



Integrated Report 2021



ENAP



This Integrated Report was developed in accordance with the regulatory framework established by the Financial Markets Commission (CMF) and the standards of the International Integrated Reporting Council (IIRC) and Global Reporting Initiative (GRI) in its essential version. The information published in this document refers to the company's performance between January 01 and December 31, 2021, and has been duly audited and verified by Deloitte.

EMPRESA NACIONAL DEL PETRÓLEO (ENAP)

Unique Tax Number Register: 92.604.000-6
Public company created by Law 9.618 enacted 19th June

Securities Registry:

No. 783 of October 4, 2002, of the Superintendency of Securities and Insurance, today Commission for the Financial Market.

Course of business:

Exploration, production and commercialization of hydrocarbons and their derivatives; production, transport and commercialization of energy and electric power.

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Message from the Chairman of the Board

The year 2021 was an excellent year for ENAP; a year where ENAP made significant contributions to the country, and where through its active participation in the transition and replacement of the energy matrix, it has been able to project a promising future. A year where a history of losses and inefficiencies has been left behind, giving way to a more pragmatic and professional management with a clear orientation to the business. The year 2021 offers an ENAP that contributes to Chile, being a source of pride and recognition.

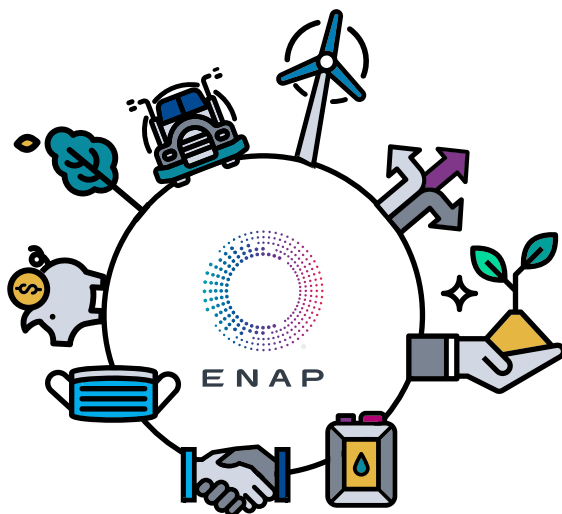
The path we traveled to position the company in this scenario was complex and does not reflect the circumstances of a particular year. These results are the consequence of the decisions that have been made over the last four years, when the company's strategy was redesigned, and its Corporate Governance was reconfigured. The appointment of a diverse Board of Directors, with different points of view and life experiences, aligned with the objective of projecting and making ENAP's business profitable, was one of the most important aspects in achieving these results.

Given the relevance of the current Corporate Governance in the radical change that ENAP has undergone in recent years, I would like to reflect on the relevance of having heterogeneous Boards of Directors.

In our case we have the participation of two female leaders, a representative of the collaborators and multiple political views regarding the country. In this scenario it could be thought that, instead of facilitating decision-making, the agreements have become more complex and that these could be influenced by interests unrelated to the well-being of ENAP's business. But this has not been the case. Our experience reaffirms the value of differences to motivate significant and legitimate projects; it also reaffirms the horizontal approach and openness of conversations when we are in the same role, sharing responsibilities regarding the benefits and losses arising from our decisions. Together with this, it reaffirms the generosity that is present when we work together for a common project and the genuine interest in serving the country. I am deeply convinced that, in a scenario like this, we can speak of shared value and the good it does to Chile.

Our executives had the same interpretation, making it possible to focus all our efforts on two critical areas for the company; the first is related to the need to optimize its production processes and promote greater efficiencies, and the second points to the leadership the company must exercise in the development of a new energy matrix, based on the exploitation of the country's natural resources to generate renewable energies that contribute to mitigating the effects of climate change.





With regard to efficiencies, I would also like to state that it is possible to give credit to this word in a public company that, evidently, is not only driven by profit maximization, especially when it comes to supplying energy and fuel to the country. Having agreed on a short- and medium-term strategy, we worked daily to optimize processes in a safe and responsible manner. This involved carrying out accurate and objective analyses that allowed us to implement a strict and coordinated maintenance schedule throughout all our operations.

In addition, in order to maximize the value of our portfolio, we resumed our drilling program in Ecuador, where we obtained production records due to the good results of the new wells and the fracturing of existing wells. In Egypt, we were able to achieve the growth of our subsidiary, being awarded with the exploration of the West Amer block, located in the Gulf of Suez, in the last bidding process carried out in the country.

The incorporation of new technologies and the digitalization of processes was decisive in improving our competitiveness in terms of crude oil purchases, together with the possibility of accessing a raw material consistent with the requirements of our refineries. The possibility of expanding the network of suppliers and the products offered through the use of digital platforms made it possible to improve prices, the quality of the product purchased, and reduce the time required for these processes.

The improvements made at our refineries, which included important investments to safeguard the safety of our operations, our collaborators and the control of our environmental impacts, had similar effects, thus giving peace and confidence to the country

These measures resulted in income statements that improved progressively from 2018 onwards, except for 2020, which was affected by the impact of the pandemic and the restrictions on mobility imposed to prevent contagion. Thus, we reached 2021, where ENAP recorded an EBITDA of more than US\$ 800 million and profits of more than US\$ 141 million.

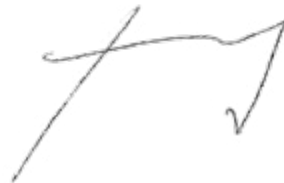
In this context, it was possible to project the strategy associated to the development of new energies for the country, based on the optimization of our natural resources and the strategic location of ENAP's infrastructure. Our facilities in the Magallanes Region allowed us to promote and undertake projects associated with the production of green hydrogen and wind power, as well as strengthening the gas market.

From this point of view, we have worked to assume a leading position in the production of renewable energies. Chile deserves and can be a leader in this industry, and we believe that this role should be performed from the excellence that ENAP currently projects.

Excellence is also at the core of the company. Our team and its union representatives were capable of adapting to the demands established by our management, modernizing their work practices in a complex setting. We were not only faced with the importance of improving our performance, but we were also challenged by the pandemic caused by Covid-19. In this context, I have only thankful words; many thanks to our management for their determination and leadership; many thanks to all our collaborators for their resilience and remarkable capacity to adapt.

There is a saying that we learn from difficulties, and it is possible to emerge stronger, and so it was. We are currently a company with a smaller staff, but in harmony with respect to their roles and functions. We are an organization that, in terms of people management, has also adopted international standards, measuring its work environment under the Great Place To Work (GPTW) method, obtaining satisfactory and increasingly better results.

The maturity reached during this period allow us to calmly point out that we are aware of what must be done in contrast to what is not possible to do. ENAP is a company that can and must be conducted and inspired by the loyalty to Chile and by the specific contributions that can provide. Each time that positive outputs are obtained within a context of responsible production, we will be contributing to strengthen the image and role of the company being ready to write a new chapter in its history.



Fernando Massú Taré

Message from the General Manager

The purpose of this Integrated Report 2021 is to put into perspective our annual management in economic, social and environmental matters, bearing in mind that 2021 was not an ordinary year. This year we consolidated a transformation process we started four years ago and that, despite the complexities generated by the pandemic and a series of other factors, allows us to present a renewed, sustainable ENAP, capable of proactively serving Chile and its future challenges.

Throughout this process, we experienced tensions and moments of uncertainty that reconfigured our relationship with our main stakeholders, promoting opportunities for meeting and collaboration that implied greater coresponsibility with respect to the company's management. As a result, there is now a greater understanding of the activity we carry out, together with the importance of operating in an ecosystem of stakeholders that is part of the decisions we have to promote to sustain our competitiveness. Thus, I would like to thank mainly our employees, unions, suppliers, customers and regulatory agents for their commitment and loyalty to ENAP.

The results for the year reflect this work style, which is a source of pride and satisfaction. In 2021 we recorded profits of US\$141 million, with EBITDA of US\$801 million. This performance is in contrast to 2020, a period in which sales were substantially lower due to the pandemic and in which we recorded losses that, although lower than those of most of the industry, did not allow us to contribute all the resources we would have liked to the country.

The optimistic financial results are in line with the deployment of our operations, which were developed along two main lines of action: on one hand, we focused on optimizing our assets, seeking greater efficiencies and expanding our most profitable operations, and on the other hand, we explored a series of initiatives that will allow us to contribute to the replacement of the country's energy matrix.



Our concern was focused on improving our logistics, maintaining gas supply and reserves in Magallanes, along with digitalizing our refinery processes. The latter allowed us to optimize the purchase of oil by increasing the availability of more than 100 crudes of different characteristics and improving supply alternatives. We are currently monitoring the uses and results of this tool, aiming to provide greater coverage and scope to its implementation.

In energy matters, we are very pleased that the five operating units nationwide: ERA, ERBB, DAO, E&P Magallanes and R&C Magallanes, maintain the certification of their Energy Management Systems under the International Standard ISO 50001 in its 2018 version, which certifies quality, safety and relevance in these Management Systems, also considering we are fully aligned with the Energy Efficiency Law, which was enacted in February 2021.

We also started the execution of the investment plan to improve the environmental performance of our refineries. The Bío Bío Refinery is considering the construction of an Acid Water Treatment Unit, a new Sulfur Recovery Unit, an Amine Regeneration Unit and two Crude Oil Storage Tanks, works that involve US\$ 210 million for the next few years. In the case of Aconcagua Refinery, we are working to comply with the Atmospheric Decontamination and Prevention Plan for the municipalities of Concón, Quintero and Puchuncaví, achieving the control of a high percentage of Volatile Organic Compound emissions.

On the other hand, we connect our Continuous Emission Monitoring Systems online, which allows us to supervise the operation of our five steam boilers to produce water vapor, our Sulfur Recovery Units and Catalytic Cracking.

We are convinced of the importance of pursuing these initiatives to promote the development of our operations in harmony with the environment and the expected quality and safety standards. We are thus pleased that the Quintero Maritime Terminal has renewed the Operation Certification granted by the General Directorate of Maritime Territory and Merchant Marine (DIRECTEMAR), which guarantees compliance with the requirements made by the authorities in terms of safety, health, environmental protection, operation and risk prevention. Our San Vicente Terminal was also certified again for the quality and safety of its facilities. In addition, we expect to optimize the safety of its operations, logistics and facilities with the new project to further dredge the terminal.

I would also like to highlight the good performance and growth of our international subsidiaries. In Egypt, we have managed to obtain far above average results in the last drilled wells, and we have been awarded a new block in the Gulf of Suez that will allow us to carry out the exploration and exploitation of its resources for a period of up to 30 years. In Ecuador we also improved our performance through the drilling of new wells and fractures in existing wells, achieving production at the subsidiary at about 25,000 bbls per day. In Argentina, we reversed the

losses registered from 2015 thanks to active commercial management relevant to the local context and to the implementation of our cost optimization program.

Each of these projects accounts for the efforts we have made to comply with our Strategic Planning to strengthen our main lines of business. They are not the only ones, however, since we have designed a plan to strengthen Chile's position in the process of transition, development, and production of renewable energies. Under the energy transition pillar, we have set out to promote the use of natural gas, understanding that it is a less polluting and environmentally friendly source of energy. Consistent with this purpose, we replaced the petcoke in our facilities, worked on the detection of new technologies, and implemented a long-distance gas truck pilot experience. We are very pleased that this initiative was not only positively evaluated by ENAP, since it generated interest in other companies that took the risk of replacing their truck fleet, based on the results observed.

It is precisely this driving and coordinating role that we are playing to promote the expansion and production of renewable energies; proof of this is the first anniversary of the Vientos Patagónicos Wind Farm that allowed to inject more than 30,000 MW into the Punta Arenas Electric System, supplying 15,000 homes a month.

The characteristics of the Magallanes Region are the main focus of interest for the green hydrogen industry, and given the strategic location of our facilities and

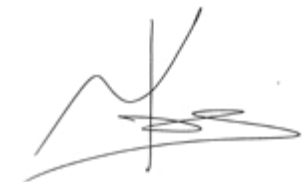
the expert knowledge of our team, we have decided to participate in its development. From this we can conclude the lease contract that we sign with HIF Chile to use our territories in the Cabo Negro industrial sector for the construction, operation, and maintenance of the chemical plant of the first commercial phase that is required to produce synthetic fuels. In addition, we signed four memorandums of understanding for the production of more than 10,000 MW that will favor the replacement of the local and international energy matrix. These collaboration agreements are based on optimizing the uses of our infrastructure, understanding that it promotes the deployment of projects that require large investments by decreasing their initial costs. And it is precisely this exercise that has also allowed us to identify opportunities for collaboration among all the players, promoting the use of existing facilities and/or joint investments in order to reduce the impacts and facilitate their feasibility. We firmly believe that this integration of projects will reduce impacts on the environment and communities.

The deployment of each of these initiatives reaffirms our commitment to carbon neutrality by 2050 and the reorganization of ENAP to a national energy company, capable of responding to the country's needs in terms of demand for fossil and alternative fuels.

I would not like to close this letter without acknowledging the efforts and merits of our team; A human group that has had the capacity to adapt to the demands generated by the need to make a change in the company, besides responding to the difficulties that emerged from the health crisis caused by the Covid-19. Our collaborators have been able to respond to Chile with a profound sense of responsibility, while maintaining at the same time, the interest in continuing to create and innovate in the way we manage our business and project the leadership of our teams. This made us part of several distinctions that make us proud: Executive of the Year, Minera Woman 2021 and 100 women leaders in the country.

Finally, I would like to share a thought: A modern, future-oriented enterprise understands that change must be promoted in all its areas of management. Having served the company for four years, I am sure we have moved this company to a different place; a place of greater certainty, in terms of its financial performance and a place of greater freedom, in terms of the option to create and shape the energy future of the country.

I wholeheartedly thank you.



Andrés Roccatagliata Orsini

BUILDING THE FUTURE



Wind Farm

1. ENAP Net Zero Emissions

At ENAP we are working on a substantial change to become net zero emissions in 2050, being consistent with the goal set by the government. In this regard, we are fully committed to the sustainable transition of the energy matrix of the country.

PILLARS OF ENAP ZERO AND ASSOCIATED MANAGEMENT:

1. Review and evaluate our processes to reduce our emissions through the use of gas

- Currently our Aconcagua cogeneration plant operates on liquefied natural gas from the GNLE terminal in Quintero.
- Bío Bío cogenerator is in the process of changing fuel from petcoke to natural gas.
- Pilots with LNG trucks for land freight transport; process that is in the bidding process.
- Evaluation of pilot design experience for diesel/NG blending in mining trucks.

2. Promotion of projects that favor the development of a cleaner and more sustainable energy matrix

- Renewable energy projects such as wind, photovoltaic, and geothermal are in progress throughout all the territories where we operate.
- Operation of Vientos Patagónicos Wind Farm, which delivers 15% of Punta Arenas' electricity consumption.
- Search for different alternatives for solar projects at ENAP facilities.
- Support for green hydrogen projects and derivatives in the Magallanes Region, exercising an articulating role to make its development feasible from the optimization of engineering designs.
- In H2V we are developing projects in the central-southern zone, as we are the main hydrogen consumer in the country.

A YEAR OF VIENTOS PATAGÓNICOS

One year after starting operations, the Vientos Patagónicos Wind Farm has reached a plant factor of 43%, consolidating its potential by injecting 30,208 MWh during 2021 into the Punta Arenas Electric System. Developed by ENAP and Pecket Energy in Cabo Negro, this complex has been reaching high levels of reliability and capacity, taking advantage of such an abundant resource in Magallanes as wind.

Thanks to this, it has been able to supply energy to more than 10 thousand homes a month in Punta Arenas.

The three wind turbines in the wind farm, together, can inject up to 10.35 MW of power into the system at its maximum performance, which translates into clean energy for around 15 thousand homes, a goal we hope to achieve in the near future.

The total investment of this project exceeds US\$ 22 million, of which US\$ 5 million were contributed by the Magallanes Regional

Government. Its entry into force allowed an increase in the participation of the Nonconventional Renewables Energies (NCRE) from 2% to 18% in the Magallanes Region.

The wind farm has a concrete impact on reducing emissions of greenhouse gases and particulate matter, thus improving the well-being and quality of life of the inhabitants of this area, especially the city of Punta Arenas and its nearest areas.

GREEN HYDROGEN: NEW HORIZONS

Green hydrogen is the energy future not only for Chile, but also for the world. It will replace multiple energy sources in different areas of the industrial network, without emitting greenhouse gases.

ENAP has a strategic position for the development of green hydrogen in Magallanes. We have important assets in facilities and land,

we have a strategic position in port services and availability of docks in the Strait of Magellan. Also, the experience of our professional teams is finding synergies with the projects under development and additional economic value for the company.

Our assets allow projects to be implemented in a much shorter time, which in turn also avoids duplication of infrastructure and, consequently, environmental damage.

Among our agreements is the one established with HIF Chile for the promotion of the green

hydrogen industry in the Magallanes Region. In December 2021, we signed a long-term lease of ENAP-owned land in the industrial sector of Cabo Negro, Punta Arenas district. The area of approximately 47 hectares will be destined to the development, construction, operation, and maintenance of the chemical plant of the first commercial stage that HIF will develop in Magallanes, which will include, among other components, all electrolyzers, CO₂ capture technology, tanks, Methanol synthesis equipment and methanol-to-gasoline (MTG) synthesis units.



ENAP also signed a Collaboration Agreement with Total Eren, an Independent Power Producer (IPP) of renewable energy with a worldwide presence, for the development of a project for the production of Green Hydrogen and its derivatives, which the French company will develop in the Magallanes Region of the Cañadón Grande area.

The agreement covers, among other matter, technical and operational aspects that will allow the harmonious development of the projects of both companies in the area. The foregoing is notwithstanding the joint search for future

business opportunities in the field of New Energies, following the guidelines of the Green Hydrogen Route promoted by the Ministry of Energy that both companies have proposed.

The project to be developed by Total Eren will be located in the district of San Gregorio, Magallanes Region, and will have up to 10 GW of installed wind capacity along with up to 8 GW of electrolysis capacity and a new port terminal.

The possibility of using ENAP ports and infrastructure for backup situations will also

be evaluated, especially during the project's construction stage.

We are very proud to participate in green hydrogen projects to produce sustainable fuels, being aware that these energies are part of Chile's future. From this, it is evident our commitment and enthusiasm with the development of critical infrastructure for the country, along with making the experience and knowledge of our team available.

2. Digitalization in Refineries: The future is here

The refinery of the future materializes by true revolution resulting from the increasing digitalization of processes and the use of Big Data. ENAP has been following this trend and is heading for a true digital transformation that is changing the way refineries work.

Thanks to the adoption of digitalization tools, the refining processes, the purchase of crude oil, and the maintenance of equipment are being optimized, all with the aim of facilitating and streamlining the work. But not only that, this modernization also implies the saving of millions of dollars due to the simplification of processes and the reduction of eventual failures that could generate unnecessary costs.

The implementation of these innovations began in June with the use of the EKONS platform in the control rooms of the Bío Bío Refinery, where operational decision-operational decision-making is gen-

erated for the entire plant. This technology, which was developed with the participation of our operations team, facilitates the work of instrument panel operators and supervisors, in addition to improving the communication and collaboration between the technical teams, thus increasing efficiency and aligning economic and operational objectives.

This process is expected to have a direct benefit on refined product performance, with more valuable products being obtained and at a better margin, while minimizing energy use and optimizing the performance of the units.

Other examples of the benefits of digitalization can be seen in the crude oil purchase process. Currently,

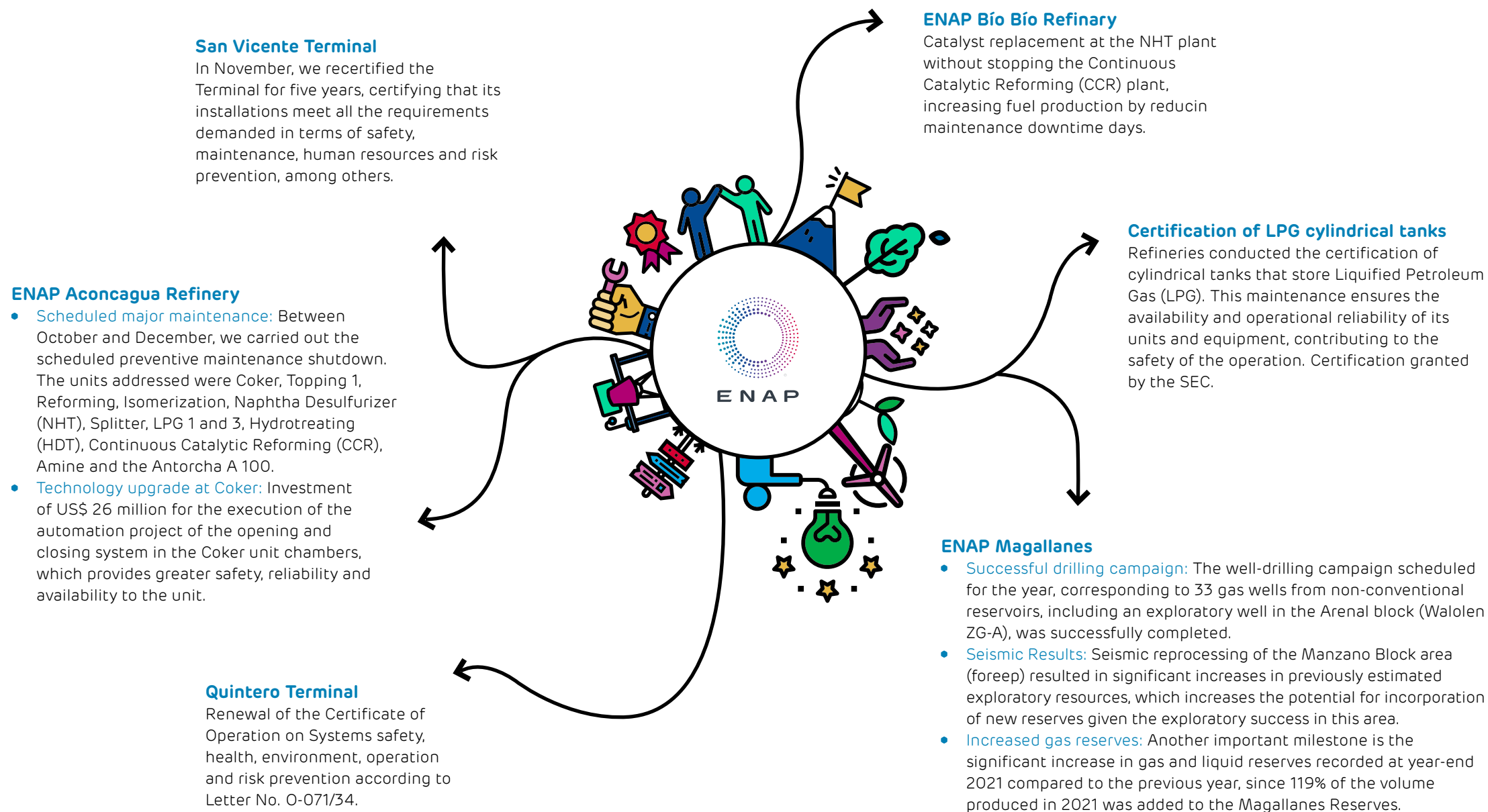
it is possible to carry out an analysis of the more than 500 options existing in the market, to value each one according to its merits and costs, and thus, to rank the alternatives most attractive to the company. It also offers improved communications: Some processes can take hours or days to be resolved in minutes.

Hand in hand with digitalization, we are also optimizing our administrative management, for example, work permits, shift scheduling, and the contract control panel. At the beginning of 2022 we hope to integrate the Maintenance and Operations approach.



2021 Milestones

The year 2021 was a period that represents many achievements and challenges for ENAP. We made progress on relevant issues that project our future, strengthening the strategic role we have for the country's energy supply.



2021 Milestones Sipetrol

Historical results

A RAI of US\$ 148.5 million was reached at the end of 2021, surpassing that of 2020 of US\$ 100.6 million, and being the highest result since 2014.

Argentina

Historical result:

A RAI of US\$ 21 million was achieved, being positive for the first time since 2014, thanks to active commercial management relevant to the context and the implementation of our cost optimization program.

Ecuador

New Production Record:

Based on the very good results of the last drilled wells and the program of fractured wells, a new historical record of production was reached exceeding 25,000 bbl/d.

Egipto

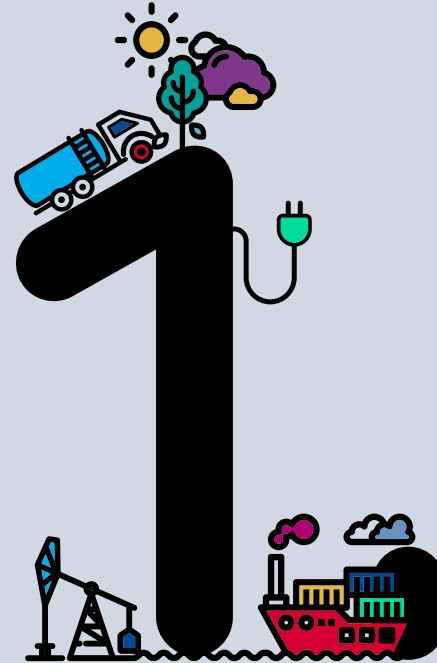
New West Amer Block:

In line with the objectives set out in the business plan and from the bidding process launched by EGPC in 2021, a new exploratory area of 875 km² located in the Gulf of Suez was awarded and incorporated into ENAP's portfolio.

3D Seismic Acquisition of ERQ Block:

During the first quarter of 2021, high resolution 3D seismic acquisition was carried out in the Shahd, Shahd SE, Diaa and Al-Zahra fields, which will improve the results of the upcoming exploration and development campaigns.





Our
Company

OUR COMPANY

Purpose

We aim to become an example of efficiency and modernity, that is economically, socially and environmentally sustainable.

Vision

To become an exemplary public company in terms of security, efficiency and relationship with the communities, and that plays a strategic role in the country's fuel supply, in a sustainable way.



Video We are Changing

Valores



Respect:

We value diversity and accept differences among people. We promote communication with our employees and other stakeholders, within a tolerance framework.



Honesty:

We express ourselves with the truth in order to be consistent about what we say and what we do, which allows us to build trusting relationships inside our work teams.



Transparency:

We promote organizational practices that allow the delivery of information and truthful communication with our stakeholders.



Responsability:

We work rigorously as a quality team taking over the consequences of our work, and seeking sustainability in every challenge we take on, whether inside or outside the organization.



Excellence:

We seek to add value to the company, society and environment, through continuous improvement and innovation in each of our actions.



Loyalty:

We act consistently, mobilized by the commitment to our organization's purposes and the meaning of our work.

Regulation

The National Petroleum Company (ENAP) belongs to the State of Chile and was created by Law 9,618, the National Petroleum Company Organic Law, on 19 June 1950. Its new statutes were passed by the Joint Supreme Decree No. 24 that was dictated by the Ministries of Energy and Finance on 1 February 2018, and published in the Official Gazette on 8 May 2019.

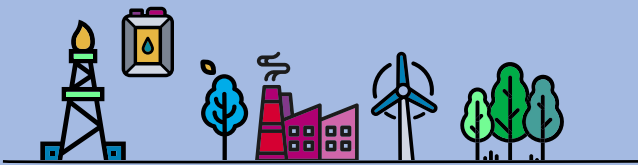
ENAP is regulated by rule of public law in matters related to its management control, budget and information, among others. In accordance with Article 19/21 of the Political Constitution of the Republic of Chile, business activities developed by ENAP are subject to common legislation applicable to private companies, without prejudice of the justified exceptions established by law.

