition, we add the protection of our collaborators, especially those who continued their work on the

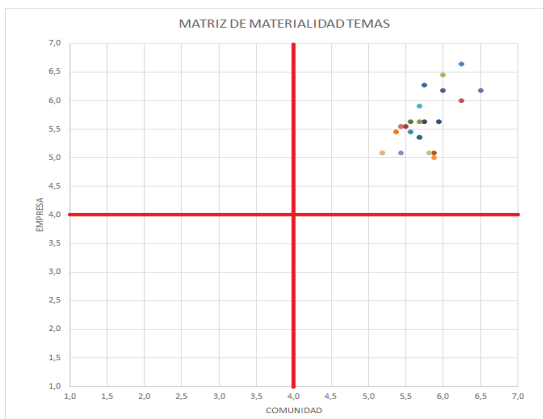
ground, as we have established an essential service, and the other part of them, which continued through teleworking.

With all these considerations, we moved forward with those planned and made an average of 61.44% progress in our Apollo Plan 23 Five-Year 2019-2023.



### CHAPTER III OUR RELEVANT TOPICS

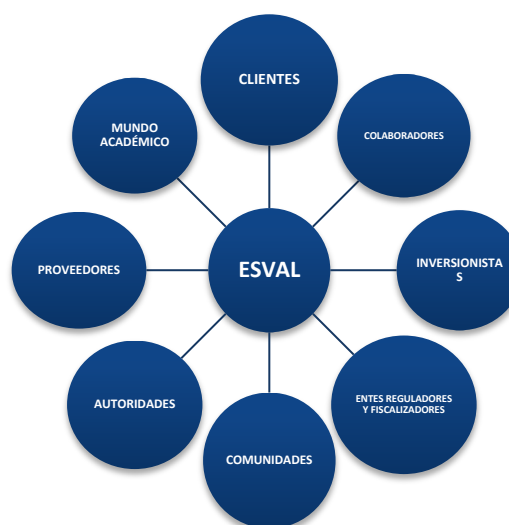
For the 2020 Sustainability Report, we maintained last year's process of identifying material issues and added three relevant topics, related to actions taken to support our customers, community and workers in avoiding the consequences of the Covid-19 pandemic, both health and economic.



These three topics were:

A	Maintaining continuity of supply during the pandemic.
B	Measures to help customers against the pandemic. No interest, no late cuts or no payment.
C	Telework sistema and measures to protect workers from the pandemic.

These subjects have been considered of the highest relevance by 2020 with the highest rating according to the interest and impact reflected in secondary sources. This is how the number of topics addressed in this report amounted from 23 to 26 in coherence with this year's juncture.



CHAPTER IV  
**STRATEGIC AXIS I STABILIZATION OF THE OPERATION**

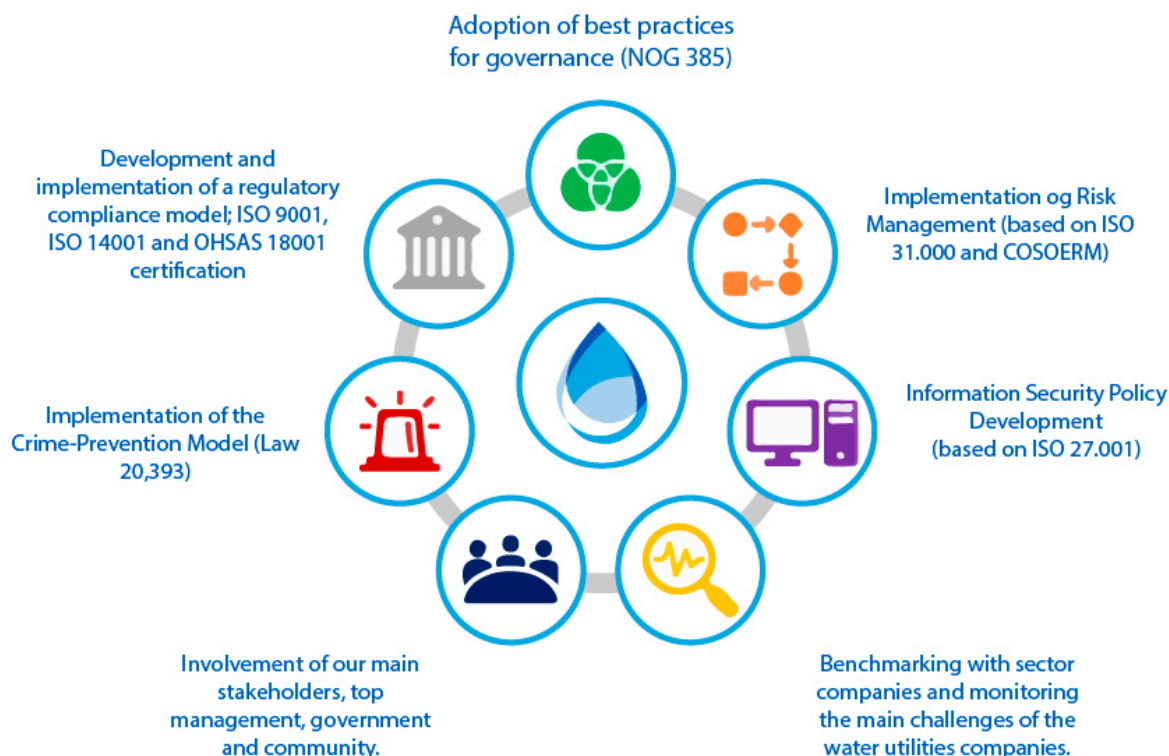
We have transformed threats into opportunities and traveled from being an infrastructure specialist to a focus on the quality of life of our customers and the community, strengthening dialogue with neighborhood boards and training and coordination with groups of women, neighbors, firefighters, universities, among others.