The organic standards applicable to ENAP are contained by Law 9,618, whose consolidated, coordinated, and systematized text was set by the Decree with Force of Law (DFL) 1 of the Ministry of Mining, published in the Official Gazette on 24 April 1987. This text has been modified by Law 18,888 (6 January 1990), by Law 19,031 (19 January 1991) and by Law 19,657 (7 January 2000). ENAP has been registered in the Securities Registry of the Financial Market Commission since 4 October 2002. Therefore, it is subjected to its control and supervision, according to Stock Market regulations of Law 18,045 in the DL 3,538 that created the Superintendency and Law 21,000 that created the Financial Market Commission.

Additionally, it is a local and international market bon issuer. Through Law 20,897, ENAP expanded its business line which allowed its entry into the electricity generation marketing in 2016. On 7 August 2017, Law 21,025 was published, which established a new Corporate Governance for ENAP. Finally, it should be noted that ENAP has direct and indirect participation in 26 companies, 13 of which have an associate company character (direct or indirect participation below 50%).

Subsidiaries, associates and line of business

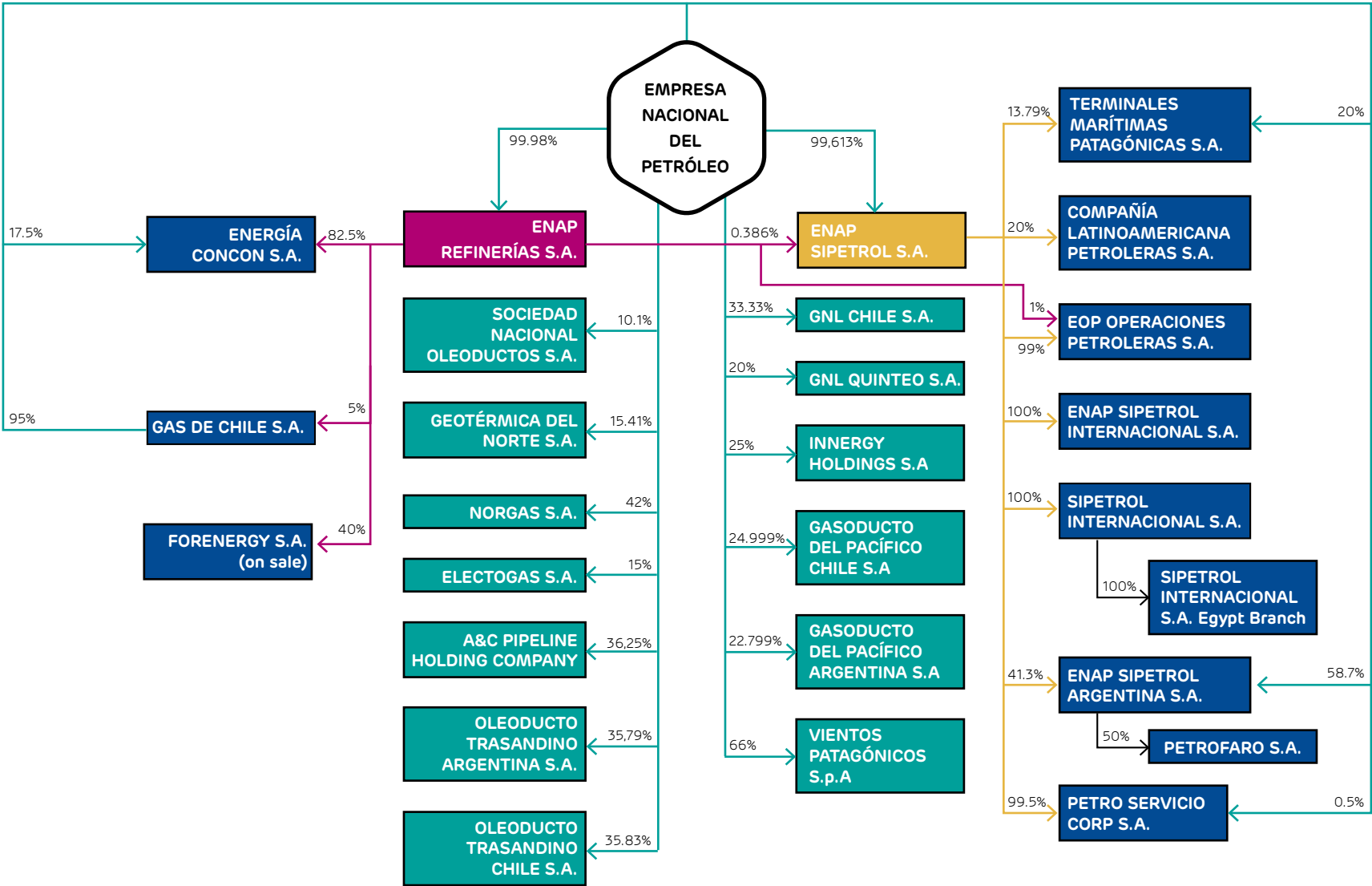
ENAP's subsidiaries are: ENAP Sipetrol S.A., ENAP Refinerías S.A., ENAP Sipetrol Argentina S.A., Sipetrol International S.A. in Uruguay, and the Sipetrol Ecuador and Sipetrol Egypt branches (Sipetrol Internacional S.A. branch) participating in the Petroshad Consortium, in charge of the operation, but with no control over it. With an autonomous administration, ENAP's operating structure is made up by the following lines of business: Exploration and Production (E&P) and Refining and Marketing (R&C).



Line of business and subsidiaries

EXPLORATION AND PRODUCTION (E&P)	REFINACIÓN Y COMERCIALIZACIÓN (R&C)
<p>ENAP Sipetrol S.A. Founded on 24/5/1990 Subsidiary 100% (99.6% ENAP and 0.4% ERSA)</p> <p>ENAP Sipetrol Argentina S.A. Founded on 17/6/1997 Subsidiary 100% (56.7% ENAP and 44.3% ENAP Sipetrol S.A.)</p> <p>Petro Servicio Corp S.A. Founded on 17/6/1997 Subsidiary 100% (0.5% ENAP and 99.5% ENAP Sipetrol S.A.)</p>	<p>ENAP Refinerías S.A. (ERSA) Founded on 16/7/1981 Subsidiary 99.98% ENAP</p> <p>Energía Concón S.A. Founded on 25/11/2002 Subsidiary 100% (17.5% ENAP and 82.5% ERSA)</p> <p>Gas de Chile S.A. Founded on 15/3/1994 Subsidiary 100% (95% ENAP and 5% ERSA)</p> <p>Vientos Patagónicos S.p.A. Founded on 17/8/2018 66% ENAP y 34% Pecket Energy S.A.</p>

Subsidiaries and associates



Local and international operations

CHILE

- ENAP Head Office in Santiago.
- ENAP Refinería Aconcagua (ERA) in Concón.
- ENAP Refinería Bío Bío (ERBB) in Hualpén.
- Dirección de Almacenamiento y Oleoducto-DAO (Storage and Pipeline Management), with facilities in Maipú, San Fernando, Linares and Pemuco; pump stations in Chillán and Molina; and Terminal Vinapu in Eastern Island.
- ENAP Magallanes.

EGYPT

- Sipetrol International S.A., El Cairo branch.
- East Ras Qattara Block.

ECUADOR

- Sipetrol (Branch) Head Office in Quito.
- Mauro Dávalos Cordero Block (MDC 46).
- Paraíso Biguno Huachito e Intracampos Block (PBHI 47).
- Block 28.

ARGENTINA

- Sipetrol Argentina Head Office in Buenos Aires.
- Sipetrol Argentina offices in Río Gallego.

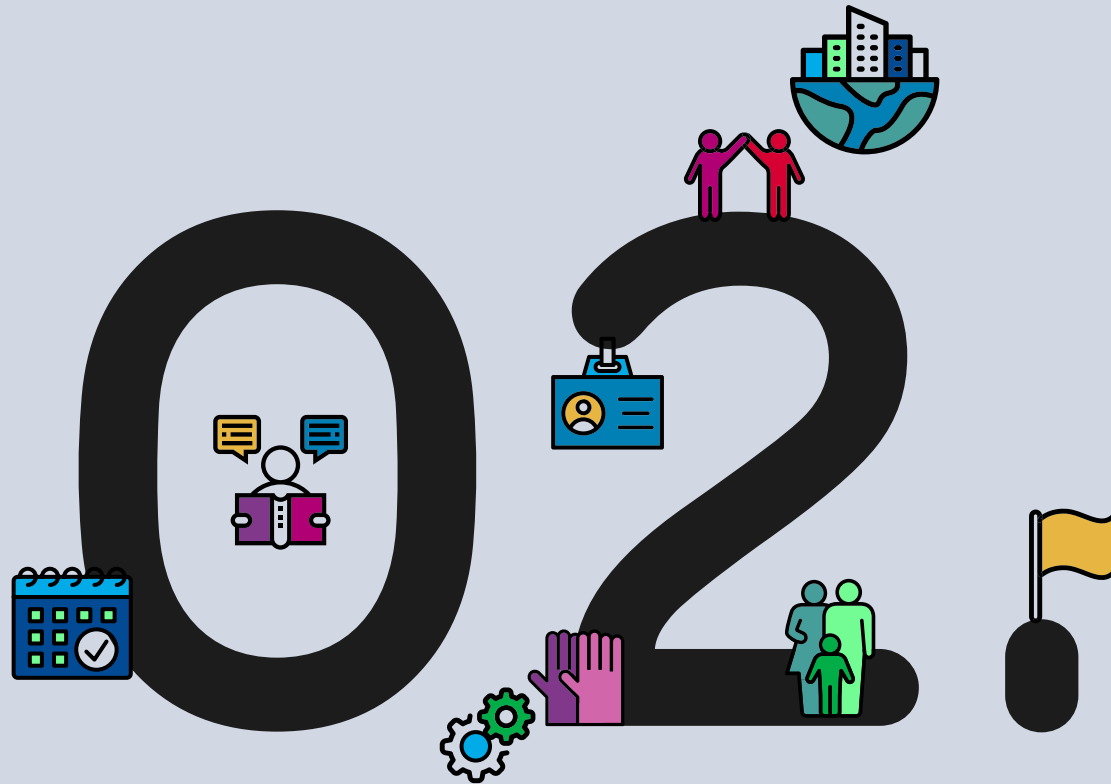
● Main national and international partners

EXPLORATION AND PRODUCTION (E&P)

- YPF (Argentina)
- Kuwait Energy Company (Kuwait)
- ConocoPhillips y Geopark (USA)
- REPSOL (Spain)
- Methanex (Canada)
- OMV (Austria)

REFINING AND MARKETING (R&C)

- Foster Wheeler (USA)
- Ferrostaal Germany
- Técnicas Reunidas, Naturgy (GN Fenosa) and ENAGAS Spain
- Gasco, Sigdo Koppers, Compañía Marítima Chilena, Naviera Ultragas Ltda., Copec, Enex, Esmax Distribución SpA, Abastible, Lipigas S.A., Colbún Inversiones Trigas Cuatro, Agesa, ENEL y Enel Green Power (Chile)
- REN (Portugal)
- YPF (Argentina)
- OMERS (Canada)



Corporate Management

2.1 2.1 BOARD OF DIRECTORS

By virtue of Article 3 of Law No. 9,618, ENAP's Organic Law statutes (especially Article 21), and other powers granted to the governing body by Law 18,046 of Public Corporations and other legal bodies, the Board of Directors is the highest governing body of the company.

It is constituted by 7 members, two of them appointed directly by the President of the Republic of Chile and shall be of different genders; four of them should be postulated by the Senior Public Management System and one by all the company's workers. The configuration seeks to comply with international standards on best labor practices in the corporate management, while promoting the integration of different visions within the organization.

The board of directors meets at least once a month; however, a possible extraordinary session on explicit agreement may happen. Sessions will be held only in the presence of at least four of the directors, as required. An absolute majority of those present in the room will be needed for agreement.

Members of ENAP's Board of Directors as of December 31, 2021

— Fernando Rodolfo Massú Taré

President

Appointed by the President of the Republic
Business Engineer
ID Number: 6.783.826-2

— María Consuelo Raby Guarda

Director

Appointed by the President of the Republic
Lawyer
ID Number: 11.703.205-1

— Rodrigo Cristóbal Azócar Hidalgo

Director

Selected by Senior Public Management System (ADP)
Industrial Civil Engineer
ID Number: 6.444.699-1

— Ana Beatriz Holuigue Barros

Directora

Selected by Senior Public Management System (ADP)
Economist
ID Number: 5.717.729-2

— José Luis Mardones Santander

Director

Selected by Senior Public Management System (ADP)
Industrial Civil Engineer
ID Number: 5.201.915-K

— Marcos Mauricio Varas Alvarado

Director

Worker's representative Technical Operator
ID Number: 10.409.044-3

— Rodrigo Manubens Moltedo

Director

Selected by Senior Public Management System (ADP)
Business Engineer
ID Number: 6.575.050-3



2.2 BOARD COMMITTEES, MANAGEMENT AND SPECIAL COMMITTEES 2021

In accordance with ENAP's Organic Law in Article 8 and its statutes, the Board of Directors must constitute a Directors Committee. It is also empowered, in the fulfillment of its legal and statutory functions, to create other committees to advise the board. Committees meet at least once a month, before the Board of Directors' ordinary session. These sessions may be ordinary or extraordinary, face-to-face or virtual meetings. Its only requirement is a 2-director quorum.

● Directors committees

Committee	Directors	Topics
Directors	José Luis Mardones (P) Ana Holuigue Rodrigo Azócar	Reports from external auditors, financial statements, balance sheets, remuneration systems, compensation plans, annual management report, conflicts of interest, verify legal and compliance work, annual report, among others..
Auditing	José Luis Mardones (P) Rodrigo Manubens María Consuelo Raby	Promote a strong internal control environment and a comprehensive management risk system; verify Auditing and Risk Management's work, supervise internal control and administrative-accounting system, financial-accounting policies, audit reports, comprehensive risk and prevention management good practices, among others.
Corporate Management and Human Resources	Ana Holuigue (P) Fernando Massú Marcos Varas	Corporate management proper functioning, hiring policies for suppliers, anti-corruption policies and practices, consistency of policies, procedures, protocols, guidelines, Antitrust policy, Community Relations Policy and its initiatives, labor relations and career plan, main labor contingencies, permanently verify the work of the Corporate Affairs and Sustainability Management, and Human Resources Management, among others.
Sustainability	José Luis Mardones (P) Rodrigo Azócar Marcos Varas	Control and reporting systems in matters of occupational safety, hygiene and environment, comprehensive management of risks, plans and activities in matters of occupational safety, plans and activities in matters environmental issues in conjunction with the Corporate Affairs Management, reviews carried out by external regulatory entities on matters of occupational safety, hygiene and environment, regulatory compliance in these issues, the work of Occupational Health and Safety Management and Environment Management, among others.
Contracts, Projects and Financial Risk	Rodrigo Azócar (P) Fernando Massú Rodrigo Manubens	Meet and approve operations for amounts equal to or greater than USD 5 million and not exceeding USD 20 million, recommend the Board of Directors its proposal regarding contracts, projects and financial risks that exceed USD 20 million; general criteria guidelines applicable to operations, actions and contracts, the company's general terms of tenders, recommend financing contracts and proposals for investment and new businesses, investment plans, among others.
Risk	Fernando Massú (P) Rodrigo Manubens María Consuelo Raby Marcos Varas (As a guest)	Identify, classify and report the different risks of the company, Risk Matrix, gaps, plans and projects for risk mitigation, external studies on risks and supervising the monthly report of activities of ENAP's Risk Management.

● Management Committees

Committee	Management	Topics
Credit	Finance Management	Single instance of approval and review of the sales terms and conditions, definition of the conditions for granting credit for local and international clients. Where the solvency of clients is evaluated and the collection and arrearage indicators are reviewed, in which all requests for registration are also evaluated in the Client Registry. It meets monthly. Extraordinary sessions may also be held if necessary, to speed up the required approvals.
Finance	Finance Management	The Finance Committee refers to the internal coordination entity in which the liquidity and cash flow situation is revised, the status of the hedging derivatives of crude oil and exchange rate, ENAP and its subsidiaries' short and long financing strategies are reviewed, among other issues, as well as the internal policy implementation on financial matters and the board's operational and regulatory control and financial approvals.
Ethics	Compliance Corporate Management and Risks	The Ethics Committee is the collegiate body in charge of knowing and resolving violations to the policies and procedures. The Ethics Committee will analyze the cases that are reported and will decide on measures with respect to workers who do not comply with the provisions contained therein, and may also recommend control measures or other appropriate measures.



2.3 BOARD AND SENIOR MANAGERS REMUNERATIONS

In accordance with article 3 in ENAP's Law, which was modified in 2017 by Law 21,025 on New Corporate Management:

Directors will be entitled to receive wages established and reviewed by the Ministry of Finance with a periodicity not exceeding two years. In the determination of remunerations and their revisions, the Minister of Finance shall consider the proposal of a special commission appointed for such purpose, which shall be composed of three persons who have held the position of Minister of Finance or Director of Budget, general manager of the Company, or professionals who have served as directors of the National Directorate of the Civil Service. The commission shall formulate proposals for the determination or revision of remunerations, as appropriate, considering the remunerations in force for similar positions in the public and private sectors. In addition, the remunerations proposed may include components associated with assistance to meetings, participation in committees, participation in committees,

and achievement of annual profitability goals, economic performance goals, and performance agreements of the Company.

Directors may not receive remuneration or fees from the Company for professional services other than those referred to in the Commission proposal referred to above, except in the case of the director appointed in accordance with subparagraph (c), when he is a worker of the company, who will be able to receive his remuneration as a worker and the remuneration corresponding to the position of director, with the exception of those components of the latter associated with the fulfillment of annual goals, of economic value and of the agreements of performance of the company.

During 2020, the Commission in charge of reviewing the remuneration recommended to the Minister of Finance to maintain the remuneration regime established in the fourth transitional article of Law 21,025, which provides:

- A) A monthly gross income equivalent to 26 UTM, for participation in the board meetings. The president of the Board of Directors perceives a unique monthly gross remuneration no compatible with the prior, which is equivalent to 52 UTM.
- B) Directors who are part of a Directors Committee receive an additional monthly gross income equivalent to 8 UTM.
- C) The president of the Directors Committee receives a monthly gross remuneration equivalent to 16 UTM, as established in article 50 bis in Law 18,046, which is incompatible with its other members.

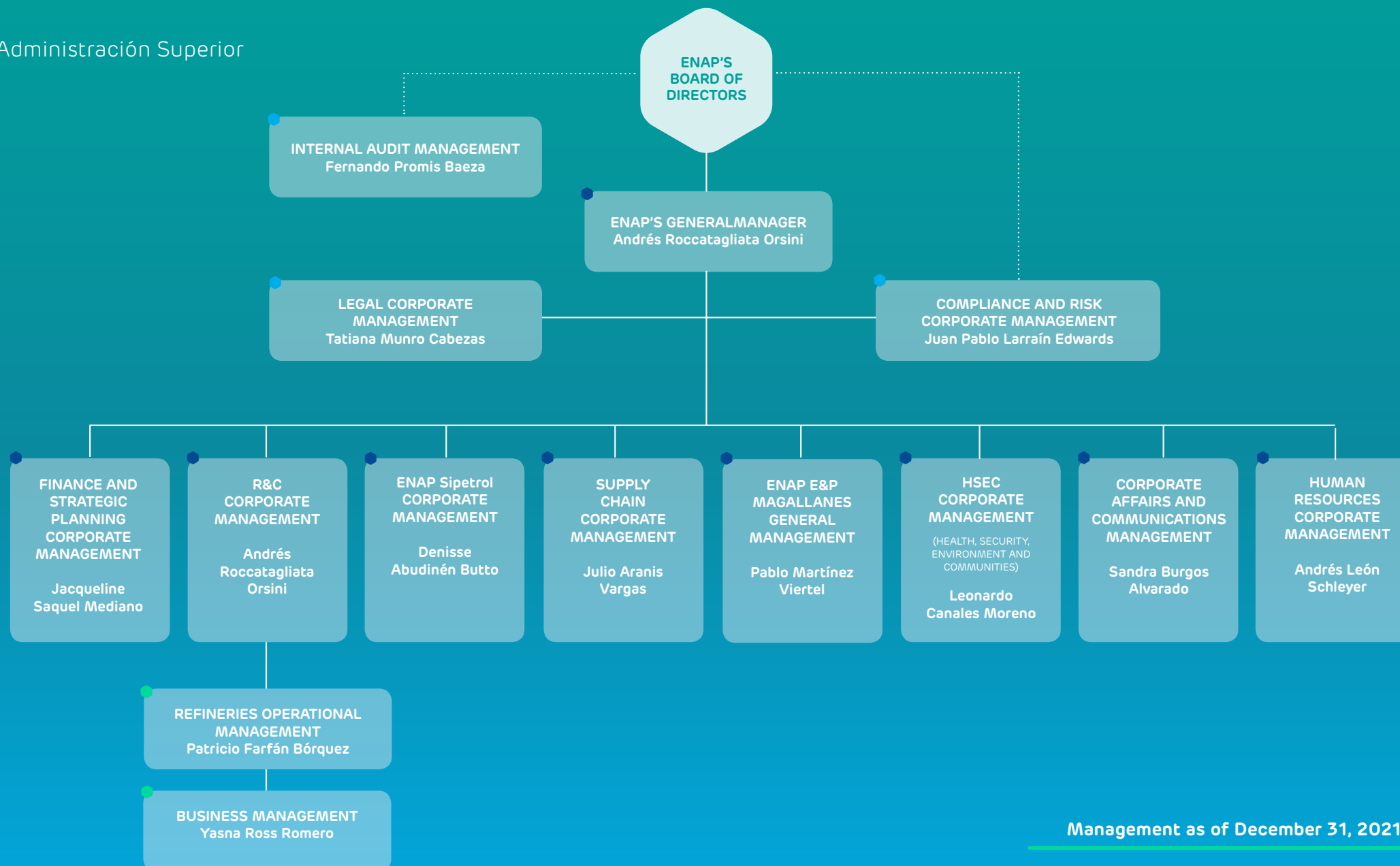
This regime remains currently in force

● Profession of ENAP's main executives as of December 31, 2021

RUT	NOMBRE	PROFESIÓN
8.521.864-9	ANDRÉS ROCCATAGLIATA ORSINI	BUSINESS ENGINEER
8.820.053-5	JACQUELINE SAQUEL MEDIANO	BUSINESS ENGINEER
14.168.642-9	DENISSE ABUDINÉN BUTTO	INDUSTRIAL CIVIL ENGINEER
9.969.428-9	JULIO ARANIS VARGAS	MINING CIVIL ENGINEER
8.288.863-2	YASNA ROSS ROMERO	INDUSTRIAL CIVIL ENGINEER
8.190.120-1	ANDRÉS LEÓN SCHLEYER	LAWYER
10.354.521-8	TATIANA MUNRO CABEZAS	LAWYER
6.999.085-1	JUAN PABLO LARRAÍN EDWARDS	LAWYER
11.476.504-K	LEONARDO CANALES MORENO	MINING ENGINEER
11.595.320-6	SANDRA BURGOS ALVARADO	JOURNALIST
12.449.447-8	FARFÁN BORQUEZ PATRICIO GABRIEL	CHEMICAL CIVIL ENGINEER



● Administración Superior



Management as of December 31, 2021.

2.4 TRANSPARENCY, WORK ETHIC AND COMPLIANCE

→ WHY IS IT A MATERIAL ISSUE?

ENAP, as a public company that plays a strategic role for the country, and thus an essential part of the value chain, it is essential to promote a management based on ethics, transparency and compliance. From this, we are committed to the development of an organizational culture based on our values and principles, which are transparency, respect, honesty, excellence, responsibility and loyalty

→ HOW TO MANAGE IT?

Through the commitment of the entire company to carry out our operations in compliance with the policies and procedures in this area, which are within the reach of each of our collaborators and main stakeholders. This regulatory framework is composed, among others, of the following documents:

- Code of ethics.
- Crime Prevention Policy.
- Crime Prevention Model.
- Conflict of Interest Policy.
- Interaction with Public Officials and / or Authorities Procedure.
- Antitrust Policy
- Due Diligence policy
- Gifts, Invitations and Benefits Policy.

Seeking to promote a work culture, based on transparency and ethics, during 2021 we continued to execute our annual training program, with the aim of ensuring compliance with the strategic focus defined in relation to this topic.

→ TEAM IN CHARGE

The Ethics Committee is the collegiate body responsible for hearing and resolving on violations of the above policies and procedures. The Ethics Committee will analyze the cases that are reported and will decide on measures with respect to employees who do not comply with the aforementioned provisions, and may also recommend control measures or other appropriate measures. The Committee shall be composed of the Compliance Manager (who presides), the Corporate Legal Manager, the Corporate Human Resources Manager, and the Manager or Managers of the Lines or Transversals that correspond to the areas in which the reported employee or employees work, in accordance with the provisions of its statutes.

In order to be able to report or consult, directly or anonymously, on violations of the Crime Prevention Model (MPD), the Code of Ethics, internal policies and procedures, or acts that may eventually constitute any of the crimes contemplated in Law 20,393, on Criminal Liability of Legal Entities, among others, we have a Consultation and Complaints Line that anyone can access through our website.

In 2021, a total of 36 complaints were registered. All of them have been addressed by our compliance team.

The main Compliance Management action points were focused on conflicts of interest and the Crime Prevention Model and Compliance program in subsidiaries during 2020.

Conflicts of interest

In relation to this issue, a series of actions were carried out in order to effectively control and monitor situations of conflicts of interest (potential, real or apparent), strengthening prevention activities, in line with the new legal provisions in force on this matter.

Through this actions, ENAP seeks to avoid the occurrence of any situations in which a worker (in accordance with their responsibility, functions or duties) may participate, decide or influence company matters where they might have compromised a personal interest.

The following obligations are applicable to all personnel who may get into a situation of real, potential and/or apparent conflict of interest:

Additionally, as part of the prevention activities, employees identified as "Obligated Parties" in accordance with the provisions of the Conflict of Interest Policy, were required to make a Declaration of Interests", which includes information regarding, among others: (i) people related to them by kinship relationship as defined; (ii) the partnership detail on ownership or management participation (administrator, director, legal representative, etc.); and (iii) the activity or activities they develop or positions they hold outside ENAP.

In this process, which took place between April and June, 950 employees and executives who have the status of "obligated parties" participated.

Finally, and in relation to other matter, 9 of the PEP Committee (Politically Exposed Persons) were held during the year, with a special emphasis on suppliers related issues and personnel and communities hiring.

Crime prevention model

In compliance with its management and supervision duties, ENAP has implemented a Crime Prevention Model ("MPD"), which consists of an organization, administration and supervision system designed to prevent, avoid and detect the crimes mentioned in Article 1 of Law 20,393, through a management and monitoring process of different controls, processes and activities exposed to the commission of such crimes.

During 2021, a series of actions were carried out in order to consolidate the management of 2020 and thus maintain a system of organization, administration and supervision designed to prevent, avoid and detect the crimes indicated in the aforementioned Law.

It is worth mentioning the updating of the risk survey process, the certification of ENAP's DMP for 2 years until January 19, 2023 and the development of a training program in these matters for 1,460 workers, which represent 49% of ENAP's workers in Chile.

1.

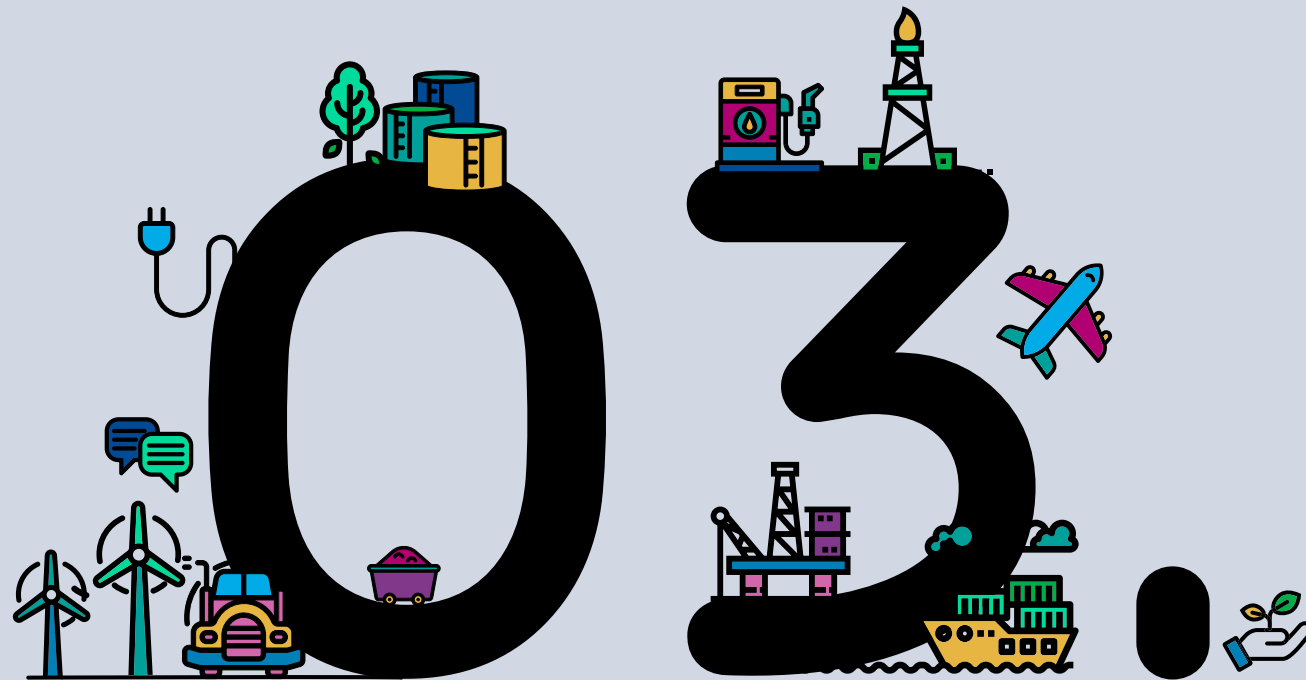
Refrain from participating in any decision, operation, management,action, contract and/or negotiation related to personal interest or related third parties.

2.

Declare or update real, potential or apparent conflict of interest on the platform established for this purpose within 10 days at the latest, after becoming aware of any conflict-of-interest situation.

3.

Annually update statements until the actual, potential or apparent conflict of interest situation is no longer present.



Our
Operations

3.1 CREATION OF VALUE AND FINANCIAL SUSTAINABILITY

WHY IS IT A MATERIAL ISSUE?

It is essential for our administration to promote responsible tax revenue management as a public company that operates the country's strategic resources. The importance of creating value in a company such as ENAP not only responds to efficient management, but it also addresses its commitment to contribute to development of Chile. All efforts must be sustained over time, being a reflection of a competitive company in tune with its main stakeholders.

HOW TO MANAGE IT?

A 2020-2023 business plan, that presents the objectives and performance that we hope to achieve in the short and medium term, was approved by plan our strategic managements and Board of Directors.

TEAM IN CHARGE

The Board of Directors leads these matters, along with our General Manager and each of the management teams that report to him.

In 2021 we recorded an EBITDA of US\$801.5 million and profits of US\$141.5 million; historic figures for the company that consolidate our leadership and allow us to project our growth, without the need to contract debts that put the operation at risk.



2018-2021 Financial Items

Item	2018 MUSD\$	2019 MUSD\$	2020 MUSD\$	2021 MUSD\$	Variation 2020-2021 MUSD\$	Variation 2020-2021 %
Ordinary income	8,304,856	7,628,473	4,891,425	7,654,933	2,763,508	56
EBITDA	526,376	655,932	413,636	801,526	387,890	94
Gross margin	340,840	459,675	242,039	636,675	394,636	163
Profit / Loss	-230,978	-19,293	-90,106	141,456	231,562	-257
Assets	7,238,040	6,487,725	6,315,775	6,927,945	612,170	10
Liabilities	6,207,226	5,471,416	5,388,455	5,909,270	520,815	10
Equity	1,030,814	1,016,309	927,320	1,018,675	91,355	10

● 2020-2021 Distributed economic value

Created economic value	2020 MUSD\$	2021 MUSD\$	Variation MUSD\$	Variation %
Total revenue	4,942,633	7,724,961	2,782,328	56.3
Distributed economic value				
Operating costs	4,273,128	6,573,709	2,300,581	53.8
Staff costs	258,473	301,196	42,723	16.5
Finance expenses	230,896	221,756	-9,140	-4.0
Taxes	36,717	41,068	4,351	11.9
Environment	8,708	65,296	56,588	649.8
Other owner's losses	-120	-329	-209	174.2
Retained economic value	134,831	522,265	387,434	287.3

● 2019-2021 Credit rating

Credit rating	2019	2020	2021
Feller Rate (national)	AAA (Stable)	AAA (Stable)	AAA (Stable)
Fitch Ratings (national)	AAA (Stable)	AAA (Stable)	AAA (Stable)
Moody's	Baa3 (Stable)	Baa3 (Negative)	Baa3 (Negative)
S&P	BBB- (Stable)	BBB- (Negative)	BB+ (Stable)
Fich Ratings	A (Stable)	A- (Stable)	A- (Stable)
Japan Credit Rating Agency	A+ (Stable)	A+ (Stable)	-

In relation to our national credit rating, they have not had modifications in the period, being at the highest possible level (AAA). Regarding international credit rating, in 2021 there was a downgrade in the classification provided by Standard & Poor's, from BBB- to BB+, generated by a downward adjustment in the credit rating of the Republic of Chile.

3.2 RISK MANAGEMENT AND PREVENTION INCIDENT

→ WHY IS IT A MATERIAL ISSUE?

Our activities carry significant risks for our environment and stakeholders; hence, it is essential to rely upon a model that will allow us to manage and control them. Thus, we seek to anticipate and prevent irreversible alterations in our ecosystem and affect the life of who are directly and indirectly involved in our operations.

→ GOVERNANCE FOR RISK MANAGEMENT

Since 2016, we have a risk management model based on standards and international recommendations (ISO 31,000 and COSO) in order to classify and define impact areas. In this way, we can measure its consequences to position them in our single matrix; that is, it applies to all of our operations, business units and subsidiaries.

Risks are an integral part of any manager's liability, whatever process they are in charge of, as- in general - they are managed directly in the line and unit business involved, with exceptions that are addressed at the corporate level to ensure optimal solutions, as stated in our management model.

→ TEAM IN CHARGE

Looking for adequate risk governance and visibility at the Board of Directors level, we activated a Risk Committee which met periodically during the year. This Committee was made up by three regular Directors, the Compliance Manager and the Risk Manager, together with Business Line Managers or Corporate Managers, depending on specific invitations.

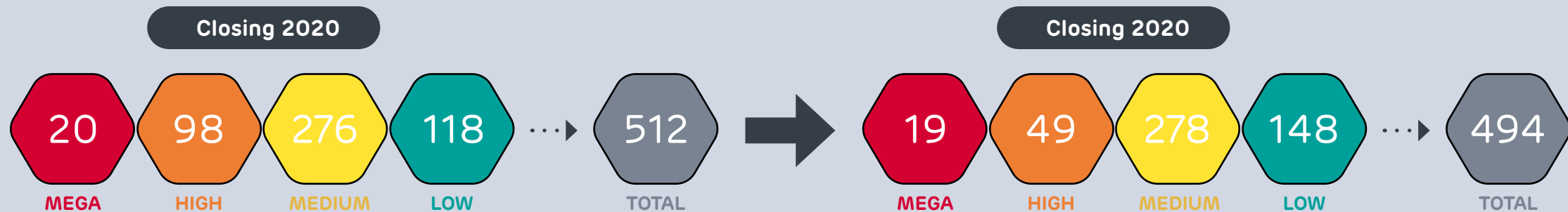


New Risk Management standards

In 2021, our Risk Management focused on updating and migrating the risks assessed in the 6x4 matrix to a 6x6 matrix based on the definition of our Risk Policy, new standards, procedures and the ratification of a Moderate/Conservative Risk Appetite by the Board of Directors.



● ENAP's Risk Management Model Statistics 2020 vs. 2021



As part of the process of evaluation and ongoing analysis of the risks identified in the company, we believe it is important to show comparatively the evolution for 2021 around the following topics:

Identification and evaluation of two new Mega Risks

- API separator exceeded due to the arrival of large quantities of liquid hydrocarbon in the Remodeling Sector of the Quintero Terminal.
- Regulatory non-compliance due to a failure in the system of the effluent treatment plant at Aconcagua Refinery.

Mega risks that lower their criticality

- Reputational and/or financial loss due to non-compliance with the Antitrust Law due to the implementation of the planned controls to be developed during the year.

Mega risks that will be downgraded in criticality or eliminated from the matrix by 2022

- Economic loss due to lack of or increased funding for loss of Investment Grade rating. The criticality of this risk was revised given the debt rescheduling of 950MMUSD made during the 3rd quarter of 2021, which leaves us in a better position with respect to our maturities for next year.

- Petcoke breakdown and steam flashing in the chamberopening process – ERA and ERBB. This risk is being fully mitigated with the installation of shut-off valves at ERA's Coker Drums (Plant Shutdown 2021) and at ERBB (Plant Shutdown 2022).

Audit Plan Schedule

- 45 audits were conducted, of which 34 were based on the most critical risks in the matrix.

Risk of reputational and/or financial loss due to criminal liability of a legal entity MPD

- Updated the risks of Law 20,393 for the processes ENAP carries out in its operations in Chile.
- The risks of compliance with the legal liability laws applied to ENAP's subsidiaries in Argentina and Ecuador were identified and evaluated, under local laws and the good practices defined in Chile by the application of Law 20,393.
- For ENAP's operations related to possible contamination of water with hydrobiological resources, a plan was developed to identify and evaluate the risks related to the Fishing Law, which is included as a criminal liability of a legal entity under the application of Law 20,393.
- For all risks associated with compliance with this law, a testing plan was developed to verify the existence and effectiveness of the controls stated for each of the risks.

Risk of Cybersecurity

- Based on the Technological Assessment developed in ENAP, the following action plans were implemented:
 - ▶ Update of the Governance Model which involved the transfer of roles, responsibilities and authorities to the corporate level, management and business units.
 - ▶ Complete the documentary body with policies, standards and procedures covering all security domains.
 - ▶ Through non-intrusive technology: Increased visibility and greater control over operational assets, real-time network communications, vulnerability detection, alerts of anomalous events and any potential threats.
 - ▶ SOC Service specialized in cybersecurity OT to monitor all activity.
 - ▶ The implementation of the Awareness Work Plan was defined and initiated to strengthen the cybersecurity culture in ENAP.

Risks associated with climate change

Sea level rise and swells

As a result of the swells and the weather conditions in 2021, the restrictions and closures imposed by the Maritime Authority in the ports and terminals where ENAP's main operations are carried out increased.

● 2021 Terminal availability

	Quintero	San Vicente	Talcahuano
Total Days Year	365	365	365
Closed Terminal Days	147	88	96
TM Availability	60%	76%	74%

Water supply

Although the increase of drought that affects the central zone of Chile has a negative impact on the water supply and quality available in the supply sources of the Aconcagua refinery, in 2021 there were no events associated with a standstill or decrease in refining capacity at the refinery. This was because the operational measures implemented with the installation of reverse osmosis plants allowed to reverse the projected water gap.

Forest fires

The drought in the central zone of Chile also contributed to the formation of forest fires. In December 2021, the agricultural area of Puerto Coyanco in the Ñuble Region was affected. Although the route of the Hualpén - San Fernando oil pipeline is located there (which interconnects the Bio Bio Refinery with the Storage and Distribution Plants in the towns of Chillán, Linares and San Fernando), there was no impact on its operation, nor was there any danger to its integrity, since its installation is in accordance with the safety regulations required in Chile (DS No. 160 of 2008).

Rainfall regime variation

By the end of January 2021, intense rainfall was experienced in the south-central zone of the country, causing channel overflows and abrupt increases in river flows, extending from the south of the Valparaíso region to the south of the Araucanía, covering the entire territorial extension of the Hualpén-San Fernando pipeline. Within this zone, of about 700 km, there was a marked increase in rainfall in the mountain range (70-90 mm), which was considered the heaviest rainfall in 88 years for that period. This event had no consequences on the operation and integrity of the pipeline, as a result of the permanent surveillance and early warnings that have been developed and implemented by the Storage and Pipelines Department of ENAP's Supply Chain Management.

A similar situation occurred at the ENAP subsidiary in Ecuador, where the integrity of the SOTE pipeline was affected by landslides caused by a natural process of regressive erosion on the banks of the Coca River. Although this pipeline is an asset of the Ecuadorian state made available to the oil companies for transporting the crude oil produced in the area, the failure affected for 17 days the production and pumping operations of ENAP's facilities.



Annual Management Plan 2021: Budget allocated To Mitigation Measures



PROJECTS

*82% of the projects and initiatives are carried forward from previous years.



RIESGOS

- 11 MEGA
- 29 HIGH
- 20 MEDIUM
- 5 LOW

Navy certifies ENAP's Vinapu Maritime Terminal in Easter Island in Operational Safety

The Vinapu Maritime Terminal of ENAP, located on Easter Island, whose operation is under the administration of the Storage and Oil Pipeline Management (DAO), obtained its 2021 Operational Safety Certificate from the Chilean Navy.

This annual certification was achieved following an inspection in mid-2021. This certification allows us to guarantee that ENAP complies with the requirements demanded by the maritime authority on its systems of human security, maintenance, and environmental management. Along with the above, this certification supports the work we do on a daily basis to maintain our safety and operational continuity standards at the terminal. It is a great pride and responsibility to be able to supply fuel to our island territory with our Easter Island workers in a timely and efficient manner.

3.3 OPERATIONAL CONTINUITY

WHY IS IT A MATERIAL ISSUE?

2021 was also a difficult year for our industry, sincethe pandemic.Nevertheless, we were able to look ahead to the 2020 contingency, resuming our strategic planning. Thus, we have guaranteed our operational continuity, in terms ofeconomic-financial sustainability and our employees and contractors' health and safety. Along with this, it has reinforced the need for excellence in operations that have been able to adapt to environmental demands, in order to nimbly respond to our commitments with our stakeholders.

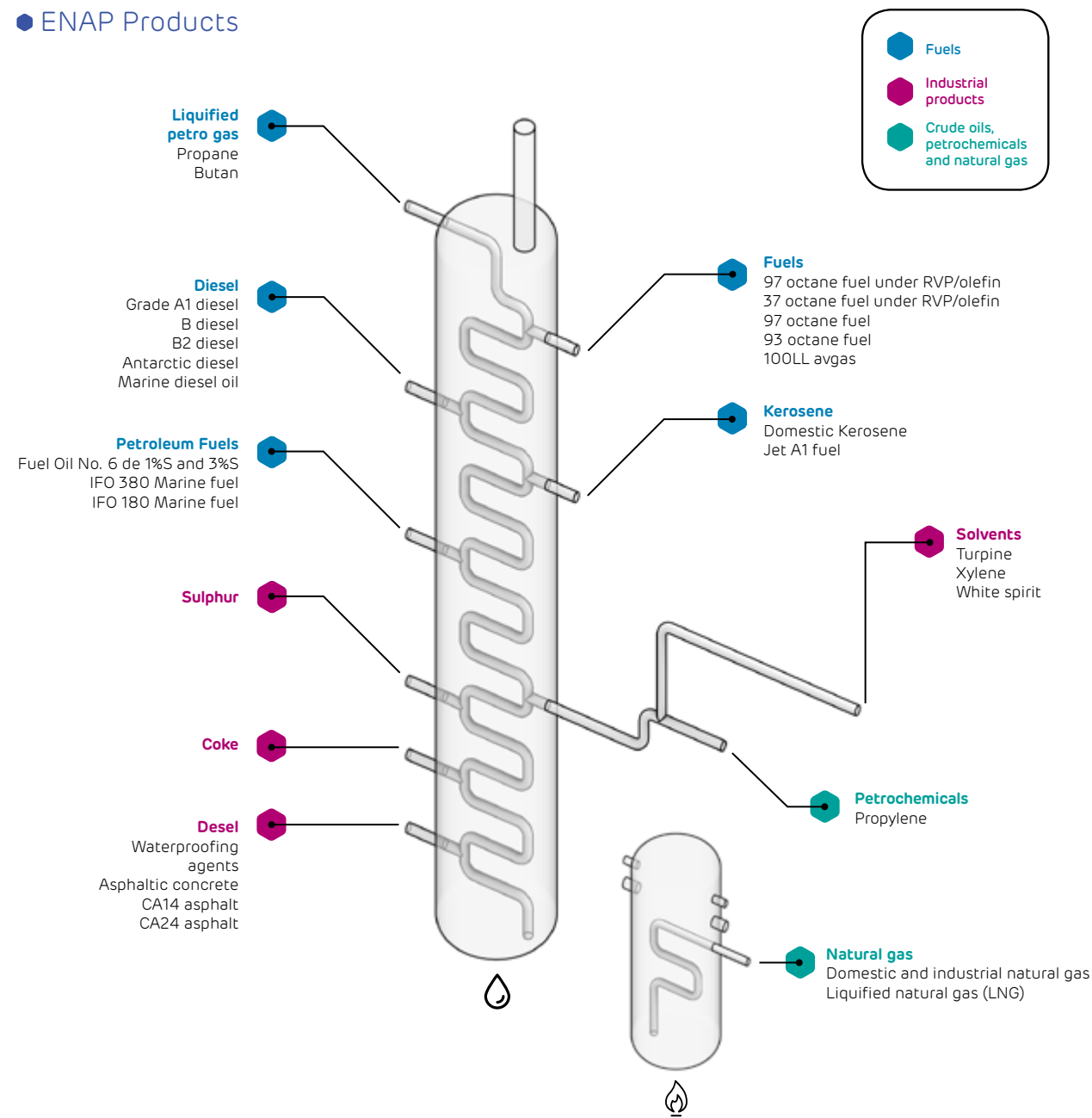
HOW TO MANAGE IT?

During 2021 we continued to ensure compliance with the strategy designed to meet the demands imposed by the pandemic, along with taking up the challenges established inour 2020-2023 strategic planning. In addition, this was further enhanced by the work carried out by each of themanagement and teams linked to our operations.

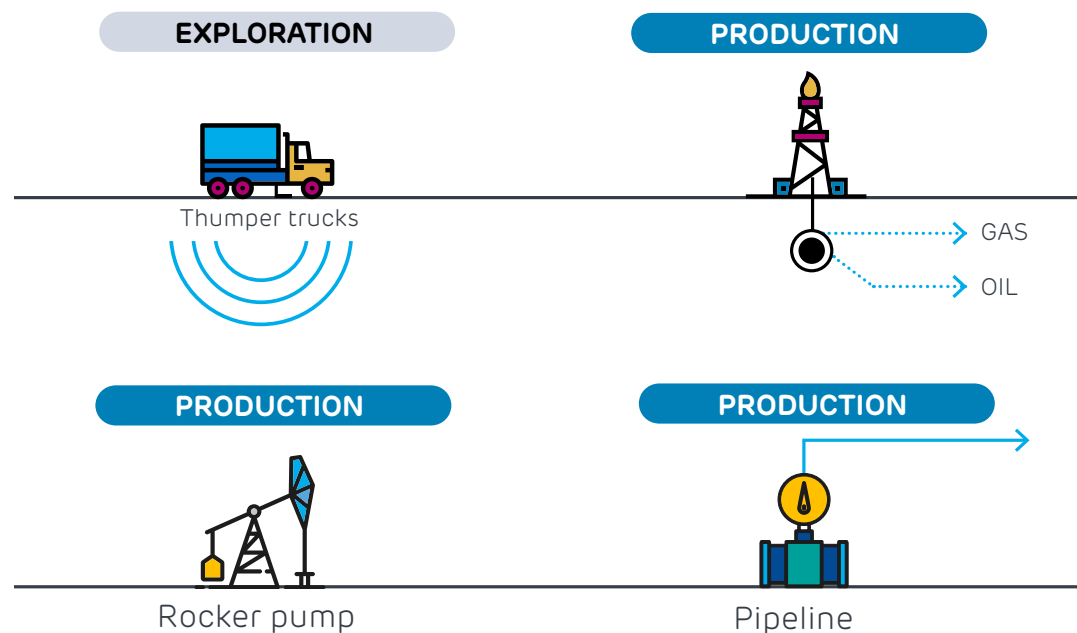
TEAM IN CHARGE

All corporate managements and teams linked to the operation.

ENAP Products



3.4 EXPLORATION & PRODUCTION (E&P)



Our Exploration and Production line specializes in exploratory, development and hydrocarbon exploitation (petroleum and natural gas) procedures. These activities are carried out in Chile and abroad. In this last case, through our international subsidiary ENAP SIPETROL S.A.

During 2021, with the improvement of the context and recovery of international prices, drilling programs in international operations, which had been interrupted in 2020 to minimize the financial impacts of the pandemic and the fall in prices, were reactivated.



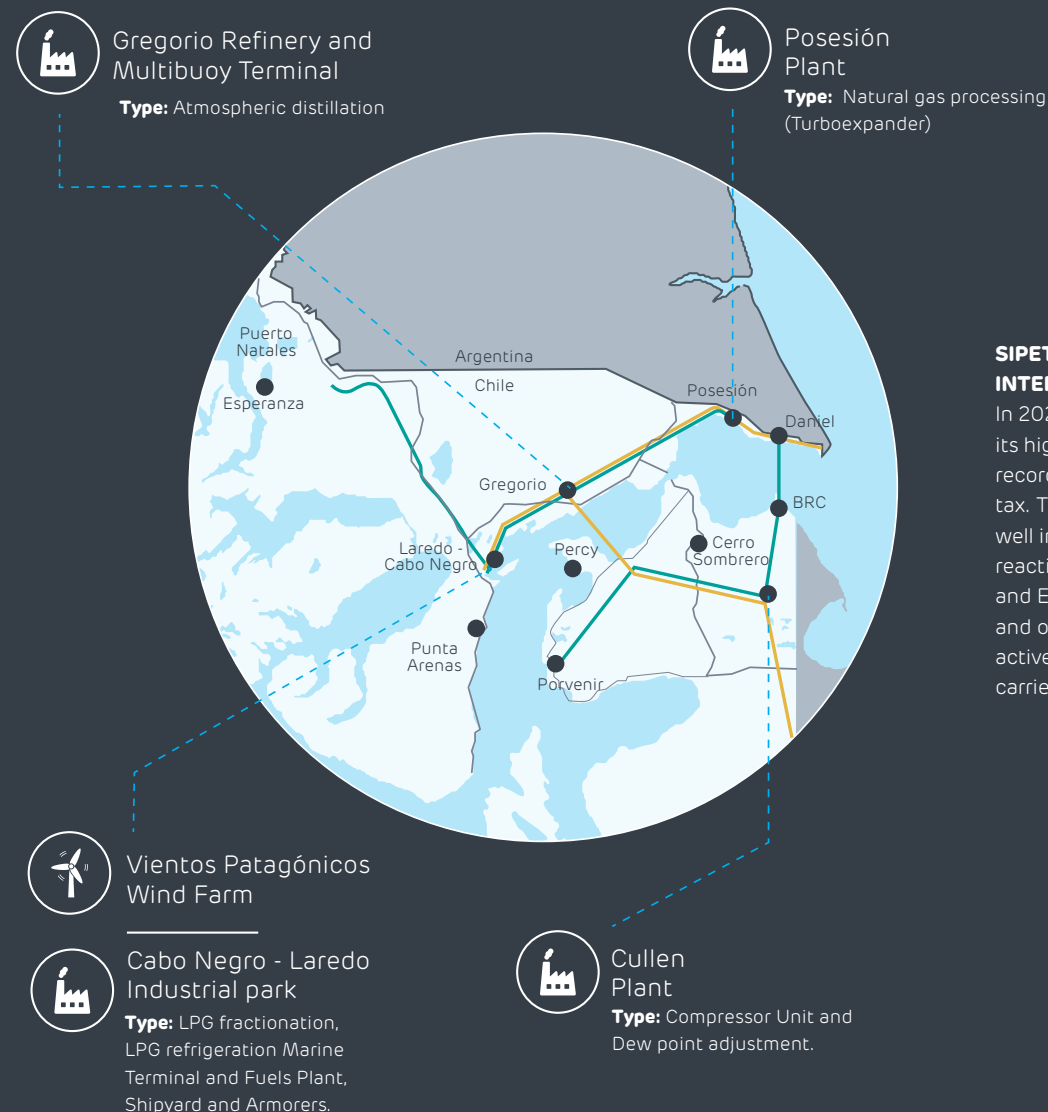
Magallanes region

During the year 2021 we guaranteed the supply of gas and fuels for the Magallanes region, despite the sanitary contingency. Thus, we covered residential, commercial, and industrial demand; the latter is mainly directed to the Methanex company that produces and commercializes methanol in international markets.

Along with this, the well drilling campaign scheduled for the year, corresponding to 33 gas wells from non-conventional reservoirs, was successfully completed, including an exploratory well in the Arenal block (WalolenZG-A). Also noteworthy is the significant increase in gas and liquid reserves at the end of 2021, which made it possible to replenish Magallanes reserves by 119% of the volume produced during the year.

In terms of long-term prospects, we highlight the result of the seismic reprocessing of the Manzano Block (foreep) area, which yielded significant increases in the exploratory resources previously estimated. This increases the potential for incorporating new reserves, given the exploratory success in this area.

Investments in 2021 reached US\$ 108 million, mainly for activities in the Arenal and Dorado-Riquelme blocks where 28 and 5 wells were drilled, respectively. Significant resources were also invested in initiatives to ensure critical facilities (mainly offshore) and gas transport adjustments at the Posesión plant that allow significant increases in the gas transport capacity of ENAP and third parties.



SIPETROL INTERNATIONAL

In 2021 SIPETROL achieved its highest results since 2014, recording US\$ 148.5 million before tax. This is largely due to (1) the well intervention programs and the reactivation of drilling in Ecuador and Egypt, (2) strict cost control and optimizations, and (3) the active commercial management carried out in Argentina.