This is how we have robust risk detection, analysis and monitoring plans related to the three key areas of an organization's sustainable development, each with significant progress during the reported year:

- **Corporate Governance:** related to strategic decision-making, probity, alliances, leadership, among others.
- **Social:** related to customers, community, workers and contractors.
- **Environmental:** related to the care of our environment, our processes, use of materials, energy and biodiversity.

*In 2020 we certify our integrated management system in ISO 9001:2015 and ISO 14001:2015 until July 2023. We also obtained certification of the new ISO 45001:2018 standard on occupational safety and health management systems, which replaced OHSAS 18.001:2007.*

**Risk management strengthens our Corporate Governance**





  
CHAPTER V**STRATEGIC AXIS 2 CUSTOMER SATISFACTION**

Handwashing and hygiene in general was the main health measures arranged by the World Health Organization (WHO) to avoid Coronavirus. Therefore, the responsibility to keep the drinking water supply uninterrupted this year was a particularly important task for us; and likewise, allow this element to be in the

homes of all our clients, especially those who were most hit by the pandemic and the economic crisis.

That is why we deployed a number of measures to ensure that the entire population of the Valparaiso Region had water supply. These were:

**Workers:**

- Telework for those administrative collaborators; and shift system to provide coverage and continuity of our service and operation.
- Activating a network of internal replacements to be prepared and maintain continuity.
- Active maintenance of 100% of our staff.

**Clients:**

- Suspension of non-payment supply outages.
- Payment facilities to people affected by economic issues.
- Suspension of fines to account delays.
- Strengthening online care channels, to avoid face-to-face consultations.

**Bondholders:**

- Proposal to our corporate bondholders to temporarily modify financial obligations (covenants), in order to have an additional space that would allow us to move forward with our demanding investment plan despite the pandemic.

 CHAPTER VI**STRATEGIC AXIS 3 EFFICIENCY AND INNOVATION**

We work by applying maximum efficiency in the use and management of water, a natural resource that is currently in a situation of scarcity given to the climate crisis experienced by the planet and its excessive use.

Our Integrated Management System (GIS) provides a structure that allows us to carry out a cross-cutting management in sensitive matters for the business, our workers and stakeholders, ensuring the efficiency and quality of the services provided.

In this line, we carry out various types of processes: strategic, business, operational support, support and

control. Thus, we were able to optimally develop the production of drinking water and decontamination of the wastewater.

- Our fuel consumption dropped by 29%
- We position ourselves as the sanitary with the highest sensor rate per kilometer of network, through the development of the Operational Intelligence project, which achieved the digitization of 100% of our networks.



CHAPTER VII  
**STRATEGIC AXIS 4 INDUSTRY LEADERSHIP**

During 2020, we obtained five stars in the GRESB indicator and a score of 89/100 in the assessment of our environmental, social and governance performance. Thus, we achieved the first place within ranked companies on the continent and second place worldwide.