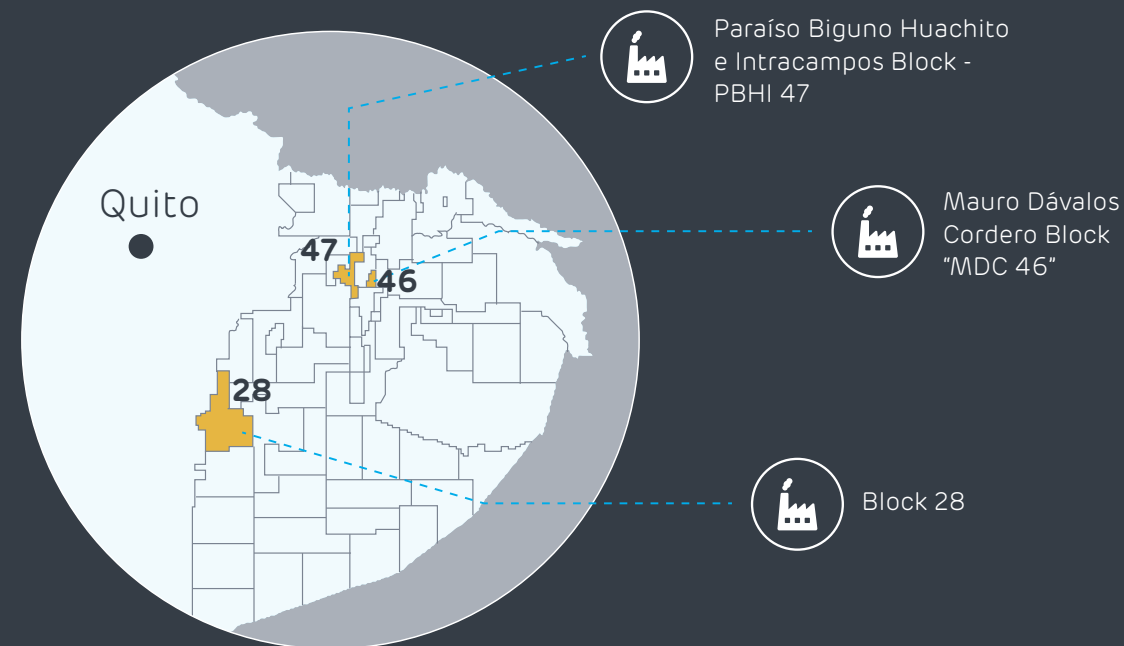
Ecuador

At the beginning of 2021, the drilling campaign was reactivated and 7 wells were drilled with excellent production results in the Mauro Davalos Cordero field (MDC). Along with this, the program of well interventions in the Inchi and MDC fields continued, achieving very good results. The above allowed the subsidiary to reach a record production in the first days of January 2022, surpassing 25,000 bbl/d of production.

Production from both fields (MDC and PBHI) Al-canazo 7.7 million barrels during the year, 2% higher than 2020 production.

With respect to financial results, our subsidiary Ecuador achieved a pre-tax income result (RAI) of US\$86 million. In addition, cash surpluses were generated that allowed us to pay US\$ 103.7 million in dividends to the parent company, the highest historical level recorded in a year. This was possible thanks to the good results achieved in recent years, and to the recovery of the price of oil, which enabled the Government to reduce the debt generated during the pandemic.

Finally, in March 2021, the Board of Directors of ENAP approved the return of Block 28 to the Ecuadorian State, given that the environmental license was not obtained for drilling the committed exploration well and its low economic interest.



Estimated investment since 2003:
MUS\$ 580 (VAT included)

Estimated Total Production:
22.000 bbl/day

PARAÍSO BIGUNO HUACHITO AND INTRACAMPOS BLOCK – PBHI (47)

Production block under a service provision contract signed with the Ecuadorian state.

Intracampos area: The exploratory phase began in 2012, two new fields have been discovered since then: INCHI and COPAL, currently in production. There is greater exploration potential in this area.

MAURO DÁVALOS CORDERO – MDC 46

Production block under a service provision contract signed with the Ecuadorian state.

28 BLOCK

Production block under a service provision contract signed with the Ecuadorian state. ENAP operation partner of the Consortium (WI 42%) with EP Petroecuador (WI 51%) and Belorusneft (WI 7%).

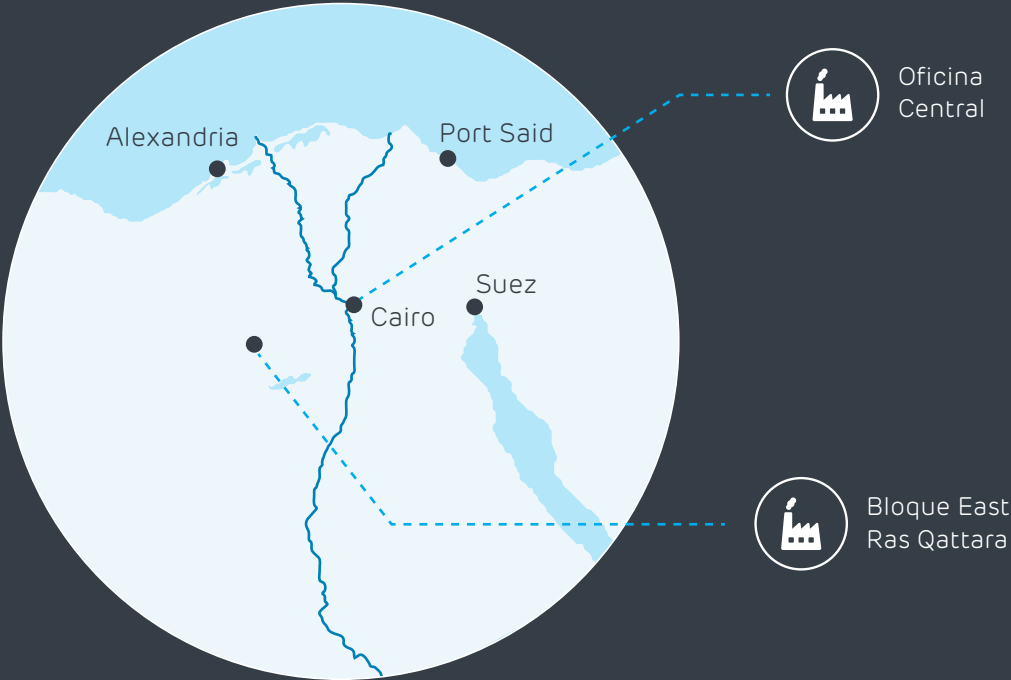
Egypt

In Egypt, drilling in the East Ras Qattara (ERQ) Block was reactivated in September 2021, after having been interrupted for 18 months – in April 2020 – to restrain the impact of the panic. 2 wells were drilled, Shahd SE-32 and Shahd SE-34, with extraordinary initial flows of 900 and 1,270 bbl/d, respectively.

Our subsidiary reached a result of US\$ 35.3 million, 62%higher than the US\$ 21.4 million reached in 2020. This result responds to the recovery in the price of oil, lower direct costs and the greater contribution of the drilled wells that offset the natural decline of the field impacted by the interruption of drilling.

In 2021, efforts were also made for EGPC (Egyptian General Petroleum Corporation) to regularize payments with the subsidiary, bringing debt to levels not achieved since 2011, prior to the revolution. Thus, cash surpluses were generated that allowed us to transfer US\$ 54 million to the parent company.

In the first quarter of the year we conducted a 3D seismic survey in the Shahd, Shahd SE, Diaa andAl-Zahra fields of the ERQ block that will allow us to size the potential of the block and improve the results of future exploration and development campaigns.



EAST RAST QATTARA BLOCK

Participation: Sipetrol International S.A., Egypt branch: 505% (Operator)

Partner: Kuwait Energy Company (49.5%).

HEAD OFFICE

ERQ 2020 GROSS:
 CAPEX MUS\$19.212
 OPEX MUS\$28.193
TOTAL MUS\$47.405

Sipetrol Office MUS\$190

On January 3, 2022, the results of the 2021 bidding process launched by EGPC were announced, where we were awarded the West Amer block (875 km2).This will allow us to incorporate a new area of exploration into Egypt's portfolio, contributing to the country's growth according to the objectives outlined in our Business Plan.

Argentina

The subsidiary achieved a pre-tax income result (RAI) of US\$ 21 million. This result was the product of the active commercial management carried out for the sale of crude oil and natural gas, and the implementation of a strict cost control program that has been implemented in recent years.

Together with our partner, ConocoPhillips, we decided to revert our participation in the El Turbio exploratory block, located in the Province of Santa Cruz. The return materialized on 12 November, and resulted in the payment of a fine for the units of work committed and that were not executed.

ACTIVITIES SINCE 1990

APPROXIMATE INVESTMENT: MMUS\$ 1.600
PRODUCTION: Crude 800 M3/day
 Gas 1,900 Mm3/day
HEAD OFFICE Buenos Aires

- 1 PUNTA QUILLA PORT OFFICE
- 2 RIO GALLEGOS OFFICE
- 3 MAGALLANES RECEPTION BATTERY
- 4 TIERRA DEL FUEGO RECEPTION BATTERY
- EXPLORATION AREA
- EXPLOITATION AREA



*San Jorge basin,
Chubut province*

Campamento Central
Cañadón Perdido
area.

YPF partner / No operator.
50% participation

Net investment
MMUS\$173.8

*Cuenca Austral,
Santa Cruz province*



El Turbio Este

UTE with ConocoPhillips
50% Operator partner

Net investment:
MMUS\$8,08



Poseidón area block,
Cam2 -A Sur

UTE with YPF
50% participation
operator partner.

Net investment
MMUS\$49



Magallanes Area

UTE with YPF
50% participation
operator partner.

Net investment
MMUS\$842.5



Octans Pegaso

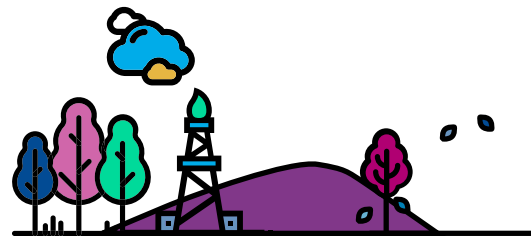
100% operator partner.

Net investment
MMUS\$25

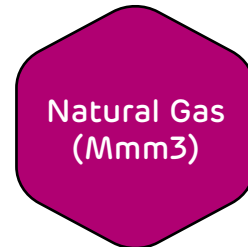
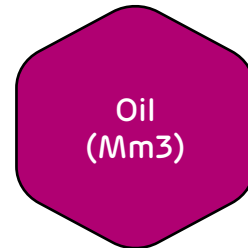
2021 Hydrocarbons production

Operation	2017	2018	2019	2020	2021	2021-2020 Variation
Crude production (MBbls)						
ENAP SIPETROL Argentina	2,501	2,407	2,119	1,871	1,547	-324
ENAP SIPETROL Ecuador	5,787	6,533	7,680	7,512	7,661	149
ENAP SIPETROL Egypt	2,915	2,797	2,441	2,318	1,875	-443
E&P Magallanes	869	796	865	573	647	74
Total Crude	12,072	12,532	13,104	12,273	11,731	-542
Gas production (MBoe)						
E&P Magallanes	6,152	6,299	7,075	6,581	6,709	128
ENAP SIPETROL Argentina	2,352	3,653	4,407	4,115	3,534	-581
Total Gas	8,503	9,952	11,482	10,696	10,243	-453
Total hydrocarbons (Mboe)	20,575	22,485	24,586	22,969	21,974	-995

Volume and production of estimated tested reservations



Reservation type



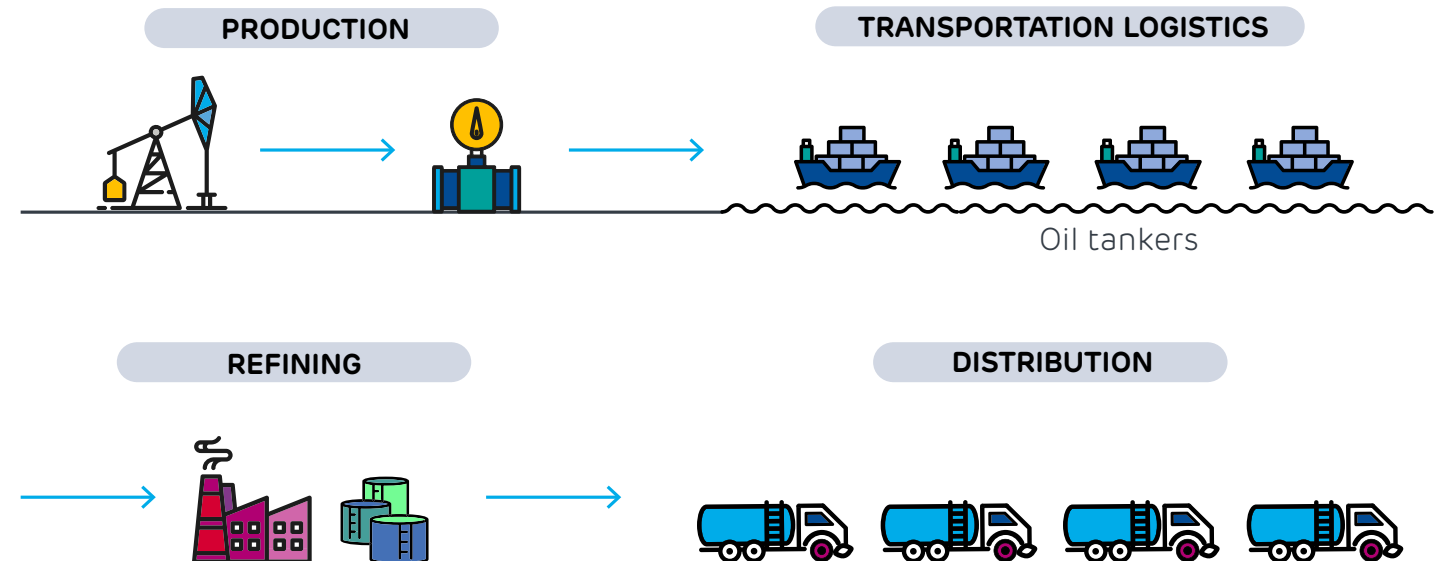
Country	2019	2020	2021	% Variation
Argentina	1,902	1,746	1,612	-8%
Ecuador	9,072	8,038	7,923	-1%
Egypt	1,479	1,431	1,124	-21%
Chile	479	485	563	16%
TOTAL	12,933	11,700	11,222	-4%
Argentina	5,118	5,482	4,936	-10%
Ecuador	0	—	—	
Egypt	0	—	—	
Chile	6,266	6,711	7,954	19%
TOTAL	11,384	12,193	12,890	6%

3.5 REFINING & MARKETING (R&C)

Under this line of business, all activities related to fuel production and other petroleum derivative products have been performed (such as solvents, asphalt foundations, and propylene). We also encourage the development of new markets and products, including liquefied natural gas (LNG) for industry and transport and IFO2020 as marine fuel.

Our Aconcagua, Bío Bío and Gregorio (Magallanes) refineries processed 9.8 million cubic meters of crude oil during 2021, imported mainly from South America. Fuel production available for sale and other products were 11.1 millones de m³. The Aconcagua and Bío Bío refineries reached 71.7% average utilization rate and the availability of the plant reached 92.4%.

These results reflect a progressive, but slower than expected, recovery in demand, in addition to lower production due to scheduled maintenance shutdowns at the refineries; mainly Aconcagua.



● National Fuel Consumption and ENAP Sales in 2021, 2020 and 2019

Figures inMm3	National Consumption			ENAP's national sales			Market Participation			ENAP exports (**)			ENAPs import sales		
	2021 Mm3	2020 Mm3	2019 Mm3	2021 Mm3	2020 Mm3	2019 Mm3	2021 Mm3	2020 Mm3	2019 Mm3	2021 Mm3	2020 Mm3	2019 Mm3	2021 Mm3	2020 Mm3	2019 Mm3
Liquified gas	2,654	2,467	2,440	371	437	654	14%	18%	27%	402		259		-	-
Vehicle gasoline	5,017	3,994	4,825	4,394	3,807	4,640	88%	95%	96%	52		3	412	271	229
Kerosene	1,130	1,073	1,772	631	905	1,384	56%	84%	78%				-	76	145
Diesel	10,938	9,463	10,202	4,632	4,766	5,450	42%	50%	53%	-	17		1,006	1,723	1,719
Fuel oil	685	669	713	689	659	693	100%	99%	97%	440	234	188	61	-	0
Industrial products, other (*)	421	384	466	257	240	293	61%	62%	63%	86	-	77		-	-
Total	20,844	18,050	20,419	10,973	10,814	13,114	52.6%	59.9%	64.2%	980	251	527	1,479	2,070	2,093

	2021 / 2020 variations		2020 / 2019 variations	
	National consumption	Nat. sales ERSA	National consumption	Nat. sales ERSA
Liquified gas	8%	-15%	-1%	33%
Vehicle gasoline	26%	15%	17%	18%
Kerosene	5%	-30%	39%	35%
Diesel	16%	-3%	7%	13%
Fuel oil	2%	5%	6%	5%
Industrial products,other (*)	10%	7%	18%	18%
Total	15.5%	1.5%	-11.6%	-17.5%

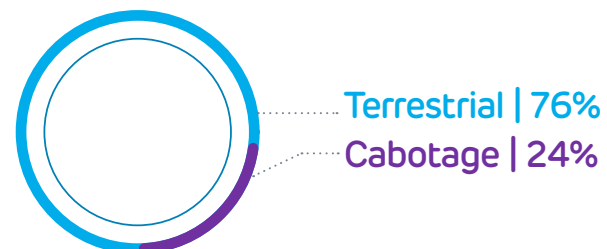
*Propylene, ethylene, naphtha, solvent and asphalt, among others are included. It excludes sulfur and coke domestic sale.

2021 Sales by segment



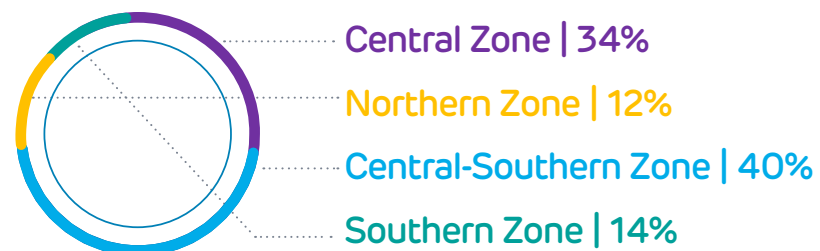
In relation to domestic sales by segment for 2021, the largest percentage of marketing was wholesale, with about 91%. Retail and industrial sales accounted for 19%, with evenly distributed percentages.

2021 Channel Sales



During 2021, domestic channel sales were mostly represented by the overland channel with approximately 76% of sales, while cabotage sales accounted for approximately 24%.

2021 Sales by Logistics Zone



Domestic sales by logistics area for 2021 were represented at 12% in the northern zone, 34% in the central zone, 40% in the Center-south zone and 14% in the southern zone.

Gas Market

Our national production of natural gas is located in the southern zone of the country, attending the demand of the cities that are in this territory. As a result, the supply to central and northern Chile is guaranteed by the import of liquefied natural gas (LNG) through the Quintero and Mejillones terminals and, to a lesser extent, through Argentina via gas pipelines.

During 2021, we received 35% of the natural gas total deliveries from the LNG Quintero Terminal, 3% of the gas from the Mejillones LNG Terminal and 3% of Argentine LNG imports, totaling a 25% share of the national natural gas market. In addition, the thermoelectric area sales represented a 23,6% share in natural gas based electricity production, with a 7% increase compared to 2020.

Norte S.A., integrated by ENAP and Enel Green Power Chile, owner of the Cerro Pabellón geothermal plant and (2) Vientos Patagónicos SpA, formed by ENAP and Pecket Energy, owner of the Vientos Patagónicos Wind Farm. In thermal generation, its market share is 0.5% of installed capacity, while in wind power generation it reaches 15%.

● Surplus volumes and valorization sold by ERSA cogenerators

Cogenerators surplus volume	Unit	2019	2020	2021 (**)
Aconcagua Cogenerator	GWh	-	36.80	118.38
Bío Bío Cogenerator	GWh	63.92	72.33	58.19
Total	GWh	63.92	109.13	176.57

Cogenerators surplus value	Unit	2019	2020	2021 (**)
Aconcagua Cogenerator	US\$	-	1,321,837	10,243,442
Bío Bío Cogenerator	US\$	3,641,989	3,067,983	5,025,350
Total	US\$	3,641,989	4,389,820	15,268,793

(**) Preliminary information. Pending the issuance of the final balance sheet of December 2021 by the National Electric Coordinator.

● Volumes and valorization of production injected into the Punta Arenas medium system

Vientos Patagónicos Wind Farm Volume	Unit	2019	2020	2021 (****)
Vientos Patagónicos Wind Farm	GWh	-	6,44	30,16
Total	GWh	-	6,44	30,16

Valued Revenues Vientos Patagónicos Wind Farm	Unit	2019	2020	2021
Vientos Patagónicos Wind Farm	US\$	-	350,015	1,691,235
Total	US\$	-	350,015	1,691,235

(****) Preliminary information. Pending the issuance of the final balance sheet of December 2021 by the Punta Arenas Medium System Coordinating Committee.

CHILE | Aconcagua Refinery ENAP (ERA)



Aconcagua Refinery in Concón

Aconcagua Refinery was the first refinery built in Chile, inaugurated on 12 November 1955. Its refining capacity adds up to more than 99 thousand crude oil barrels a day and processes an average 4.7 MMm³ raw materials a year and produces 4.6 MMm³ per year of valuable products.

Aconcagua Refinery and the Quintero Maritime Terminal supply 100% of the gasoline demand in the Metropolitan Region, and 70% aviation kerosene. The process begins with the arrival of crude oil, which is purchased in different markets in the world. Crude oil and complementary loads arrive in the Quintero Maritime Terminal on tankships. Raw material is

transferred (crude oil and supplementary load) through a 20 km 5 oil-pipeline network that runs underground and links the Maritime Terminal to Aconcagua Refinery in Concón. Products received are later shipped and distributed on tankships throughout the country

ERA has 22 business units, which include: Topping, Catalytic Cracking, Reformation, Coker and Alkylation plants. It also runs 27 environmental units, which include: Sulfur Recovery Units, hydrogen desulfurization treatment plants, acid water treatment and liquid effluents plants.

CHILE | Bío Bío Refinery ENAP (ERBB)



Bio Bio Refinery in Hualpén

ENAP Refinería Bío Bío started its operations on 29 July 1966, and considered the country's need of gasoline, kerosene, and diesel oil. Currently, this refinery has a 116 thousand barrels per day capacity and processes an average of 6.4 MMm³ of raw material and produces a total of 4.5 MMm³ valuable products per year.

ENAP Bío Bío refinery began operations with six plants that have increased to a total of 24 process units in the district of Hualpén and a modern terminal for loading and unloading oil and fuels in the district of Talcahuano.

The main plants include Toppings, Catalytic Cracking, Hydrocracking, Coker and Hydrogen, and like the Aconcagua refinery, it has units that enable to comply with the quality of production and protect the environment. The facilities allow 22% of the average supply of the national demand with a safe and reliable source of world-class fuels.

3.6 SUPPLY CHAIN MANAGEMENT

→ WHY IS IT A MATERIAL ISSUE??

Supply management plays a fundamental role in our business strategy, as its main axes are ensuring the continuity of our operations and developing the purchasing process in an efficient, rigorous and transparent way, that seeks to permanently optimize costs and expenses, protecting the relationship with the supplier market.

→ HOW TO MANAGE IT?

The relationship with our suppliers is managed through our Code of Conduct, which establishes a common value framework, in which transparency, competitiveness and ethics are fundamental.

Along with this, we have a Single Supplier Register that establishes the conditions that our suppliers must meet in terms of business, financial, legal, security and compliance, and a Corporate Procurement Regulation that establishes the regulations and procedures for making purchases and procedures.

→ TEAM IN CHARGE

Matters relating to the management of our suppliers and our procurement are the responsibility of Corporate Procurement Management, under the agency of Corporate Finance and Strategic Planning Management.



CHILE Supply chain management



SONACOL OIL PIPELINES

CONCÓN - MAIPÚ (SONACOL)

Clean products	
Length (Km)	127
Diameter	16"
Flow	680 m³/h

Gas Líquido de Petróleo

Length (Km)	139,4
Diameter	10 3/4"
Flow	370 m³/h

MAIPÚ - SAN FDO. (SONACOL)

Length (Km)	133,13
Diameter	6 5/8"
Flow	70 m³/h

SAN FDO. - CHILLÁN - BULNES (DAO)

Longitud (Km)	274
Diameter	8 5/8"
Flow	140 m³/h

BULNES - COSMITO (DAO)

Length (Km)	69
Diameter	10 3/4"
Flow	240 m³/h

COSMITO - ERBB (DAO)

Length (Km)	13,3
Diameter	14"
Flow	240 m³/h

● STORAGE AND DISTRIBUTION PLANT

● PUMP STATION

● MARITIME TERMINAL

-- SONACOL POLYDUCT

-- DAO POLYDUCT

1 MAIPÚ PLANT

Type	Storage and Distribution Plant
Region	Metropolitan region
Storage capacity (m³)	23,529 (GLP) 178,529 (Clean)

2 SAN FERNANDO PLANT

Type	Storage and Distribution Plant
Region	Libertador Gral. Bernardo O'Higgins region
Storage capacity (m³)	34,022 (LPG) 55,500 (Clean)

3 MOLINA STATION

Type	Pump Station
Region	Maule region

4 LINARES PLANT

Tipo	Storage and Distribution Plant
Region	Maule region
Storage capacity (m³)	2,300 (LPG) 21,418 (Clean)

5 CHILLÁN STATION

Type	Pump Station
Region	Ñuble region

6 PEMUCO PLANT

Type	Regasification Plant
Region	Ñuble region

7 VINAPU TERMINAL

Type	Storage and Distribution Plant
Region	Valparaíso, Easter Island region
Storage capacity (m³)	800 (93 Gas) 2,400 (Aviation Kerosene) 1,600 (Diesel Oil)

8 QUIINTERO MARITIME TERMINAL

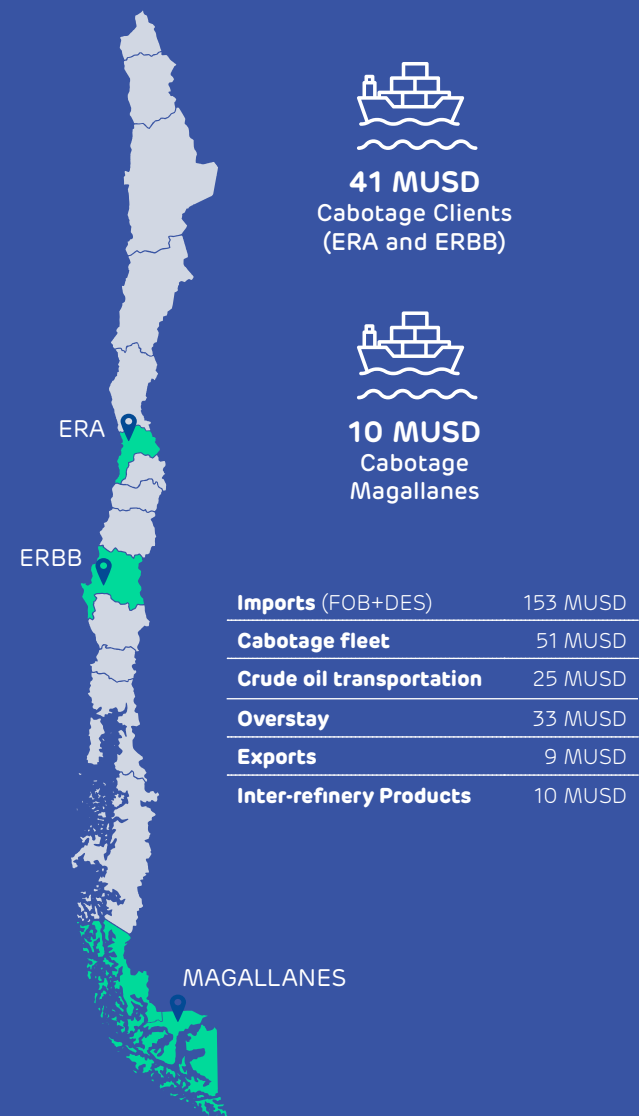
Type	Mono and Multi buoys
Region	Valparaíso region

9 SAN VICENTE MARITIME TERMINAL

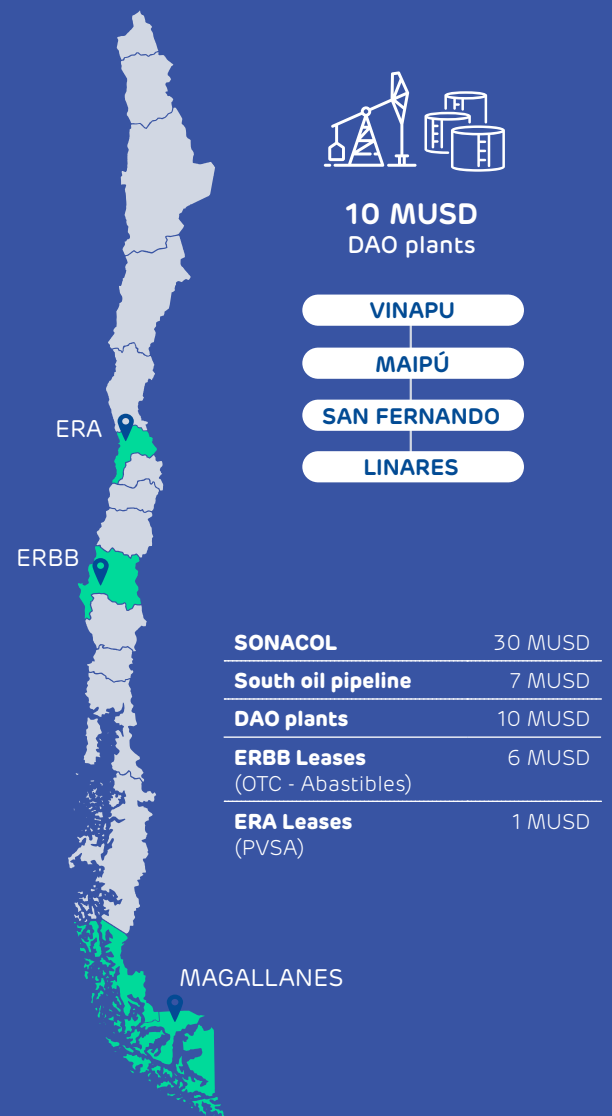
Type	Gateway Pier
Region	Bío Bío region

In 2021 our logistics costs were MMUSD \$358, being much lower than the 2019 record (MMUSD\$ 453), thanks to the efficiencies implemented

281 MUSD | Maritime Transportation



54 MUSD | Pipelines Transportation and storage plants



23 MUSD | Trucks Transportation



● 2021 National and international suppliers' expenditure percentage**

Subsidiary	Year	International Suppliers		National Suppliers	
		% expenditure	% expenditure	% expenditure	% expenditure
Transactions in Chile	2020	314	88%	2,267	12%
	2021	172	7%	1,459	93%
Ecuador	2020	16	1%	432	99%
	2021	17	0.4%	463	99.6%
Argentina	2020	37	3%	498	97%
	2021	17	12.8%	463	87.2%
Egypt	2020	4	9.7%	53	90%
	2021	NI	NI	NI	NI

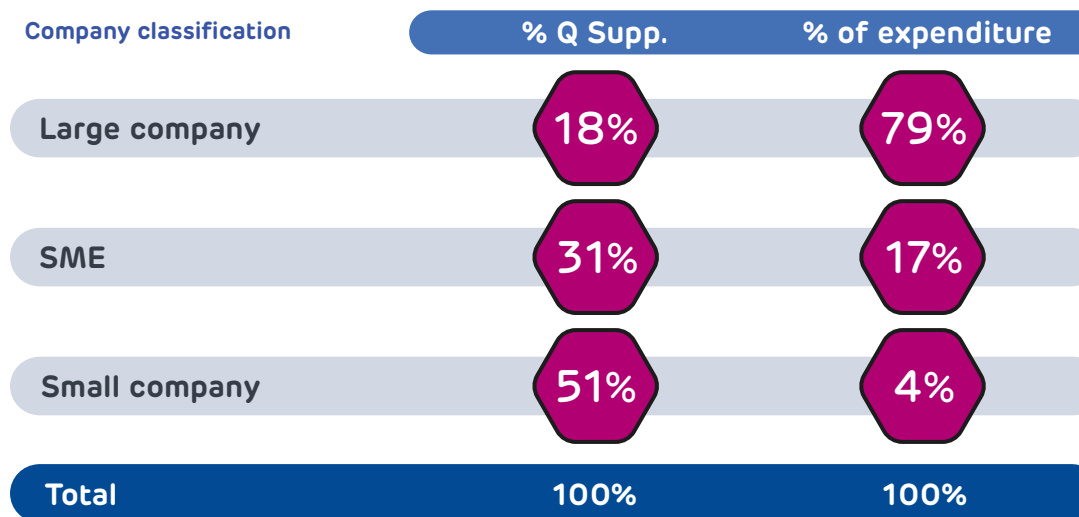
* Figures include purchases of goods and contracting of services (includes crude oil and products).

*The size of the company is provided by the information declared by the supplier and our Unique Registry of Suppliers accreditation.

Prior to the registration of our suppliers in the "Unique Registry of Suppliers" (RUP), an evaluation due diligence is carried out in the areas of business, labor, legal, compliance, security, occupational health and environment. During 2021, 127 new suppliers were registered, equivalent to 17% of the active supplier base as of December 31, 2021.

The procurement process establishes as a standard the evaluation of offers from companies participating in public and private bids and quotations, according to the Management, Occupational Health and Environment methodology, whenever the good or service requires field personnel or its execution involves activities that could affect people or the environment.

● Composition by company size



3.7 SUCCESSFUL CLIENT MANAGEMENT

→ WHY IS IT A MATERIAL ISSUE?

Our Sustainability Policy places our clients as a fundamental stakeholder for our development and projections over time. It is a priority for our management teams to satisfy our clients expectations and requirements, both in terms of quality as well as quantity and opportunity. We have also challenged ourselves to actively incorporate them into our value chain, integrating their perspective into our operations.

→ HOW TO MANAGE IT?

Through our Commercial Policy and our Client Service Model, As well as providing quality policies for each of our business units.

→ TEAM IN CHARGE

The Commercial Management reports directly to the Management of Refining & Marketing.



Providing a close and excellent service to our clients is a priority, that is why we have enabled a



DIRECT CONTACT CHANNEL TO RECIVE YOUR REQUEST, INQUIRIES, COMPLAINTS, AND SUGGESTIONS.

This channel has proved to be a useful tool not only for our current clients, but also for those who are interested in starting any commercial activity with ENAP.

In the year 2021, a total of 101 entries were recorded; 2% corresponded to compliments, 27% to commercial, security and operational complaints, and the remaining 71% to queries.

Claim Management - Service Level Agreements (SLAs)

During 2021, claims resolution times were established through Service Level Agreements that were part of the goals of Commercial Management executives and collaborators. In this way, we achieved an average response time of 1.76 days.

Client Annual Satisfaction Survey

Our Client Annual Satisfaction Survey, aimed at knowing the level of satisfaction with the service received from the purchase process to the delivery of fuels, showed a 4% increase in effectiveness, compared to the previous year. This means that the number of surveys answered in full over the total number of surveys submitted was greater, improving our records and access to information relevant to our management. As for the level of willingness to recommend ENAP (Net Promoter Score (NPS)), a 17-point increase was noted over 2020.

Client Annual Satisfaction Survey



PURPOSE OF THE SURVEY

Know the level of satisfaction of ENAP's clients with the service received during purchase process until fuels delivery and petroleum derivative products.



TECHNIQUE

Online survey sent via email invitation.



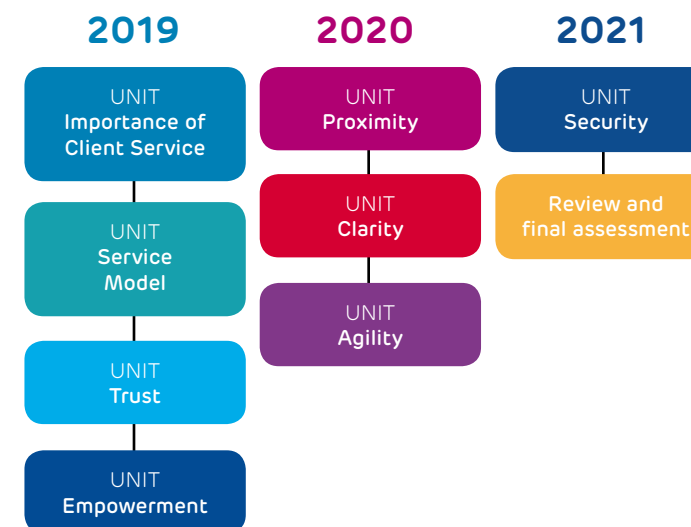
TARGET GROUP

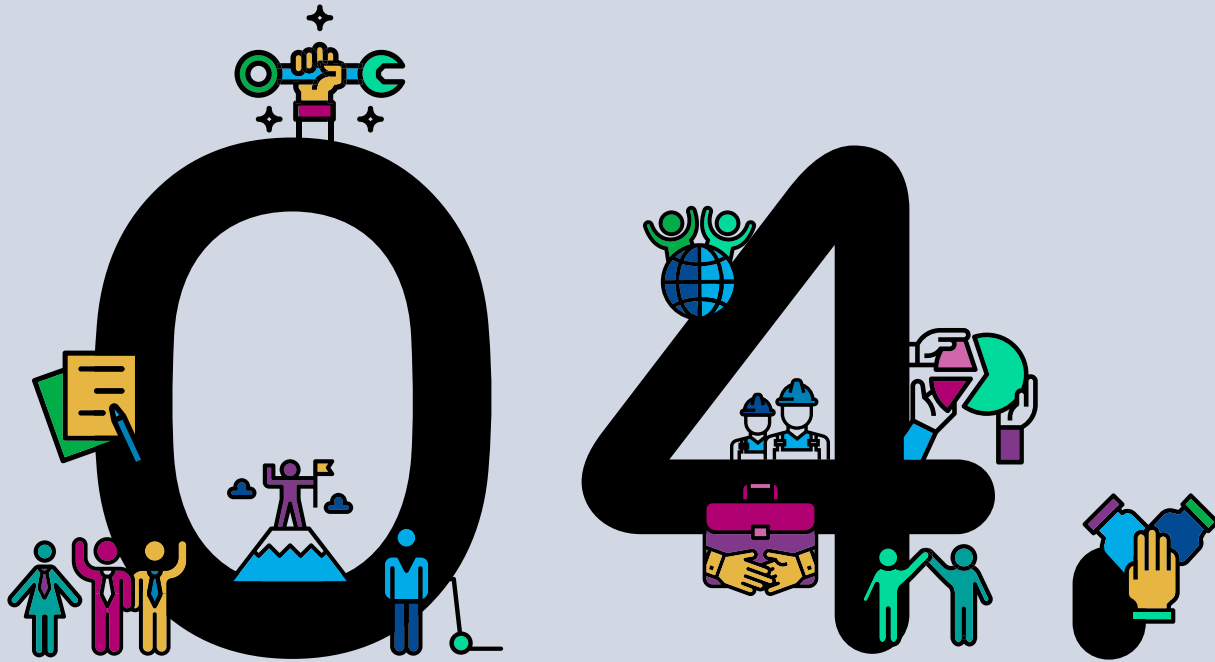
ENAP's clients from commercial and operational areas who are involved in the purchasing and receiving processes of products.

Committed to Client Service

During the first half of this year, the on-line course "Connecting to the Service" was successfully completed by 359 collaborators; the training program, initiated in 2019, considered:

Connecting with the Service Program

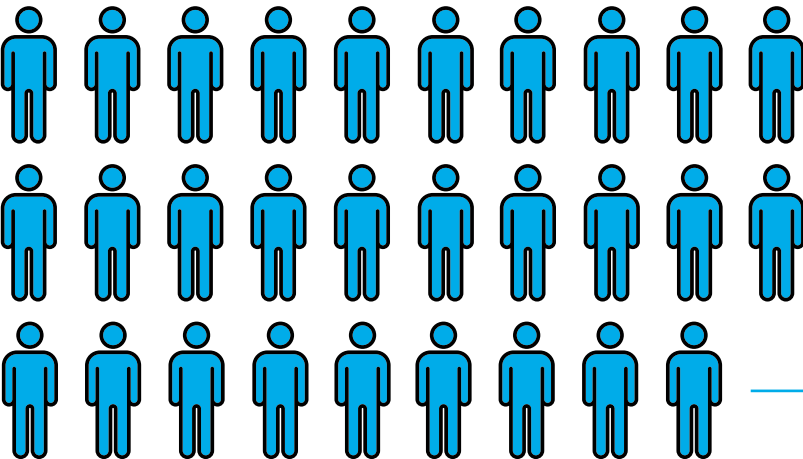




Our
Team

4.1 OUR TEAM STAFF

2021 Main staff figures



Total
3,312 employees



Of the 7 members of the Board of Directors, **2 are women**. Of the top 12 ENAP executives reporting directly to the General Manager, **4 are women and 8 are men**.

2,895 men
87.4%

417 women
12.6%



THE BREAKDOWNS OF ENAP'S AND SUBSIDIARIES' PERSONNEL CAN BE FOUND IN THE ADDITIONAL INFORMATION CHAPTER OF THIS REPORT.

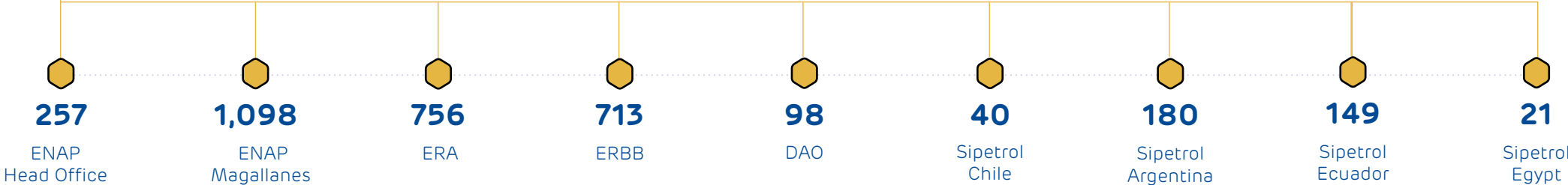
Nationality of our employees

Argentina	188
Bolivia	1
Brasil	2
Norway	1
Chile	2,925
China	1
Colombia	1
Ecuador	149
Egypt	20
Venezuela	23
Spain	1

2021 Number and % of people hired

156 man
82.9%

32 woman
17.1%



ENAP Women's Awards and Recognition

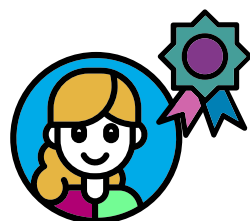
Recognition to ENAP for the **high presence of women in executive positions in state-owned companies.**

Dorothy Rojas, Civil Engineer Training of ENAP Magallanes was awarded the distinction of the **Mujer Minera 2021 award.**

Denisse Abudinén, Corporate Manager of ENAP Sipetrol and General Manager of Sipetrol Egypt, was elected as one of the **100 women leaders** of the country in its 2021 version by the Women Entrepreneurs organization together with newspaper El Mercurio.

Jacqueline Saquel, Corporate Manager of Finance and Strategic Planning at ENAP, was awarded the 2021 Executive Women Award.

In September, **Helvecia Castro**, ENAP's Director of Information Security, was recognized as one of the **10 most outstanding women in the field of cybersecurity** in the country.



Mujer Minera Award



With 5 years of experience and outstanding work as Production Engineer, Operations Island, Dorothy Rojas Velasquez from ENAP Magallanes, was honored by the Government in August as Mujer Minera 2021. The regional authorities that form part of the Women and Mining Round Table, headed by the Mining Seremi, Mr. Carlos Quezada; and the Women Seremi, Mrs. Daysi Carrera, gave her this recognition, which seeks to encourage the incursion of women into traditionally male areas.

Dorothy (a graduate of the Universidad de Magallanes) is the technical reference for field production operations, carrying out evaluations of the deposits and production equipment related to liquids production. She also manages a portfolio of initiatives and participates in the daily production closure. During the second half of 2021, she started a new role as Plant Engineer, also on site, which will allow her to expand her knowledge in other areas.

4.2 HUMAN RIGHTS APPROACH ON LABOR PRACTICES

→ WHY IS IT A MATERIAL ISSUE?

Our people are the fundamental pillar in carrying out our purpose, so issues such as work development, diversity and inclusion, trade union relations, health, safety and quality of life are structuring aspects in our sustainability management. Hence, human rights are our fundamental values framework, based on international normative, as to guarantee the best safety and labor practices, as well as promoting commitment and responsibility to build up a suitable work environment for our employees' development.

→ HOW TO MANAGE IT?

Within the People Management Plan (2019-2023), which is focused on four strategic areas: People Integral Management, Organizational Culture, Efficiency and Productivity, Occupational Health and Safety Management, plus the Labor Relations Model, and other policies and procedures published. Among these, it is necessary to mention the following:

- Sustainability Policy
- Gender Equity Policy
- Corporate Policy and Diversity and Inclusion Manual
- Quality of Life Policy
- Corporate Labor Relations Policy
- Corporate Occupational Health and Safety Policy
- Psychosocial program
- 2020/2021 Work Environment Action Plan Development Program
- Strengthening Skills Program for Telecommuting

→ TEAM IN CHARGE

The People Corporate Management and the HSEC Corporate Management (Health, Safety, Environment and Communities) and their teams in the different business units and subsidiaries are in charge of these topics.



Diversity and Inclusion



Video Gender Equality in ENAP

We have a Corporate Diversity and Inclusion Policy since 2016, which seeks to value the richness and plurality differences in our organization. Gender Policy also came into question since March 2018. All business units have committed to break down barriers for women's development, by taking the Chilean Standard 3262 on Gender Equality, Conciliation of the Work, Family and Personal Life certification.

ENAP promotes comprehensive equity and does not enforce any kind of discrimination, either in aspects related to work development conditions or wage related issues.

The following table shows the average gross salary of female executives and workers compared to men who hold the same type of position, responsibility or role.

Training

Training and competencies and abilities continuous development are relevant aspects for our management, as there is a highly specialized crucial competitiveness factor in industries like our own. Our focus on these matters derives in fixed training plans within the guideline framework of 2019-2023 People Management and our Strategic Business Plan.

Our 2021 training program mainly addressed technical training, focused on business topics and career development; risk prevention topics associated with "Standards that Save Lives", leadership practices and application of critical controls, ministerial protocols associated with

industrial hygiene and occupational health, among others; as well as legal and/or regulatory issues, mandatory knowledge that we must maintain for operational continuity and compliance in HSE matters.

● 2021 Type of competencies and associated training hours 2021

Type of competencies	2021 Total No. of hours	%
Funcional/técnica	53541	53.30%
Management	6969	6.90%
SSO	19579	19.50%
Regulations	18318	18.20%
Technology	1245	1.20%
Others	767	0.80%
Total hours	100,418	100%

● B2021 GENDER SALARY GAP – ENAP Local Operations (Chile)

Estate	Female		Male		Total		Distribution %		
	N° people	RTA average	N° people	RTA average	N° people	RTA average	Women	Men	CR M vs H
Managers	5	14,295,556	29	13,669,079	34	13,792,278	15%	85%	1.04
Directors	19	7,971,759	67	8,039,187	86	8,025,377	22%	78%	0.99
Heads	42	5,623,795	246	5,583,215	288	5,589,391	15%	85%	1.01
Professionals	226	4,223,955	708	4,586,459	934	4,506,394	24%	76%	0.92
Clerks and workers	78	3,131,206	1,542	3,543,278	1,620	3,519,344	5%	95%	0.88
Total general	370	4,427,704	2,592	4,249,583	2,962	4,271,569	12%	88%	1.04

Work Environment

HOW HAVE WE BEEN WORKING ON THE WORK ENVIRONMENT?

1 MANAGEMENT AND TEAMS PLAN

Purpose

Strengthen those areas of the Work Environment that require improvement and that were being worked on based on the results of the 2019 survey and, in turn, reinforced with the Pulso results.

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THE HEADS HAVE BEEN WORKING ON IMPLEMENTING PLANS.

2 ENAP TRANSVERSAL PLAN

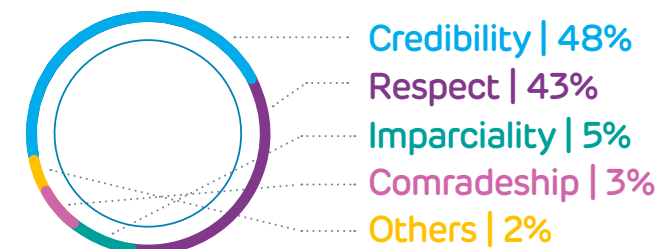
Purpose

To address in a transversal way the dimensions of Communication and Quality of Life that have an organizational impact and constitute a transversal gap.

- BUSINESS PRESENTATIONS AND NEW CHALLENGES.
- QUALITY OF LIFE PRESENTATIONS.
- PRESENTATIONS BY OUR UN/AFFILIATE MANAGERS.



Plan 2021 by Pulso dimension



Great Place to Work

In 2021 we broke the trend in our work environment results, surpassing our average (61%) by reaching 69% in our second Great Place to Work measurement. In terms of improvement, organizations tend to rise 3 points on average between the first and second measurement, and our results were a pleasant surprise for both us and the evaluators.

Labor relations

We respect our employees right to associate freely and collectively negotiate at ENAP. The principles behind this are formalized in our Corporate Labor Relations Policy which promotes the construction of collaborative and stable labor relations that contribute to significant links between the company and its employees, as to contribute to the fulfillment of our Business Development Plan.

2021 Unionization level

Business unit	2019	2020	2021	Sindicalizados	No sindicalizados	Total
ENAP Santiago	66.22%	62.12%	59.92%	154	103	257
ENAP Magallanes	98.71%	97.93%	96.99%	1065	33	1,098
ENAP Aconcagua	97.02%	96.71%	96.03%	726	30	756
Ersa DAO	94.95%	93.14%	92.86%	91	7	98
Ersa Bío Bío	98.37%	94.86%	98.18%	700	13	713
SIPETROL	77.27%	81.82%	85.00%	34	6	40
SIPETROL Argentina	67.91%	67.04%	68.89%	124	56	180
SIPETROL Ecuador	0.00%	0.00%	0.00%	0	149	149
SIPETROL Egypt	0.00%	0.00%	0.00%	0	21	21
Consolidated	88.37%	87.29%	87.38%	2894	418	3,312

Regarding the deadlines for prior notice of operational changes, we have established regular meetings between the local management and their respective trade union organizations, to inform and agree on the changes that will be presented in the way the work is organized and managed.



4.3 OCCUPATIONAL HEALTH AND SAFETY

WHY IS IT A MATERIAL ISSUE??

Our workers are our main focus, as a priority to ensure their occupational health and safety. We are committed to the implementation of best practices in industry as to prevent accidents and to safeguard the health of all those who work in our operations and/or have a direct or indirect relationship with them.

HOW TO MANAGE IT?

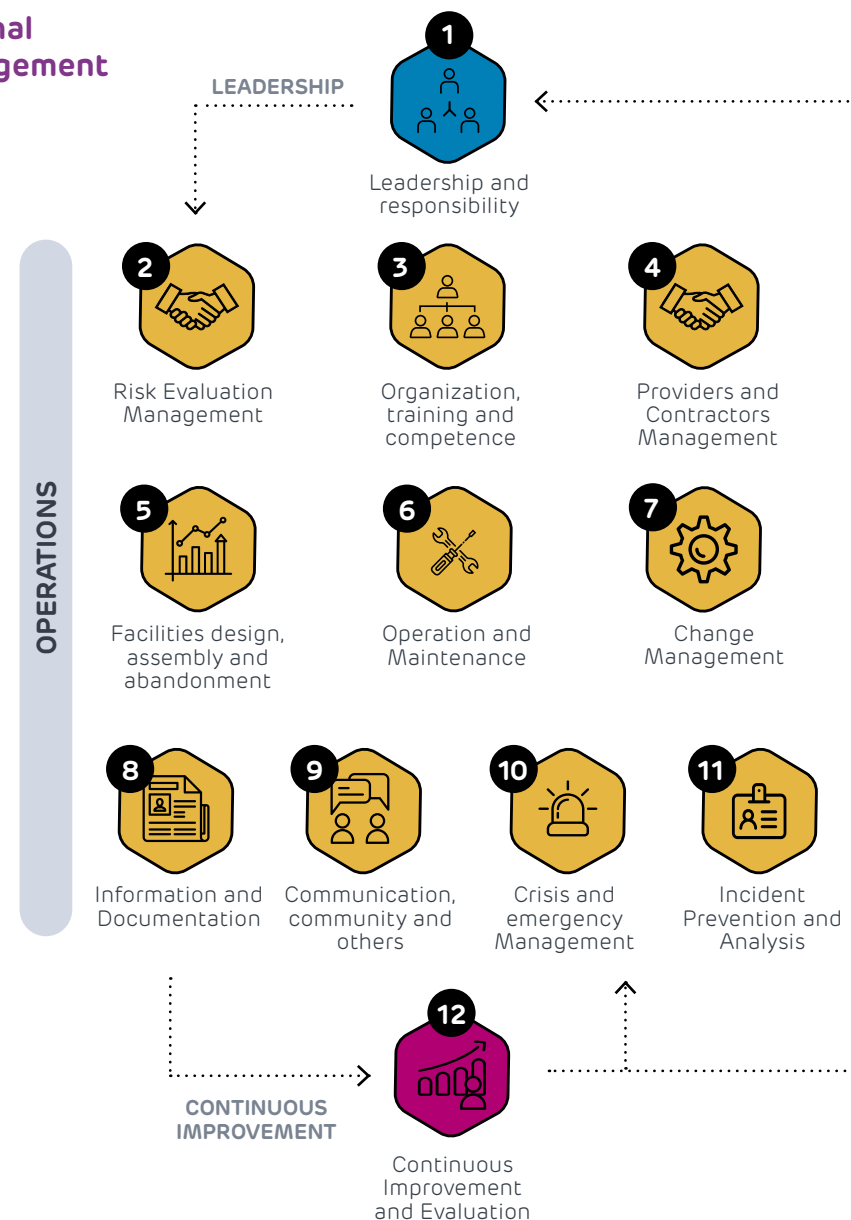
It is managed through Operational Integrity Management System (SGIO) and the Health and Safety Management Occupational Strategy within the Corporate Security and Occupational Health Policy framework.

TEAM IN CHARGE

The topics included are part of the Corporate People Management, HSEC Corporate Management (Health, Safety, Environment and Communities) and their teams in the different business units and subsidiaries.