In a historical event, in coordination with the surveillance boards of the first, second and third sections of the Aconcagua River, we signed an agreement to agree on a plan of works that ensures the future sustainability of the basin.

The Chilean Chamber of The United States distinguished us with the XI Award "Environmental Innovation 2020" for our role in the integrated management of the Aconcagua River basin through

the agreement with J. Schmidt and the Municipality of Llay-Llay. 16 large national companies were nominated.

We participated in the virtual seminar "Smart Water Summit 2020" of the specialized web portal iAgua, through the exhibition of head of the Operational Intelligence Project of our company, Francisco Iturriaga, who highlighted the advances in our organization in that field.

We position ourselves as the sanitary with the highest sensor rate per kilometer of network, through the development of the Operational Intelligence project, which achieved the digitization of 100% of our networks.

CHAPTER VIII  
**STRATEGIC AXIS 6: ORGANIZATION OF EXCELLENCE**

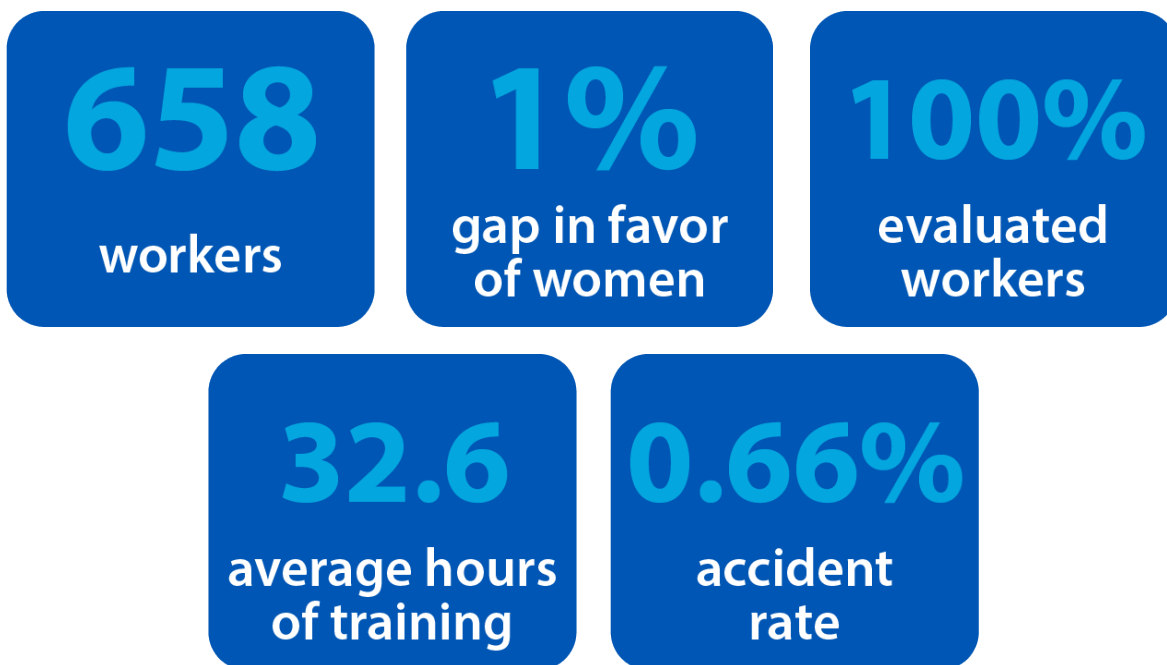
Our teams of collaborators faced the biggest challenge this year. To serve with the same professionalism our customers, suppliers, community and all the groups with whom we bond, taking special care of the health and safety of one's own and that of others, to avoid the contagions of Covid-19.

The excellent work done at this juncture demonstrates the strength of our organizational culture based on values and principles, which pushes us to take responsibility for the needs of our own colleagues, and the demands of all actors in the healthcare industry.

- This year, our organization had 658 workers of whom 473 were men and 185 were women, 28% of the staff were female. In 2019, this percentage

was 27.5; and in 2018, 26%.

- At the enterprise level, we had a 1% pay gap for women; while, in 2019, we had no gap.
- 100% of workers received performance assessment.
- Each worker in the company was trained on average 32 hours over the course of the year. The total number of hours devoted to training was 21,477.
- We certify our management under ISO 45001 Occupational Health and Safety Management Standard covering 100% of our workers and contractors.





**esVAL**  
Comprometidos con la vida