ENAP's operational 1 Integrity Management system (Sgio)

The Operational Integrity Management System (SGIO in Spanish) provides the framework and instruments for the management in Occupational Health and Safety, Environment, Facility Reliability and Relationship with the Communities areas. This system is made up by 12 interdependent elements, on which ENAP develops actions for its adequate fulfillment.



Our management strategy in Security and Occupational Health had the following focuses during 2021:

- 1 Consolidate the master plan for COVID-19 health crisis management, giving top priority to safeguarding the health of ENAP's employees.
- 2 Strengthen Safety Leadership Practices at the supervisor level, improving its effectiveness in contributing to the modeling of accident prevention behaviors and operational excellence.
- 3 Strengthen the structure, roles and functions of SSO teams within the framework of the New HSEC corporate structure.
- 4 Achieve learning through effective incident management, with focus on high potential events.
- 5 Continuous improvement through on-site activities to verify the maturity of the main SSO processes implemented.
- 6 Further develop the scope of the SSO Management Model for EECC to contribute to excellence in the management of services performed by third parties.
- 7 Reinforce a work culture through behavioral safety improvement plans, focused on the interdependent care of people and the human factor, for the prevention of accidents.

Outstanding performance results

In 2021, the Covid-19 Master Plan prepared in 2020 to respond to the health crisis, which has been maintained until the close of this report, was further developed and improved. Thus, case management protocols, follow-up and control systems, internal traceability of contacts, application of preventive quarantines and recovery criteria for return to work were updated. Implementation was maintained based on 8 processes, with 70 transversal measures that implied the implementation of more than 355 actions carried out in the different UN and Subsidiaries.

AMONG THE MAIN ADOPTED 2021 MEASURES, THE FOLLOWING STAND OUT:

1. Coordination and management with health authority of an early vaccination process for ENAP officials.
2. Vaccination Monitoring and Control Anti-Covid-19 Form. Weekly and monthly progress report (1st, 2nd and 3rd doses).
3. Update Covid-19 Case Management Protocol; Feb, Jun, Dic 2021.
4. Updated site declaration of entry and travel management protocol.
5. Communication plan and permanent reinforcement; "Together against Covid-19, our commitments to ENAP".
6. Elaboration and issuance of ENAP Sport Facilities Protocol
7. Activation process for taking preventive antigens tests in all units.
8. Weekly medical report on vaccines and national COVID context.
9. Protocol of ENAP COVID-19 Occupational Health Safety complying with Law N° 21,342 established for these matters.
10. Updating of the Return to Work Protocol for the Head Office and for the different Units, defining the capacity and requirements for the transfer, entrance and presence in offices and facilities.
11. Obtaining the Covid-19 Mutual de Seguridad certification in 16 ENAP Chile work centers.

Risk Management

Our SSO strategy is based on 3 focuses that allow us to ensure the care of our team and our contractors:

Safety for our contractors

The implementation of an SSO strategy for contractors, through the incorporation of 45 critical and highrisk contracts into the Contractor Employee Management Model, has led to substantial improvements in their SSO performance, with a 22% lower rate of High Potential Incidents and a 38% lower Frequency Rate. In addition, preventive reporting has increased, surpassing by 43% those companies that are not active in the model.

1

SSO Risk Management with focus on high potential, whose scope is the identification of the hazards to which workers are exposed, the evaluation of the risks of serious accidents or illness, the definition of critical controls that prevent the occurrence or mitigate the damage generated by an accident, up to the evaluation of compliance and effectiveness of these in situ controls.

2

The latter is materialized through the Leadership and Culture focus and is materialized through leadership practices, where the effectiveness of critical controls defined by the organization for higher risk activities is verified in the field by workers, supervisors and executives.

3

Finally, the third focus is Learning and Improvement, where an incident management standard establishes the processes, deadlines, quality criteria, roles and responsibilities for reporting incidents and findings, which are recorded and managed in an incident management system (SGI), in this way the causes are investigated and analyzed along with the definition and monitoring of control actions to prevent recurrence. The investigation of serious and high potential events are reviewed and challenged by management and leadership teams to ensure the effectiveness of the committed measures.



Focus on Leadership

Consistent with our SSO Leadership and Culture focus, we conduct more than 5,000 field verifications (leadership practices) to confirm compliance of the defined critical controls. In terms of learning and improvement, we strengthened the preventive reporting of highpotential findings, increasing their report by 41% compared to 2020.

In addition, the commitment to the care of people was renewed of the company's top authorities, through the execution of ENAP's HSEC Plenary, transversally and telematically, in which more than 980 workers participated.



Promoting health among workers

ENAP has medical services that provide guidelines and facilitate information dissemination, as well as provide material and support to initiatives that promote safety and health care, quality of life, wellbeing, and selfcare, both inside and outside our facilities.

ENAP has defined a Preventive Model that has become part of the internal management of each Business Unit and Subsidiary. Likewise, all Occupational Health work plans have been defined based on the following pillars of the preventive model:



This allows identifying the Groups of Similar Exposure (GES) that have been incorporated to the respective work epidemiological surveillance programs, allowing the definition of actions to mitigate the risks associated to workers' health. The corporate guidelines and instructions in these matters are established in the Corporate Occupational Health Standard, which defines the framework of action and requirements to be met for each ENAP operation.

Current regulations establish that all direct and indirect employees are protected by social insurance against the risk of accidents (Law 16,744).

Indicators of Occupational Health and Safety*

Business Unit/ Subsidiary	HHT	FATAL	CTP	DP*	IF (ACC/ MMH)	IG* (DÍAS PERDIDOS + ARRASTRE + CARGO/MMH)	TASA DE ACCIDENTABILIDAD	ENFERMOS PROFESIONALES
ERA	5,933,119	0	24	794	4.0	134	0.8	1
ERBB	3,301,784	0	5	410	1.5	124	0.3	4
Magallanes R&C	579,852	1	3	6,018	6.9	10,379	1.5	0
R&C	9,814,755	1	32	7,222	3.4	736	0.7	5
DAO	911,476	0	3	15	3.3	16	0.7	0
DTT (2)	427,693	0	0	0	0.0	0	0.0	0
Supply Chain	1,339,169	0	3	15	2.2	11	0.5	0
Argentina	1,056,261	0	4	453	3.8	429	0.8	0
Ecuador	2,121,201	0	1	50	0.5	24	0.1	0
Magallanes E&P	4,332,762	0	15	327	3.5	75	0.6	2
E&P	7,510,224	0	20	830	2.7	111	0.5	2
Head office	666,389	0	1	6	1.5	9	0.3	0
ENAP	19,330,537	1	56	8,073	2.9	418	0.6	7

*The reported safety indicators reinforce our own workers and contractors' figures, but exclude our Egypt subsidiary, as it is outside the scope established for this report.. (2) DTT: Land Transportation Management.. (3) No disabling accidents are recorded in Cogenerators. HHT: Man Hours Worked. CTP: Lost time accidents. Included days lost, days drag and charge days. IF: Frequency Index. IG: Severity Index. Ratios used are per 1,000,000 worked hours and formulas and indicators applied that comply with the requirement of Chilean legislation, particularly the S.D. 40 of the Ministry of Labor.

Regarding the main types of injuries and other statistical analyses associated with the accident rate, during this period, ENAP's disabling accidents were mostly events associated with impacts (32%), same level falls (18%) and trapping (5%). Occupational diseases registered in the period were (1) ergonomic and (2) mental health illnesses. There were 4 occupational diseases associated with Covid-19.

Stakeholders relations and management

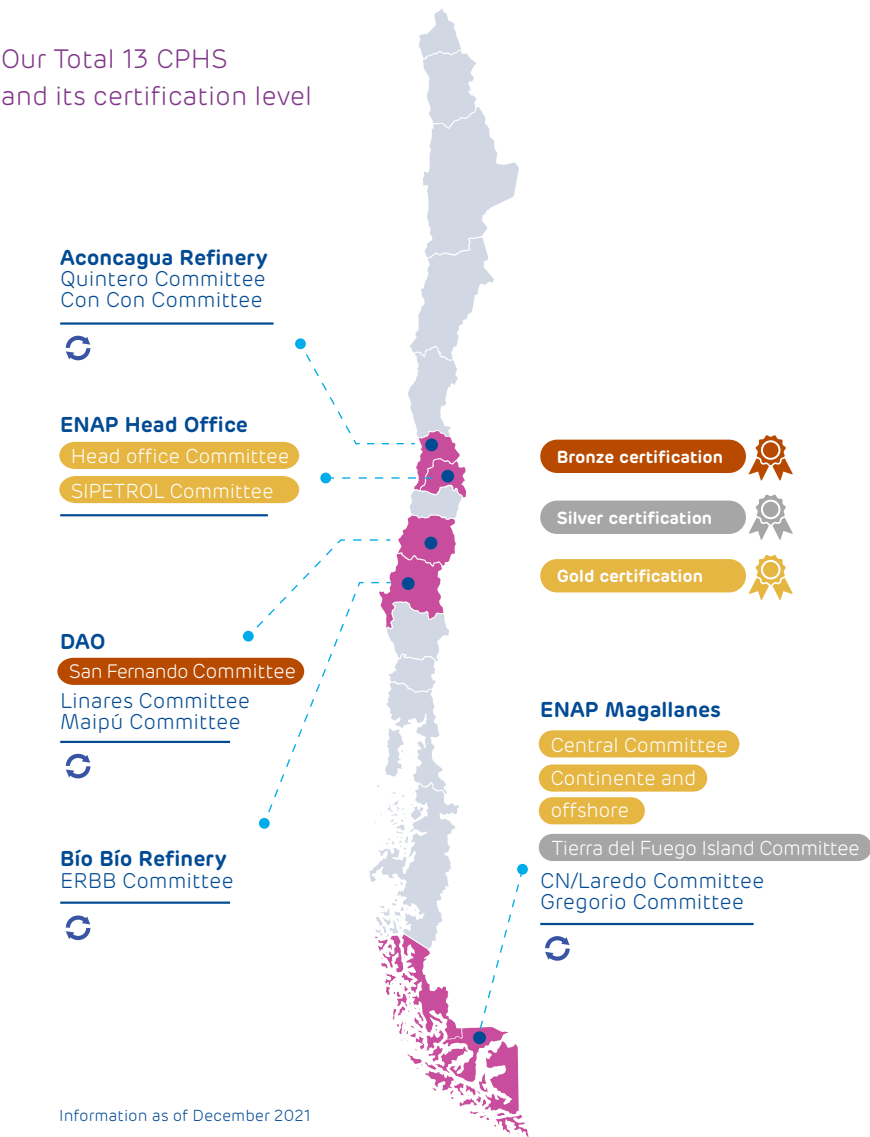
ENAP relies upon an open-door policy with various instances for worker participation and communication regarding occupational health and safety issues. The Bi-Partite Security Committee summons the SSO and Environment Managements, and union leaders of all our facilities in Chile. They hold monthly meetings, where they review management progress and its results, as well as receiving and resolving concerns, queries and risk situations raised by workers.

Other relevant entities are the Order, Hygiene and Safety Joint Committees (CPHS) made up in accordance with current regulations in Chile.

There are 13 CPHS that cover our operations in Chile, which are made up by administration and workers representatives. They meet once a month to analyze safety and health relevant issues of those who work in the areas they represent. They also watch over the SSO management for contract workers in their areas. ENAP's CPHS have obtained several certification degrees endorsing regulatory compliance and management.

Hygiene and Safety Joint Committees

Our Total 13 CPHS and its certification level



Information as of December 2021

Differentiating elements



Broad participation of all members (members and alternates), via committees, meetings and inspection activities



Participation of senior executives of the facilities.



Execution of a recognition program.



Members trained in SGI Security and System Leadership Practices.



Management focused on preventing the spread of Covid-19:

- Behavioral observations
- Follow-up to daily case reports



Gold Certification Plan

2021 Training Activities

The topics covered the different areas associated with management, such as:

- Risk prevention at work.
- Saving Lives standards.
- Application of critical controls and leadership practices.
- Emergency response.
- SSO model for contractors.
- SafeStart and Behavioral Safety.
- Risk prevention for teleworking.
- Covid-19 prevention and ministerial protocols associated with industrial hygiene and occupational health.





Community Relations and Social Investment



5.1 COMMUNITY RELATIONS AND SOCIAL INVESTMENT MANAGEMENT



Video Neighborhood
Recycling Program

→ WHY IS IT A MATERIAL ISSUE?

As a company that plays a strategic role for the country, it is essential that we contribute to the development of the territories in which we operate, helping to improve the quality of life of the communities, within a framework of open dialogue, mutual benefit and environmental responsibility.

→ HOW TO MANAGE IT?

Through the Corporate Strategy for Community Relations that describes the company's commitment to the territories in all business units, within ENAP's Sustainability Policy framework.

→ TEAM IN CHARGE

The Institutional Relations and Communities Management, as part of Corporate HSEC (Health, Safety, Environment and Communities) Management and their teams in the different business units and subsidiaries, promoting the community approach throughout our operation.

Corporate Relationship Strategy with Communities



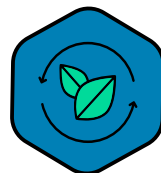
Open dialogue

Action that establishes relationships based in permanent dialogue and that will allow us to generate confidence links.



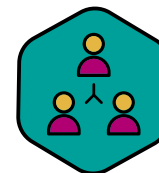
Mutual benefit relations

Social investment initiatives that bet on the communities' quality of life, considering their problems, interests and worries.



Transparency and environmental responsibility

Actions that promote timely information delivery about the environmental impacts in our operations and its mitigation measures.



Collective responsibility

Initiatives that promote the ENAP's workers commitment to the sustainable development and the respect for communities.

Lines of work



1. Make processes and environmental impacts transparent, by bringing communities closer to our operations, productive activities and environmental management.



3. Fulfill commitments and improve the quality of life of the communities, by building relationships of trust based on the creation of shared value.



2. Contribute to the recovery and environmental improvement of the territories, by collaborating in the remedy and mitigation of cumulative environmental impacts, whether or not derived from our operations.



4. Contribute to the economic reactivation of the territories, by promoting the socioeconomic recovery of the communities through social investment initiatives.

5.2 OUR SUBSIDIARIES AND BUSINESS UNITS

Each of our subsidiaries and business units implements our Corporate Strategy for Community Relations, according to the reality and particularities that characterize the context in which they operate. The following is a detail of the actions carried out.

5.2.1 SIPETROL Ecuador

In Ecuador, our Community Management Plan is based on pillars 2 and 3, which refer to the recovery and environmental improvement of the territories, and the fulfillment of commitments to improve the quality of life of the communities, respectively. The promotion of quality of life is mobilized through health, education and development initiatives, in addition to community strengthening.



- Contributions for the conservation of **871.65 hectares** of forests located in the communities of the direct influence area.



- **Health program:** Priority was given to infrastructure improvements at two health sub-centers close to the communities in the area of influence. At the "10 de Agosto" health center, infrastructure improvements were made, such as changing the roof, replacing the false ceiling and tiles; and at the "San José de Guayusa" center, the entire roof was replaced. Logistical support was also provided for vaccination campaigns in 4 health sub-centers in the area of influence, in addition to the delivery of biosecurity supplies.
- **Programa de Becas:** beneficio para 50 estudiantes a través de aportes directos para la compra de uniformes y útiles escolares.
- **Scholarship program:** benefit for 50 students through direct contributions for the purchase of uniforms and school supplies.

- **Education projects:** 3,150 school backpacks were given to the students of the educational units in the area of operational influence. In addition, students' mobilization to the educational centers was facilitated, and repairs and adjustments were made to the infrastructure of the educational centers. ENAP also supports 7 educational centers with an internet project that allowed the delivery of 9 computers and 2 printers to promote the use of internet in 2 educational centers in PBH.
- Productive development from the agricultural input delivery for the cocoa crops; livestock input for farmers; construction materials for the improvement and construction of community infrastructure; poultry project and virtual training for strengthening entrepreneurship.
- Signing of two Social Compensation Agreements with the communities of María Elena and Eugenio Espejo for the development of the Inchi E project and new wells in Inchi A, focused on improving housing and strengthening education.

5.2.2 SIPETROL Argentina



- Management of the cooperation agreement with the Agrarian Council of the Province of Santa Cruz, based on the [protection and sustainable management of the natural resources](#) present in the Cabo Virgenes Provincial Reserve.



- Completion of works to install solar panels and batteries in rural schools in the Province of Santa Cruz.
- [Signing of an agreement with ARSAT](#) (National Telecommunications Company), to enable the installation of a fiber optic NODE in BRM (Magallanes Reception Battery), which will expand and improve connectivity in the south of Argentina, thus shortening the digital gap between the large urban centers and the most isolated areas of the country.

5.2.3 Supply Chain



- Development of the ["Environmental Innovation Contest"](#), a competitive fund aimed at social and environmental organizations in the districts of Molina and Río Claro, which promotes the implementation of biodiversity conservation, environmental education, and energy efficiency projects, among others. During 2021, 5 projects were awarded.



- Formalization of collaboration agreements with 9 Firefighter Departments of the towns close to the DAO operations, for the development of practical exercises and emergency containment simulations.
- ["Training courses to improve employability and quality of life \(SENCE Franchise\)"](#) or social leaders of the municipalities of Maipú, San Fernando, Molina, Chillán, and Pemuco. A total of 10 courses (on-line/mixed) were developed, equivalent to 558 hours of training, benefiting 161 people.



- [The "Competitive Funds - ENAP Impulsa" program](#) for the districts of Maipú (in the Metropolitan Region), San Fernando (Libertador General Bernardo O'Higgins Region), Chillán and Pemuco (Ñuble Region); this initiative promotes the development of projects aimed at strengthening the internal capacities of community organizations. This year 12 projects were awarded.

5.2.4 ENAP Aconcagua Refinery (ERA)



- Start of the **"ENAP Open Doors" program**, which allows 7 social groups from the district of Concón to visit our refinery to see in situ the environmental improvements implemented by the company to mitigate the emission of particulate material and the generation of noise and odors.
- **Project Micro-network for Citizen Air Quality Surveillance continuity in Concón, which shows particulate matter levels in real time (PM10 and PM2.5). Initiative distinguished as one of the 50 best innovations for the development of smart cities by Smart Cities Connect (USA).**
- Formation of a Noise Roundtable with the Los Tres Esfuerzos Neighborhood Council (Las Palmeras de Concón) after successive complaints about increase noise emissions from the refinery. This instance hopes to contribute to the collaborative design of noise mitigation mechanisms.



- Graduation of the fishermen's unions of Horcón and Ventanas from the **"Firefighters of the Sea"** program, which provides training in environmental surveillance and safety in the event of maritime contingencies. During the second semester of 2021, the practical exercises suspended due to the pandemic were resumed, conducting 10 local exercises and a general hydrocarbon spill containment simulation in Quintero Bay.
- Expansion of the **"Neighborhood Recycling Program"** based on the management of a large clean point and several green points, in addition to the recyclable waste collection network in which 24 members of the Concón Tourism Association participate. In 2021, the RPC III and Los Troncos Neighborhood Councils were incorporated, completing 8 green points in the district. This initiative won the Environment Award 2021 given by the Association of Companies of the V Region (ASIVA).
- **Installation of the "Mesa Pulmón Verde"**, together with the Concón Limpio y Sustentable Group, Replantemos Chile Foundation and the Municipality of Concón, to reforest the sectors of the commune as a way of environmental mitigation. At the same time, the implementation of the community garden nursery begins.



- Development of the **"Environmental Innovation Contest"**, a competitive fund aimed at social and environmental organizations in the communes of Concón and Quintero, to implement projects for biodiversity conservation, environmental education and energy efficiency, among others. In 2021, 7 projects were awarded, 4 in the commune of Quintero and 3 in Concón.



- Execution of **"Quality of Life Workshops"** with 9 Neighborhood Councils and a total of 167 beneficiaries, who participated in a recreational day in the Las Palmeras de Concón neighborhood and a Community Fair in the same commune.
- Execution of "Competitive Funds ENAP Impulsa" which promote the development of projects to strengthen the internal capacities of community organizations. Thirty projects were awarded, 15 in the commune of Concón and 15 in the commune of Quintero.
- Continuation of the "Psychosocial Network of Support" for parents of the commune of Quintero, with the participation of 20 families in 4 on-line workshops.
- Continuation of the "Training Program for Teachers of Quintero Schools" aimed at providing methodological tools to strengthen learning in the online modality. This year 50 teachers participated in 4 workshops.
- Execution of "Training courses to improve employability and quality of life (SENCE Franchise)", in conjunction with social leaders of the communes of Concón, Quintero and Puchuncaví. Nine courses (on-line/mixed) were developed, mainly focused on employability and the implementation of new technologies to promote local entrepreneurship. Thus, 1,180 hours of training were given to 310 people.

During the month of December 2021 there was a conflict -of media relevance- with unions of artisanal fishermen of Quintero Bay (Loncura, El Manzano, Alcatraz, Cachagua, Maitencillo, S24, Embarcadero, Sipsa, Sipelanch, Papagallo, Por la Razón o la Fuerza) around a proposal to pay compensation for the settlement of civil lawsuits filed in connection with the spill that occurred in 2014 and the creation of an Energy Free Zone in the commune. This led to mobilizations that prevented the entry and exit of ships to the various terminals in the Bay. After several weeks and instances of negotiation, an agreement was reached that allowed resuming the normal circulation in the Bay and the reactivation of operations.

5.2.5 ENAP Refinería Bío Bío (ERBB)



- Development of the **"ENAP Open Doors"** program for social leaders of 11 groups of the commune of Hualpén. The guided visits made it possible to learn about the operations process, the environmental improvements implemented and the capacity to react to possible operational contingencies.



- **"Environmental Innovation Contest"**, which seeks to promote collaborative environmental solutions that involve social and territorial organizations of the commune of Hualpén, in addressing issues of relevance to the community. Six projects were awarded in areas such as environmental education, recovery of public spaces and energy efficiency.
- **Projects of "Productive Promotion for Artisanal Fishermen"**, an initiative that contributes to sustainable productive development and the generation of capabilities, through the delivery of tools that enable the fishermen's organizations of San Vicente Bay to be part of ENAP's value chain in matters of safety and environmental surveillance. Five projects were awarded; three to fishermen's unions and two to trade associations.



- Nueva and Villa El Triángulo villages relocation in Hualpén area, which is a process that is part of the relocation commitment assumed between the company, the Regional Government, the Ministry of Housing and Urbanism, the Municipality of Hualpén and 289 families surrounding the Bío Bío Refinery. As of December 31, 2021, a total of 278 families joined the initiative, including 184 that already owners and inhabit their new homes.
- **"Training Courses to Improve Employability and Quality of Life (SENCE Franchise)"**, which trained a total of 379 people from the communes of Hualpén and Talcahuano. A total of 21 courses (on-line/mixed) were developed to improve skills for employability and the development of skills for entrepreneurship; a total of 1,081 hours of training were recorded.



- Execution of the **"Competitive Funds - ENAP Impulsa Hualpén" program**, for the benefit of 13 social organizations, to support the community and economic reactivation of the commune, through the promotion of projects generated by the community. The focus of these funds is the economic reactivation and entrepreneurship; community adaptation to Covid-19; and improvement of community infrastructure.

5.2.6 ENAP Magallanes



- As part of the [“ENAP Open Doors” plan](#), eight neighborhood leaders belonging to the Hernando de Magallanes Community Union visited the facilities of the Posesión area, where they learned about the plant's production process and ENAP's role in the region's development.



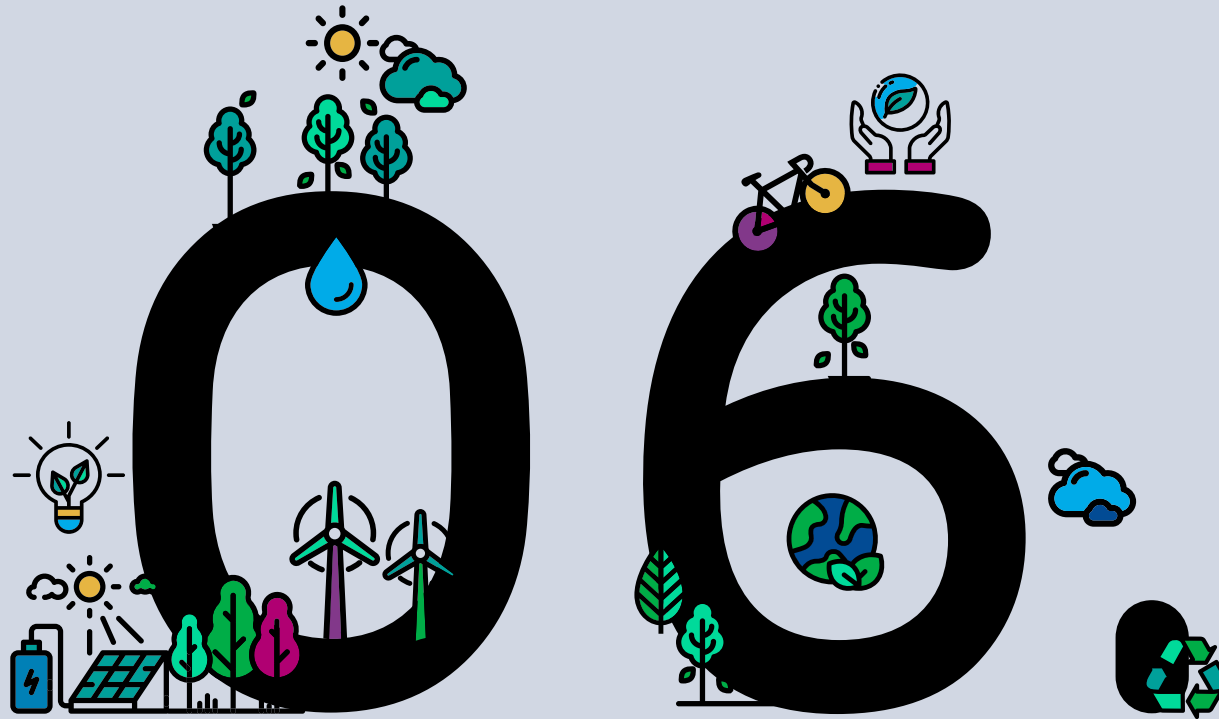
- Development of the [“Environmental Innovation Contest”](#) that makes competitive funds available to social and environmental organizations in the Magallanes Region for the implementation of biodiversity conservation, environmental education and waste management projects. During 2021, 3 projects were awarded in the communes of Punta Arenas and Porvenir.



- For the sixth year in a row, the [literary micro-stories contest “Magallanes in 100 words”](#) was held, with 2,370 submitted stories from people from communes of the region.
- [“ Training courses to improve employability and quality of life \(SENCE Franchise\)”](#), which benefited 576 people, 80% of whom were women, from the municipalities of Punta Arenas, Puerto Natales, Primavera, Puerto Williams and Porvenir. A total of 30 courses were developed, equivalent to 1,180 hours of training.
- The collaboration between ENAP and the OTECs that provide SENCE training made it possible to hold a solidarity bazaar, with contributions from the students of the various courses offered by ENAP in Magallanes. These were offered to the community, making it possible to raise funds which were given to the Solidarity Day for Rehabilitation.



- [“Competitive Funds - ENAP Impulsa Magallanes” program](#), which promotes the development of projects aimed at strengthening the internal capacities of community organizations. Twenty-seven projects were awarded in the communes of Punta Arenas, Porvenir and Primavera.
- Livestock Affairs Unit, created in 2007, projects continuity to support strategic communication with farmers in our operations areas.
- Closing of the activities associated with the [Integrated Territorial Program \(PTI\) “Competitive Improvement of the wool and sheep meat value chain in the Magallanes and Chilean Antarctic Region”](#), as part of its Technical Committee.
- Preparation of 10 property management plans for the Pilot Extension in the Commune of San Gregorio.
- Release of the Beta version of the mobile app for the Agricultural Sector, in order to estimate the fodder amount available in natural grasslands and standardize its handling.
- [69th Magallanes Livestock Exposition and the XXIV Magallanes Livestock Conferences](#). Both events were organized by the Magallanes Livestock Association.
- Fourth Regional Round Table for the Prevention and Prosecution of the Crime of Abigeato, organized by the Regional Prosecutor's Office of the Magallanes and Chilean Antarctica Region.



Environmental Management and Climate Change

Risk identification and environmental control, current legislation compliance, plan development and environmental surveillance and monitoring actions are the main focuses of our Environmental Management strategy. Additionally, it deals with our operations' compensation and impact mitigation on neighboring communities and the environment in general. Our guidelines are:

- ENAP will promote environmental, social and governance responsibility in all its business areas, complying with the applicable regulatory frameworks, as well as with principles and agreements voluntarily subscribed.
- The company will act consistently under a Social Responsibility framework, such as ENAP's Corporate Standard Environmental Management, Principles of UN Global Compact, international standards and industry best practices.
- ENAP is constantly searching for innovations which are able to reduce the possibility of generated environmental impacts.
- ENAP will promote continuous energy efficiency improvement in all the company's productive activities.
- ENAP is part of multisectoral alliances that contribute to society, through knowledge management initiatives, innovation, social inclusion, environmental education and the protection of biodiversity.



Environmental Investments in Refineries

During 2021, the construction phase of the following projects began at the Bío Bío refinery:

- Acid Water Treatment Unit
- Sulfur Recovery Unit
- Amine Regeneration Unit
- Two Crude Oil Storage Tanks

This is an important investment for the coming years, which will contribute to improved environmental performance: it will reduce atmospheric emissions and provide greater reliability and flexibility in the operations of the Bío Bío refinery.

In addition, as part of compliance with the Intercommunal Prevention and Decontamination Plan of Concepción, emission compensation programs were established and submitted to the Environmental Authority. As a result, investments in emission reduction projects were approved, which are expected to materialize from 2022 onwards.

At Aconcagua Refinery, as part of the objective of the Atmospheric Prevention and Decontamination Plan (PPDA) for the communes of Concón, Quintero and Puchuncaví, it stands out for the year 2021 the compliance with the emission limits of the main pollutants to be reduced, both in Particulate Matter, Sulfur Dioxide and Nitrogen Oxides, in addition to carrying out the following projects planned in the Project Program of the PPDA:

- Continuous Emissions Monitoring System (CEMS), which Aconcagua Refinery implemented in its five boilers to produce steam, in addition to the three Sulfur Recovery Units (URAs) and Catalytic Cracking, according to the current standard of the Superintendency of the Environment. In the case of the boilers, the gases measured are sulfur dioxide, oxygen, carbon monoxide, carbon dioxide, nitrogen oxides, particulate matter and gas flow. The CEMS of the URAs measure Sulfur Dioxide, Oxygen and flow; while in the case of the Catalytic Cracking Unit, Sulfur Dioxide, Oxygen, Particulate Matter and gas flow are measured.

- Reduction of Volatile Organic Compounds (VOCs) Emissions in the Effluent Treatment System of Concón, through covers in the lagoons and in the sectors of the Phenol Unit No. 2. This project stands out for its extension in coverage area of 5,000 m², with the best technology to achieve the best efficiencies in VOC reduction.
- Progress in the incorporation of new technologies that allow the reduction of VOCs in fuel storage, both in Concón and Quintero, consisting of the installation of double seals i floating roof tanks and internal floating membranes in fixed roof tanks. This year we installed six double seals, five of which are in progress, out of a total of 22. In the case of the floating membranes, installation was completed in three tanks and four are in progress, out of a total of 17.
- Measurement of Nitrogen Oxides for Control of Antorchas (3) of Refineries, project that allows online visualization and effective management of Nitrogen Oxide emissions if required in these refinery safety equipment.

6.1 ENERGY EFFICIENCY AND NCRE TRANSITION

- WHY IS IT A MATERIAL ISSUE?**

Energy efficiency aims at the rational and efficient use of energy resources, thus contributing to improve the company's productivity and competitiveness, improve people's quality of life and reduce the levels of greenhouse gases on the planet, global warming and the consequent changes in the climate.

On the other hand, the Energy Efficiency Law was published and enacted in February 2021, for which reason ENAP is obliged to maintain the company's existing management systems in operation.

Although today it is a regulatory issue, we are aware that by making our processes more efficient and incorporating energy efficiency issues transversally in ENAP, we will make progress in fulfilling the commitments that we have acquired as a state-owned company.
- HOW TO MANAGE IT?**

The guidelines that define our management are based on ENAP's Energy Policy of 2016, to which the ne Energy Efficiency Law is added today. It is operated through existing teams in each certified business unit and the transversal support of the corporate energy management team.

ENAP's policy clearly expresses the principles to be followed, which range from optimizing the design of processes, searching for efficient equipment, maintaining management systems in operation, to promoting the participation of workers, providing tools such as training.
- TEAM IN CHARGE**

Corporate Energy Management Team and energy management teams in each business unit.



Promoting the use of energy resources in the organization, providing sustainability to the business and environmental care, is the work of this team, which works in a transversal and collaborative manner; teams that today are focused on maintaining and operating the Energy Management Systems that are certified under the international standard ISO 50001, in its 2018 version.

In February 2021, one of the commitments established in the Energy Route 2018-2022 was fulfilled, with the enactment of the Energy Efficiency Law. A law that promotes a rational and efficient use of resources, allowing us to move forward on the path of sustainability, improving the quality of life of people and increasing the productivity of our companies.

- As a state-owned company, ENAP has been aligned with these challenges since its beginning. To this end, in 2014 we signed a Cooperation Agreement with the Ministry of Energy, in which we committed to improve the energy performance of all our operations.
- ATo date, our 5 business units have a SG certified under the International Standard ISO 50001:2018, since the end of 2017, developed and under continuous improvement, recertifying again towards the end of 2020, beginning of 2021 for three more years.
- Also, by having our systems certified and operating, we have taken a great step forward in relation to the Energy Efficiency Law, since we are in compliance with many of the requirements that this regulation will demand from ENAP.

2021 Internal direct sources energy consumption (terajoules / year)

Type of sources	Unit	R&C					E&P			
		ERA	ERBB	R&C Mag	DAO	Total	ENAP SIPEC	Sip Argentina	E&P Mag	Total
Diesel oil	TJ/year	0.00	1.55	0.00	0.00	1.55	225.46	0.00	147.58	373.04
Propane and butane	TJ/year	0.00	155.29	0.00	0.00	155.29	0.00	0.00	0.00	0.00
Oil	TJ/year	0.00	0.00	0.00	0.00	0.00	3.30	0.00	0.00	3.30
Natural gas	TJ/year	2,721.08	1,821.55	866.93	0.00	5,409.56	842.23	1,988.00	8,637.84	11,468.07
Gas fuel	TJ/year	4,868.93	8,471.14	0.00	0.00	13,340.07	0.00	0.00	0.00	0.00
Electricity	TJ/year	2,650.00	2,770.37	0.00	28.65	5,449.02	1.60	0.00	0.00	1.60
Steam	TJ/year	2,473.43	1,204.43	0.00	0.00	3,677.86	0.00	0.00	0.00	0.00
Totales	TJ/year	12,713.43	14,424.34	866.93	28.65	28,033.35	1,072.59	1,988.00	8,785.42	11,846.01

2021 Energy intensity*

	Subsidiary	Unit	IDE	Goal	Unit	Production
R&C	ERA	TJ/Mm3 Valuable production	3.13	3.07	Mm3 /year Valuable production	4,064.4
	ERBB	TJ/Mm3 Valuable production	3.34	3.47	Mm3 /year Valuable production	4,321.0
	R&C Mag	TJ/Mm3 Valuable production	1.58	1.49	Mm3 /year Valuable production	548.5
	DAO	TJ/Mm3 Product manufactured	0.0063	-	Mm3 /year Product manufactured	4,575.3
E&P	ENAP SIPEC	TJ/MBOE	0.14	-	MBOE/year	7,661.5
	Sip Arg	TJ/MBOE	0.39	-	MBOE/year	5,080.9
	E&P Mag	TJ/MBOE	1.19	-	MBOE/year	7,356.3

*Note:
 1) ERA and ERBB goal corresponds to PAG 2021.
 2) DAO Energy Index, considers only mobilized product.
 3) R&C target defined in relation to SGE 20-21.

The difference between the IDE (Actual) value and the Target (Expected) value is due to the following:

1. **ERA:** The IDE is higher than the target due to the effect of a lower TUP. Energy efficiency decreases (i.e. consumption plus Energy per m³ than process) and this, together with a lower production of valuable products, makes the TJ/Mm³ division larger.
2. **ERBB:** The positive deviation is mainly due to a lower energy consumption with respect to the projected, due to a higher utilization of the process units (a situation that makes the use of energy more efficient).
3. **R&C Magallanes:** The difference is due to the fact that the target was elaborated considering a crude oil blend that would deliver a higher yield of valuable products (Diesel and Kerosene). Due to the limited availability of these crudes, it was necessary to operate with a mixture of 70% condensate (very light crude) and 30% imported crude (heavier), which implies that a greater amount of fuel gas is consumed to generate an equal or lesser amount of valuable product.

Smart Cities Award to Project Financed by Enap

On October 21, 2021, the Annual Smart Cities Connect Congress was held in Washington, D.C., where ENAP's initiative "Citizen Monitoring Micro- Network for Mapping Air Quality in the City of Concón", developed by academics from the universities of Chile and Santiago, obtained the "Smart Cities 50 Awards", an award that recognizes projects that contribute to improving the quality of life of citizens.

This is the first network of its kind implemented in Chile, setting a precedent regarding the involvement of communities in air quality monitoring. In this sense, it generates a positive social impact, both in the community of Concón and in the rest of the country.

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2020 Greenhouse Gases Scope 1 and 2 Indirect Emissions – 2021

TYPE OF EMISSION	UNIT	R&C							E&P			
		ACONCAGUA REFINERY (+ ERA COGENERATOR)	*TQ	BIO BÍO REFINERY (+ ERBB COGENERATOR)	**TSV	R&C MAGALLANES	DAO	TOTAL	ENAP SIPETROL ECUADOR	SIPETROL ARGENTINA	E&P MAGALLANES	TOTAL
Scope 1	tCO2eq/year	1060376	1005	1444162	1	42102	2455	2550101	89830	195340	252647	537817
Scope 2	tCO2eq/year	14437	3	20	140	0	3211	17811	623	41	389	1053
Total	tCO2eq/year	1074813	1008	1444182	141	42102	5666	2567912	90453	195381	253036	538870

*TQ y **TSV: Primer año reportado

2021 Emissions intensity

SUBSIDIARY	UNIT	2021
Aconcagua Refinery	Ton CO2eq/ton processed crude ERA Cogenerator [Ton CO2/MW]	0.20 0.63
*TQ	Ton CO2eq/ton of HC transported	0.137
Bio Bío Refinery	Ton CO2eq/ton processed crude ERBB Cogenerator [Ton CO2/MW]	0.19 1.16
**TSV	Ton CO2eq/ton of HC transported	0.017
R&C Magallanes	tCO2eq/m3 valuable production	0.6865
DAO	tCO2eq/thousand m3 of transported product	1.22
ENAP Sipetrol Ecuador	tCO2eq/BOE	0.0118
Sipetrol Argentina	tCO2eq/MBOE	45
E&P Magallanes	tCO2eq/BOE	0.0343

*TQ y **TSV: First year reported

Emissions Compensation

Sipetrol Ecuador has sponsored 14,706.44 ha corresponding to the offsetting of 100% of the emissions for the year 2021, being the only carbon neutral subsidiary that implemented emission reduction projects in this period and is in the process of certification.

6.2 BIODIVERSITY PROTECTION

→ WHY IS IT A MATERIAL ISSUE?

The ecosystems in which our operations are inserted represent the basis of the territories' sustainability in which we carry out our production and logistics activities. In this sense, the local biodiversity protection represents a fundamental pillar in our commitment to nature and present and future generations.

→ HOW TO MANAGE IT?

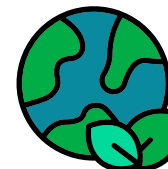
Based on our Sustainability Policy approach, we manage these matters based on existing legislation, regarding biodiversity and protected areas, and the multisectoral alliances developed to promote innovation, environmental education and biodiversity protection.

→ TEAM IN CHARGE

This function is developed jointly by the Environment and community areas in each of our operations.

The Aconcagua River wetland sits next to the Aconcagua Refinery operation area ((Municipal Natural Reserve and site protected by Law 21,202 on urban wetlands). This wetland corresponds to a estuarine ecosystem with a habitat diversity, as coastal sclerophyllous forest and different species of birds, mammals, reptiles, amphibians, fish, and insects. Nine species are considered to be in some state of conservation as defined at the national level by MINSEGPRES species conservation decrees, such as the *Larosterna inca* (vulnerable species), the garuma gull (rare species), and the four-eyed toad (considered almost threatened). The wildlife total wealth in the area represents 27.4% of the potential fauna on a regional scale and 34.7% of the potential fauna on a local scale. Around 100 different species of birds, both resident and migratory, have been identified, demonstrating the ecological value of this place as one of the most productive ecosystems on the planet, regulating hydrological regimes and providing resources.

The Vinapú Terminal of DAO subsidiary is located in the Rapa Nui National Park, a protected area that was also declared a historical monument by Decree 4536 of 1935. The National Biodiversity Strategy in Chile will promote the creation of a Marine Protected Area".



ENAP Magallanes has made a commitment with the environmental authorities to protect the Ruddy-headed Goose - an endangered species - through specific protection actions in the Bajos de Gregorio, the species' nesting site. In addition, an agreement was signed with the SEREMI of the Environment to carry out an annual census of these birds in order to rule out any effect on their numbers. ENAP Magallanes has also developed posters and leaflets for the care and protection of this bird, carrying out workshops for its direct and indirect collaborators, together with rural schools in its area of influence.

The Bahía Lomas RAMSAR site was nominated as a Western Hemisphere Shorebird Reserve by the Western Hemisphere Shorebird Reserve Network (WHSRN) in 2009. As of 2019, the Nature Sanctuary is located in the eastern part of the Strait of Magellan and is one of the largest sites in Latin America and the largest in Chile. The shorebirds that inhabit and migrate to this place are: *Calidris Canutus Rufa* (Red Knot), *Limosa Haemastica* (Straight-billed Curlew), and *Pluviane-Illus Socialis* (Magellanic Plover), among others.

Close to the bay, our company has facilities such as offshore platforms and pipelines that transported oil on land. As part of the plans established to avoid incidents, we eliminated the transfer of crude oil through pipelines that cross water courses that flow into the bay, and we have been executing the "Critical Facilities Assurance" program, which consists of carrying out a review of the offshore platforms, in order to prevent them from

deterioration that could lead to incidents, through the replacement of worn parts. In addition, we support the bird census that must be done annually to maintain a scientific and systematic surveillance program on the variation of shorebirds; we also provide our support to the surveillance flight over the bay and our facilities that is performed once a month to detect any anomaly.

In addition to the above, different measures, plans and actions have been undertaken to protect biodiversity, among these are the removal plans and permanent monitoring of the fauna component, especially the

Magellanic Tuco-Tuco species (*Ctenomys magallanicus*), which is in a "vulnerable" condition.

In order to deepen our knowledge of this species, we have planned to carry out a study of population dynamics in the area. In the case of Sipetrol Argentina, the Faro Vírgenes Plant is located within surface lands that are part of the Cabo Vírgenes Provincial Reserve, which has terrestrial and marine ecosystems. The biodiversity value, Category IV, has been determined by the International Union for Conservation of Nature (IUCN).



6.3 SUSTAINABLE MANAGEMENT OF WATER RESOURCES

WHY IS IT A MATERIAL ISSUE?

Water is a vital element for nature and all living beings. Many industries operations, including ours, depend on this resource for its operations. Water's correct management and its efficient use, especially in highwater stress territories, is key to business sustainability over time and the communities' socio-environmental sustainability and the environment.

HOW TO MANAGE IT?

ENAP manages water resources from the Sustainability Policy pillars and Environmental Management strategy approaches, constantly implementing technological and operational improvements that contribute to optimizing the efficient use of water in all operations.

TEAM IN CHARGE

Equipos de operaciones en cada unidad de negocio.

Collection, unloading and consumption

For operation of most our production processes, water is obtained through deep wells, or other authorized sources and in compliance with the environmental legislation of Chile, Argentina and Ecuador.

- ERA captures water from 3 well sources: Tabolango and Lajarilla for process water, and Bocatoma for service water. Esval provides humanconsumption water.
- Bio Bío Refinery obtains water from two intakes located in the Bio Bío river, a process that has an Environmental Surveillance Program where through four annual monitoring campaigns, the RILES different parameters are unloaded. In addition, ERBB participates in a EULA center agreement, in the Water Quality Monitoring Program in the Biobío River System. Its results are referred to the surface water quality secondary standard of the Bio Bío basin.
- Water is obtained mainly from surface sources, like Chabunco, Rogers and Óscar rivers, at R&C and E&P Magallanes.



During 2021, water collection at Aconcagua Refinery did not present significant changes with respect to the previous year; it is worth mentioning that water was not purchased from third parties either. The increase with respect to the previous year in ERB is due to the activation of operations that were stopped in 2020 due to Covid-19.

In addition, Supply Chain improved the estimate of cooling water consumption and included Vinapú's consumption. No significant changes were observed in the DAO plants; only the Maipú plant purchased water from third parties for the fire protection network.

With respect to the previous year, Sipetrol Ecuador shows an increase in consumption, mainly due to the increase in the number of wells drilled (3 vs. 10) and the increase in personnel in the field. R&C Magallanes shows a difference with respect to 2020 due to the plant being shutdown for maintenance.

In the case of ENAP Argentina, the only significant variation corresponds to the increase in water produced (15% approximately), which is explained by the decrease in the ratio between crude oil and water in the reservoir.

● Water extraction– 2021

Extraction source	Unit	R&C							E&P			
		ACONCAGUA REFINERY	*TQ	BÍO BÍO REFINERY	**TSV	R&C MAGALLANES	DAO	TOTAL	SIPETROL ECUADOR	SIPETROL ARGENTINA	E&P MAGALLANES	TOTAL
Surface Water	Mm3	-	-	89,294	-	90	-	89,384	38	-	55	93
Underground water	Mm3	4,966	13	-	-	-	949	5,928	30	22	10	62
Sea water	Mm3	-	73	-	-	-	-	73	-	-	-	-
Produced water	Mm3	N/A	-	N/A	N/A	-	N/A	-	1,647	344	108	2,099
Third-parties water	Mm3	-	10	-	2	-	4	16	27	-	-	27
Totales	Mm3	4,966	96	89,294	2	90	953	95,400	1,741	366	174	2,280

*TQ and **TSV: First year reported

At Aconcagua Refinery, the discharge remains without significant change with respect to 2020. Consumption only varies due to water purchased from third parties during 2020. In the case of the Bío Bío refinery, the differences are due to the 2020 shut-down process.

In DAO there is a difference in the previous year's figures, since in 2020 it was possible to quantify the discharge of the LPG refrigeration process at the San Fernando plant.

● Water consumption and discharge - 2021

SUBSIDIARY	UNIT	COLLECTION	DISCHARGE	CONSUMPTION
Aconcagua Refinery	Mm3	4,966	3,137	1,829
*TQ		96	49	47
Bio Bío Refinery	Mm3	89,294	83,203	6,091
**TSV	Mm3	2	-	2
R&C Magallanes	Mm3	90	49	41
DAO	Mm3	953	234	719
Subtotal	Mm3	95,400	86,672	8,729
Sipetrol Ecuador	Mm3	1,742	52	1,689
Sipetrol Argentina	Mm3	366	349	17
E&P Magallanes	Mm3	174	65	108
Subtotal	Mm3	2,281	467	1,815
Total	Mm3	97,681	87,138	10,543

In Magallanes, the increase in discharge inn 2021 is due to greater drilling activity compared to 2020.

In the case of SIPETROL Argentina, the increase in discharge is due to greater amount of sewage effluent caused by higher number of personnel inn BRM compared to 2020. In SIPETROL Ecuador the increase is mainly due to the increase of wells drilled (3 v/s 10) annd the icncrease of personnel in the field.

Water Stress Zones



Aconcagua Refinery

The Concón area has been classified as a water scarcity zone since 2019, according to the 2019 Decrees 33 and 91 of the Ministry of Public Works.

We have created the "Water Committee" in Aconcagua Refinery seeking to ensure and give continuity to cooling processes and steam generation mainly, through volume and quality uninterrupted water supply. Its purpose is developing action plans in order to mitigate and control the proper use of water in a timely and efficient manner, in all its forms and qualities throughout the Concón and Terminal Quintero production and logistics processes. In addition, it aims to identify and implement technological improvements that contribute to improving environmental and energy efficiency indicators that consider the efficient use of water resources.

During the year 2021, the Committee has evaluated and implemented initiatives aimed at optimizing consumption, as well as improvements and operational efficiencies in the use of water resources.



Storage and Pipeline Division

The water stress areas are located in Linares, San Fernando and the Molina Pumping Station in accordance with the issued decrees by the General Water Management (DGA), which were still in force by the end of this report. The specific impacts have not yet been evaluated due to the nature of this management's water supply.

● Water extraction in hydric stress areas* – 2021

UNDERGROUND WATER	Extraction source	Unit	R&C							E&P			
			ACONCAGUA REFINERY	TQ	BIO BÍO REFINERY	TSV	R&C MAGALLANES	DAO	Total	SIPETROL ECUADOR	SIPETROL ARGENTINA	E&P MAGALLANES	Total
	i. Fresh water (≤ 1.000 mg total dissolved solids/lit)	Mm3	4966	N/A	N/A	N/A	N/A	947	5913	N/A	N/A	N/A	0
	ii. Other water (≤ 1.000 mg total dissolved solids/lit)	Mm3	N/A	N/A	N/A	N/A	N/A	N/A	0	N/A	N/A	N/A	0
	Total	Mm3	4966	N/A	N/A	N/A	N/A	947	5913	N/A	N/A	N/A	0

*In DAO, hydric stress area plants are located in San Fernando, Linares and Molina.



6.4 WASTE MANAGEMENT

→ WHY IS IT A MATERIAL ISSUE?

Waste generation has a direct impact on territories where our operations are developed and our facilities are located. The mismanagement of waste has negative effects, both on surrounding communities as well as in the efficiency and safety of our operations.

→ HOW TO MANAGE IT?

Within our Environmental Management framework, we internally address the topic through the implementation of recycling and revaluation of waste systems in our operations, as well as through hazardous waste proper disposal. On the other side, community initiatives and public-private partnerships are externally encouraged in order to promote a correct and responsible territorial management of non-hazardous waste.

→ TEAM IN CHARGE

Waste management is in charge of each of ENAP's environmental areas in Chile, Argentina and Ecuador.

ASIVA Award for Aconcagua Refinery

This year Aconcagua Refinery was distinguished with the ASIVA 2021 Award in the Environment category for its contribution to the commune of Concón through the Neighborhood Recycling Program, which includes the operation of a Clean Point that connects a network of Green Points located in different parts of the city. The Clean Point is the result of an initiative of the ONG Ecoruta Vecinal, which favors its territorial deployment and the implementation of environmental education workshops.

The Green Points are available in the neighborhood councils of Los Tres Esfuerzos, El Carmen, Villa Concón, Las Gaviotas (Plaza Las Petras), Los Troncos, RPC III Parque La Isla and the company's sports field, in addition to the network implemented in conjunction with the Concón Association of Tourism and Gastronomy Entrepreneurs.

Incidents

During 2021, there were no significant spills in the operations under ENAP's responsibility.

Hazardous and Non-hazardous Waste

At Aconcagua refinery, in 2021 there was an increase in hazardous and non-hazardous waste due to the maintenance shutdown.

In the case of the Bío Bío Refinery, there was an increase in the volume of waste due to the start of the construction phase of the new treatment plants and the reactivation of activities that were postponed due to the pandemic. Given the way in which waste management was managed during 2020, it is not possible to divide the generation and disposal between Bío Bío Refinery and San Vicente Maritime Terminal for this period; however, it has been decided to incorporate the necessary methodological adjustments to do so as of next year.

In DAO, the value of non-hazardous waste is explained by the removal of scrap stored at the Maipú Plant and the value of hazardous waste is due to the cleaning of chambers of the Riles treatment system and the cleaning of tanks; in both activities, water containing hydrocarbons was disposed of as Respel.

At Quintero Terminal, the final disposal of the sludge from the wastewater treatment plant was separated from the records assigned to the refinery. Regarding R&C and E&P Magallanes, the increase in non-hazardous waste between 2020 and 2021 is mostly explained by the effects of the pandemic, given that in 2020 all work classified as non-essential was stopped. These

works were re-established from the second semester, considering the return of employees to the different sites and the increase in sand pit and drilling equipment (6, 7 and Hooper). As a result, there was an increase in the amount of waste.

In Sipetrol Argentina, the increase in waste generation (both hazardous and non-hazardous) is due to increased activity in the field, and to order and cleaning activities. In Sipetrol Ecuador there is a decrease with respect to 2020, because the cleaning and removal of debris were carried out in that period.

● 2021 Hazardous waste management

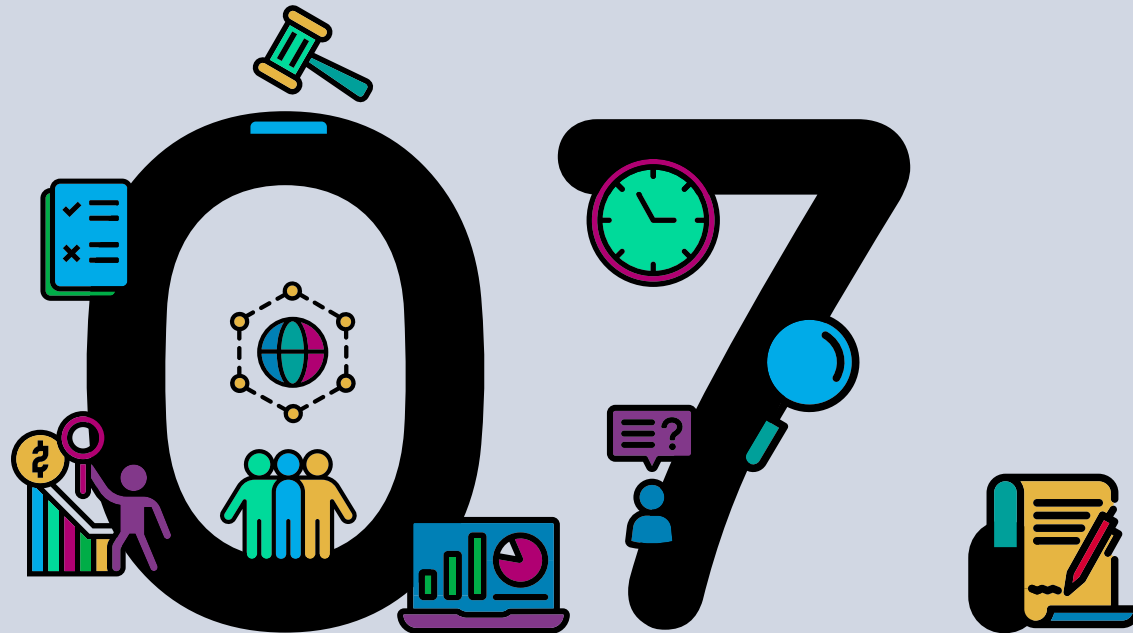
Subsidiary	Unit	Recycling/Composting	Incineration	Recovery	Final Disposal	Others	Total
Aconcagua Refinery	Ton/year				5,434		5,434
TQ	Ton/year				268		268
Bío Bío Refinery +TSV	Ton/year				5,516		5,516
R&C Magallanes	Ton/year				155		155
DAO	Ton/year				359		359
Subtotal	Ton/year	-	-	-	11,732	-	11,732

Sipetrol Ecuador	Ton/year		23				23
Sipetrol Argentina	Ton/year				43		43
E&P Magallanes	Ton/year				837		837
Subtotal	Ton/year	-	23	-		-	23
Total	Ton/year	-	23	-	11,732	-	11,755

● 2021 Non-hazardous waste management

Subsidiary	Unit	Recycling/Composting	Incineration	Recovery/Reuse	Final Disposal	Others	Total
Aconcagua Refinery	Ton/year				18,292		18,292
TQ					500		500
Bío Bío Refinery +TSV	Ton/year	1.035			44,774		45,809
R&C Magallanes	Ton/year				94		94
DAO	Ton/year	245					245
Subtotal	Ton/year	1.280	-	-	63,660	-	64,940

Sipetrol Ecuador	Ton/year	47		-	33	-	80
Sipetrol Argentina	Ton/year				89		89
E&P Magallanes	Ton/year				1,654		1,654
Subtotal	Ton/year	47	-	-	1,776	-	1,823
Total	Ton/year	1.327	-	-	65,437	-	66,763



**Additional
Information**

7.1 OUR HISTORY



Video History of ENAP

It all started in December 1945, when a group of workers from the Production Development Corporation (Corfo), led by engineer Eduardo Simián, made the first crude discovery in Springhill, Tierra del Fuego. This was the first step towards the creation of an national oil-well commercial exploitation company in the southern zone that would materialize five years later by gradually becoming one of the country's strategic companies.

On 12 November 1955, after the first strategic developments in the Magallanes region during Carlos Ibáñez del Campo's government, the Petroleum Refinery of Concón—today ENAP Aconcagua Refinery (ERA)—started its operations with the purpose of producing large-scale fuels and start competing in the commercial and industrial refining business. Four years later, the storage plant in Maipú was built (the current Storage and Oil Pipelines Management, DAO) which serves the entire Metropolitan region. On 24 July 1961, from the Union of Oil Workers and the ENAP Employees' Association, the United Command of Oil Workers was born the Petroleum Workers' Union, which was Fenatrapech's predecessor (Chilean National Federation of Oil Workers and others), which became one of the most important union organizations at a national level.



On 29 July 1966, five years later, the refinery in Hualpén (currently Bío Bío Refinery, ERBB) is set in motion and ENAP is consolidated as a company that projects significant growth in the years to come. In 1981, the Logistics business line is created and in 1990, the company began its expansion at international level creating the Oil International Society S.A. (currently ENAP Sipetrol) which has developed successful explorations in Argentina, Ecuador, and Egypt.

In 2004, the ERA and ERBB refineries, together with the in-charge storage subsidiary of fuels Emalco, merged in just one: ENAP Refineries S.A. The Natural Liquefied Gas (LNG) terminal in Quintero was inaugurated on October 2009, thanks to the alliance with British Gas (BG), Endesa and Metrogas, which marked a milestone in ENAP's development as an integrated energy sector company in Chile.

The company carried out deep exploration campaigns in the Magallanes region, in order to find new oil and gas reserves, during the 2010s. For example, unconventional gas (tight-gas) in the Arenal Block allowed the gas production by ensuring regional supply.

Since 2016, ENAP has been authorized to also participate in the electrical power production area, energy transport and commercialization with the aim of providing new solutions for the the country's development and the territories where it operates.

The energy transition challenge and the changes that new legislation will promote are specially related to main information relative to the Corporate Management during the last 5 years.

The first South American geothermal plant, Cerro Pabellón (located in Ollagüe, Atacama Desert) started its operations on 31 March 2017. This facility injected energy into the Great North Interconnected System (SING). The initiative was developed by Enel Green Power (81.7%), and ENAP (18.3%).

In July of the same year, the Congress of the Republic enacted the modernization of ENAP's Corporate Management by establishing an independent and professional board of directors, and the need to have five-year plans business.

ENAP's Wind Farm in Magallanes was approved by the Comptroller General of the Republic, as a social interest investment for the diversification of the regional energy matrix, on 5 January 2018. During April, the Magallanes Area Incremental Project (PIAM) activities started—operated by ENAP and in partnership with YPF—to substantially increase the natural gas and oil production associated to the reservoir, located at the Strait of Magellan's eastern entrance, on the Argentinian side. ENAP sold a deposit which had been operating since 2001, the Block Pampa del Castillo, to the Argentinian company CAPEX S.A., and its affiliate Petrominera.

On 26 April, the first ordinary shareholders meeting was held, and the approval of the financial statements, the annual balance and the current 2018-2022 businessplans were passed.

Finally, Enel Green Power and ENAP started a 33 MW expansion construction at the Cerro Pabellón geothermal plant in 2019, in accordance with the energy challenge. Besides, the company and Methanex signed an agreement to promote non-conventional gas development in Magallanes. The three wind turbines assembly was concluded in the Wind Farm in Magallanes.

7.2 SUSTAINABILITY POLICY AND STAKEHOLDERS

ENAP's 2014-2025 Sustainability Policy establishes the development management framework for sustainable and social responsibility business, based on international standards and certifications.

The 4 dimensions which make up this policy are:

-
- 1 Stakeholders' consideration
 - 2 Environment
 - 3 Integrated Management
 - 4 Human Rights
-

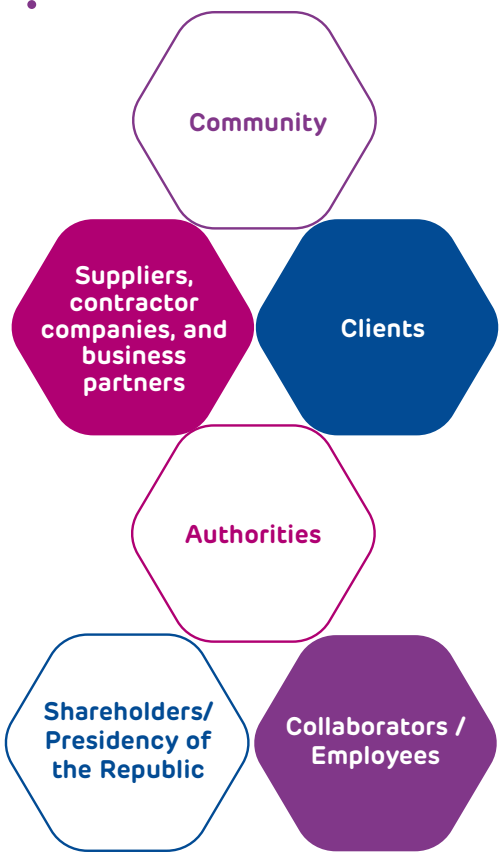
1. Stakeholders' Consideration

Its main focus is to establish and maintain trust and mutual benefit relationships with stakeholders, considering their interests and expectations, looking together opportunities for generation of social, environmental and economic value.

The importance lies in deepening relationships with all stakeholders. When a strategic alliance for decision making is met, suppliers, contractor companies, usiness partners and clients become vital allies for the value chain sustainability, beyond their commercial relationship, both from a health and safety point of view as well as considering all socioenvironmental risks.

Furthermore, in order to have a positive impact on the quality of life of people and neighbors, and to promote truly sustainable local development, it is essential to maintain a harmonious coexistence with the communities in the territories, promote fair labor practices with employees and, in general, a safe, healthy, inclusive and non-discriminatory work environment. Finally, deepenin our role as a state-owned company, it is essential to continue building positive synergies and fluid relations with all local, regional and national authorities.

The following stakeholders are on our Sustainability Policy:



2. Environment

ENAP promotes environmental, social and governance responsibility in all its business areas, complying with the applicable regulatory frameworks, the Corporate Standard for Environmental Management, the United Nations Global Compact principles, and other international standards and industry best practices.

The commitment becomes especially evident in the search and implementation of innovations that will allow us to reduce the possible environmental generated impacts, that will improve energy efficiency and the transition towards Non- Conventional Renewable Energies (NCRE), and allow a sustainable water resources management and protection of biodiversity, taking advantage

3. Integrated management

ENAP promotes continuous improvement through integrated management systems, that establish indicators on the evaluation, verification and reporting of goals, where all stakeholders are involved. In addition, it encourages the incorporation of sustainability criteria at a transversal level, in the different processes and lines of business.

Relationship channel	Frequency	Main topics
Corporate intranet	Daily	Internal protocols, policies and procedures, financial results of the company and its business lines, business plan update, changes in Corporate Governance, operational safety , environment and communities; people and organization; operational efficiency, among others
Daily information	Daily	ENAP mentions in the media (company's management, declarations of authorities, information on relevant investments and projects, among others). Industry topics that impact on ENAP's work, information on Oil & Gas and commodities sector.
Informative mailing	Regular	Corporate messages with interest topics for the whole company. Policy dissemination, regulations, protocols and security measures, memos, organizational settings, internal training and other matters that the organization should know.
Step by step management presentation	Regular	Permanent communication from the General Manager and corporate managers to workers regarding financial results of the company, operational progress, Business Lines projects and investments, and challenges of Business Plan.
"Ask the General Manager" box	Regular	Employees may send by email their comments or doubts to the General Manager, who regularly responds.
Conexión ENAP digital magazine	Monthly	Publication prepared with topics proposed by employees and which has an editorial committee, which rotates every month and is formed by ENAP personnel. It seeks to inform about news and relevant corporate projects, to highlight people and transversal teams, as well as to show the interests, hobbies and recommendations of the Enap people.
Corporate videos	Permanent	About institutional news, Business Lines news, corporate milestones, outstanding teams and people, as well as protocols and operational and selfcare security measures. They are disseminated through internal media and also in the Play ENAP section of the intranet.
Subsidiary Bulletins	Monthly	Monthly informative report on the main issues that occurred at the Aconcagua and Bío Bío refineries and at ENAP Magallanes, and which are of interest to the personnel working in these business units.

4. Human Rights

ENAP promotes respect for human rights, both in its organizational culture and facing the risks associated with its operations. The company bases its actions on the UN Guiding Principles on Business and Human Rights, the principles of the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

Any discrimination situation, in particular of minorities and the most vulnerable groups are against the company's policy. Therefore, ENAP promotes a culture of integrity, probity and transparency, as a State company.

The formal relationship channels that allowed an Open Dialogue with the company's stakeholders are described below. These contributed to trust strengthening between the local communities surrounding our operations and the company, as well as with other actors, in accordance with our Community Relationship Corporate Model. The main topics addressed on each channel and their frequency are described in Annexes.

Relationship channel	Frequency	Main topics
Internal communications channel in Teams	Regular	A space, anchored on the Teams platform, that allows the most relevant company news to be sent briefly and in a similar way to a WhatsApp to the entire organization.
Posters	Permanent	Relevant information on each Business Unit, such as policies, security measures, operational plans and transversal strategies that are reflected in the different internal communication campaigns.
Social Media	Permanent	Corporate information (company statements, operational and contingency information and significant milestones). Also, news related to community relations and relevant projects for the company.
Incident report	Weekly	Reportability via email of incident management in each Business Unit and the accidents registered within the organization. It is uploaded to the intranet with access to all ENAP personnel.
Results release	Quarterly	The general manager informs the company's collaborators about the quarterly results of the company through an explanatory video, where the figures, the relevant milestones of the period and future guidelines are explained.
ENAP web	Permanent	Relevant company information: regulations framework, organizational structure, business lines, projects, investments, sustainability, ethics and compliance, among others.
HSE Bipartite Committee	Monthly	Monthly report to ENAP's union leadership regarding performance and management of SSO and Environment.
Suppliers portal		Supplier registration and invoice status information.
Integrated report	Annual	Key economic, environmental, community and financial performance and management milestones.
ENAP Responds Ethical Line	Permanent	Complaints platform for ENAP's Code of Ethics breaches,
ENAP responds	Permanent	Platform from ENAP's web page that allows to make general inquiries or report complaints and claims from communities and environmental, and consultations.

7.3 MEMBERSHIPS AND SUBSCRIPTIONS

SUBSIDIARY	INITIATIVE/ASSOCIATION	TYPE OF PARTICIPATION
ENAP	Chilean Hydrogen Association	Member.
	Red Pacto Global Chile - ONU.	ENAP holds the Vice Presidency of the Executive Committee of Red Pacto Global Chile.
	Oil Companies International Marine Forum (OCIMF)	Subscription to the maritime market information base, positioning, vetting, technical and commercial detail of the existing tanker ships across the world.
	Sociedad Latinoamericana de Operadores de Monoboyas (SLOM) - <i>Latin American Society of Monobuoy Operators</i>	Integration between the operators of Marine Oil Terminals with organizations, authorities and companies in the sector, participation in activities for technical exchange and dissemination of best practices, in order to promote safe, sustainable, and efficient operations.
	Fundación Generación Empresarial (FGE)	Administration and follow-up of the channel for queries and complaints to the "ENAP Code of Ethics" via web platform, together with the development of a series of initiatives that complement the actions carried out in the area of Ethics within the company.
	Chile Transparente	Provides advice to improve reporting standards, promote work on the creation of opportunities and tools to develop, and strengthen aspects of transparency and integrity in the organization, including a work program addressing the following topics: transparency and reportability of information; training for managers and collaborators on various topics related to the fight against corruption, as well as an integrity program for suppliers.
	Asociación Regional de Empresas del Sector Petróleo, Gas y Biocombustibles en Latinoamérica y el Caribe (ARPEL) - <i>Oil, Gas and Biofuels Companies Regional Association in Latin America and the Caribbean.</i>	Member of the ARPEL Board of Directors. Participant in the Annual Meeting of Representatives, in various training and exchange of knowledge and best practices, in addition to permanent presence in the following technical committees: <ul style="list-style-type: none"> • Environment, Health and Safety Committee (CASYSIA). • Social Responsibility Committee (CRS). • Human Talent and Knowledge Management Committee (CTHGC). • Exploration and Production Committee (CEPA). • Pipeline and Terminals Committee (CODYTE). • Refining and Fuel Committee (COMREF). • Work Group on Climate Change (GTCC).
ENAP Refinería Aconcagua	Comité Oceanográfico Nacional (CONA) - <i>National Oceanographic Committee.</i>	Full member of CONA, member of the following work groups: <ul style="list-style-type: none"> • Aquatic biodiversity (GT BIODIV) • Pollution of the aquatic environment (GT CONTA) • Harmful algae blooms (GT FAN)
	Asociación de Empresas de la Quinta Región de la Quinta Región (ASIVA). - <i>Type Of Participation</i>	Socios de ASIVA Integrante de las siguientes mesas de trabajo: <ul style="list-style-type: none"> • Comisión Empresa y Educación Superior • Comité Territorial Bahía Quintero - Puchuncaví. • Comité Territorial Barrio Industrial Concón. • Comisión Comunidad Sostenible
	Cámara Regional del Comercio de Valparaíso (CRCP). - <i>Regional Chamber of Commerce in Valparaíso.</i>	Integrante permanente de la Mesa de Valor Compartido y Mesa de Educación Superior.

SUBSIDIARY	INITIATIVE/ASSOCIATION	TYPE OF PARTICIPATION
ENAP Refinería Bío Bío	CIDERE Bío Bío, Grupo RSE.	Member of CIDERE Bío Bío Board of Directors.
	Comité Regional Sur de la Asociación Gremial de Industriales Químicos de Chile, ASQUIM A.G. - <i>South Regional Committee of Industrial Chemists Trade Association.</i>	Member.
	Cámara de la Producción y Comercio de Concepción (CPCC). - <i>Chamber of Production and Trade in Concepción.</i>	Member.
	Instituto Regional de Administración de Empresas (IRADE). - <i>Regional Institute of Business Administration.</i>	Member of the Board of directors. Monthly participation in the Communications, CSR and People Committees.
ENAP Magallanes	INACAP	INACAP Member of the Advisory Council.
	Universidad de Magallanes (UMAG).	INACAP Member of the Advisory Council.
	CORFO	Member of the Integrated Territorial Program Technical Committee (PTI) "Competitive improvement of wool and sheep meat value chain in the Region of Magallanes and Chilean Antarctica".
	Fiscalía Regional de Magallanes - <i>Regional Prosecutors in Magallanes.</i>	Member of the Regional Board
SIPETROL Argentina	Cámara de Exploración y Producción de Hidrocarburos (CEPH Argentina). - <i>Chamber of Hydrocarbons Exploration and Production.</i>	Permanent participation in chamber meetings, where technical issues that involve all companies in the hydrocarbons sector are addressed.
	Instituto Argentino del Petróleo y el Gas (IAPG, Argentina). - <i>Argentine Oil and Gas Institute.</i>	Member of the Board of Directors Permanent participation in different interdisciplinary committees: National Committees, among others.
	Society of Petroleum Engineers - Argentina.	Member..
	Club del Petróleo - <i>Oil Club</i>	Institutional presence and biweekly meeting participation in the club
SIPETROL Ecuador	Cámara de Comercio Ecuatoriano - Chilena. - <i>Ecuadorian-Chilean Chamber of Commerce.</i>	Member.
	Cámara de Industrias y Producción Ecuatoriana. - <i>Ecuador Chamber of Commerce and Industry.</i>	Member.
	Society of Petroleum Engineers-Ecuador	Member.

7.4 2021 ENAP STAFF DATA

● Own and transitory business units' details

Job type	ENAP Santiago		ENAP Magallanes		ERSA Aconcagua		ERSA DAO		ERSA BIO BIO		SIPETROL		SIPETROL Argentina		SIPETROL Ecuador		SIPETROL Egypt		Total	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Own total	167	90	989	109	658	98	96	2	651	62	31	9	160	20	127	22	16	5	2895	417
	257		1098		756		98		713		40		180		149		21		3312	
Transitory services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0		0		0		0		0		0		0		0		0		0	
Own total and transitory services	257		1098		756		98		713		40		180		149		21		3312	

● Business unit and type of contract details

Job type	ENAP Santiago		ENAP Magallanes		ERSA Aconcagua		ERSA DAO		ERSA BIO BIO		SIPETROL		SIPETROL Argentina		SIPETROL Ecuador		SIPETROL Egypt		Total	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Indefinite contract	167	89	929	102	643	91	94	2	639	60	31	9	160	20	127	22	16	5	2806	400
Fixed-term contract		1	60	7	15	7	2		12	2									89	17
Total	257		1098		756		98		713		40		180		149		21		3312	

M = MEN F = FEMALE

● Business unit and role type details

	First lines Managers	Managers	Directors	Heads	Professionals	Clerks and operators	TOTAL
ENAP Santiago	7	8	40	29	155	18	257
ENAP Magallanes	1	7	9	91	172	818	1098
ERSA Aconcagua	2	3	8	54	200	489	756
ERSA DAO			1	19	9	69	98
ERSA Bío Bío		2	4	43	161	503	713
Sipetrol	1	3	1	3	29	3	40
Sipetrol Argentina		11		24	59	86	180
Sipetrol Ecuador		5		11	32	101	149
Sipetrol Egypt	1	2			16	2	21
Total ENAP	12	41	63	274	833	2089	3312

● Nationality details

Nationality	ENAP SANTIAGO	ENAP MAGALLANES	ERA	ERBB	DAO	SIPETROL CHILE	SIPETROL ARGENTINA	SIPETROL ECUADOR	SIPETROL EGIPTO	TOTAL
Chilean	240	1090	745	711	97	38	3		1	2925
Argentinian	6	4				1	177			188
Ecuadorian								149		149
Venezuelan	7	4	9	2		1				23
Egyptian									20	20
Brazilian	2									2
Spanish			1							1
Norwegian			1							1
Bolivian	1									1
Chinese	1									1
Colombian					1					1
TOTAL	257	1098	756	713	98	40	180	149	21	3312

● Country, age and seniority details

No. of people by age range	Chile	Argentina	Ecuador	Egypt	Total
LESS THAN 30 YEARS	76	0	2	2	80
30 - 40 YEARS	942	36	79	10	1067
41 - 50 YEARS	973	97	53	8	1131
51 - 60 YEARS	682	32	13	1	728
61 - 70 YEARS	289	15	2	0	306
MORE THAN 70 YEARS	0	0	0	0	0

No. of people by seniority	Chile	Argentina	Ecuador	Egypt	Total
0 ≤ SENIORITY < 2	190	6	26	0	222
2 ≤ SENIORITY < 5	271	34	32	5	342
5 ≤ SENIORITY < 10	964	80	43	5	1092
10 ≤ SENIORITY < 15	522	28	41	5	596
15 ≤ SENIORITY	1015	32	7	6	1060

● Training hours by type of competence

Type of Competencies	2021 Total number of hours	%
Function/technical	53541	53.30%
Management	6969	6.90%
SSO	19579	19.50%
Regulations	18318	18.20%
Technology	1245	1.20%
Others	767	0.80%
TOTAL HOURS	100418	100%



● Performance Assessment

EXECUTIVES	No. Assessed M	Total No. M	% Assessed M	No. Assessed F	Total No. F	% Assessed F	Total Assessed M + F	Total M + F	Assessed proportion % M + F
Number of assessed (goals and competences) Chile**	120	120	100%	40	40	100%	160	160	100%
Number of assessed (goals and competences) Ecuador	5	5	100%	2	2	100%	7	7	100%
Number of assessed (goals and competences) Argentina	10	10	100%	1	1	100%	11	11	100%
Total	135	135	100%	43	43	100%	178	178	100%

*There are no executives in Egypt, therefore this information is not reported.

**In Chile, there were two executives on extended medical leave during the year, for which reason they were not included in this sample.

GENERAL ROLE	No. Assessed M	Total No. M	% Assessed M	No. Assessed F	Total No. F	% Assessed F	Total Assessed M + F	Total M + F	Assessed proportion % M + F
Number of assessed (goals) Chile*	113	114	99%	51	51	100%	164	165	99%
Number of assessed (goals and competences) Ecuador	123	123	100%	19	19	100%	142	142	100%
Number of assessed (goals and competences) Egypt	17	17	100%	3	3	100%	20	20	100%
Number of assessed (goals and competences) Argentina	150	150	100%	18	18	100%	168	168	100%
Total	403	404	100%	91	91	100%	494	495	100%

*In Chile, the process only applies in general role for employees of the Head Office. There were three employees on extended medical leave during the year, therefore they were not considered in this sample.

M= MEN F= FEMALE

SUM OF EXECUTIVES AND GENERAL ROLE	No. Assessed M	Total No. M	% Assessed M	No. Assessed F	Total No. F	Total No. F	Total Assessed M+ F	Total M + F	Assessed proportion % M + F
Number of assessed Chile	233	234	100%	91	91	100%	324	325	100%
Number of assessed (goals and competences) Ecuador	128	128	100%	21	21	100%	149	149	100%
Number of assessed (goals and competences) Egypt	17	17	100%	3	3	100%	20	20	100%
Number of assessed (goals and competences) Argentina	160	160	100%	19	19	100%	179	179	100%
Total	538	539	100%	134	134	100%	672	673	100%

M= MEN F= FEMALE



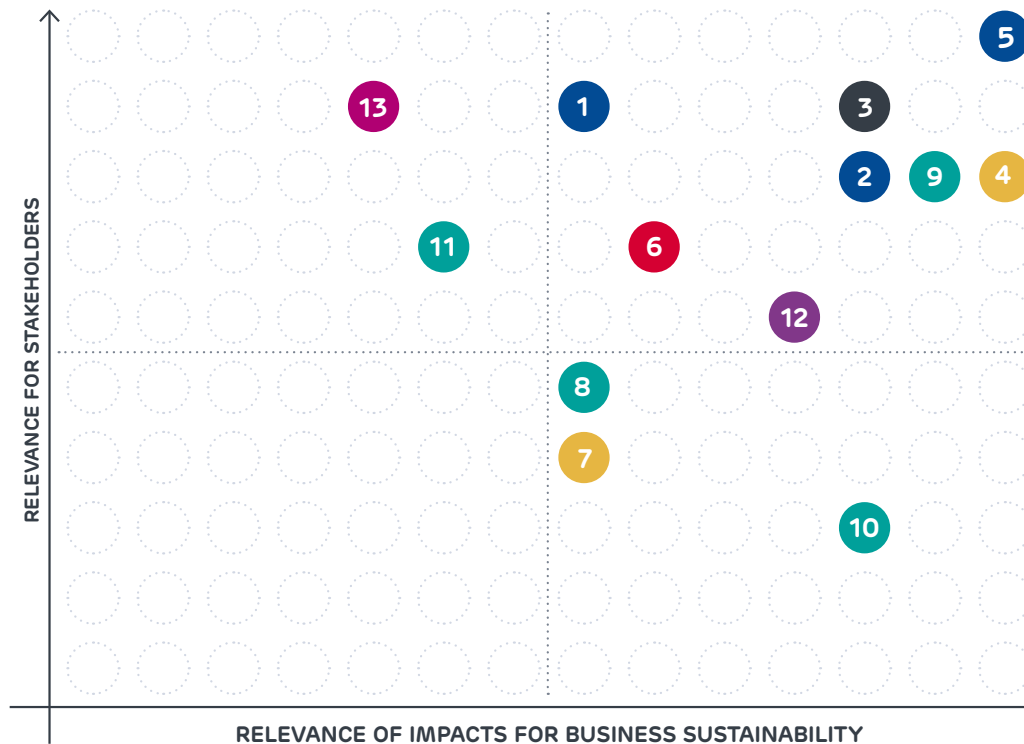
7.5 2021 MATERIALITY

This document responds to the methodological requirements established by IIRC and GRI for the preparation of integrated reports. During this exercise, it was decided to maintain the material topics of the previous period, updating their prioritization based on a process of consultation and documentary analysis that considered:

- ENAP press analysis
- Review of ENAP's internal documentation
- Milestones of the year
- Interviews to first line management
- Surveys to workers (581)
- Interviews/Focus groups to community representatives (3)
- Surveys to clients (4), contractors (21) and suppliers (9)

Together with this, there was also a good practices benchmark, which was based on the review of related companies and specialized documents about the energy industry (Oil & Gas). The following materiality matrix is the result of it.

2020 Materiality matrix



Stakeholders mostly perceive ENAP as a sustainable company, understanding sustainability as "the ability of organizations to adapt to their environment and assume challenges in the long term to ensure their own financial, social and environmental stability, and that of society as a whole". Regarding the above, more than 85% of suppliers and community consider ENAP as a sustainable company. In the case of workers, this perception is around 67%.

- | | | | |
|---|---|----|---|
| 1 | Operational continuity | 8 | Sustainable management of water resources |
| 2 | Risk management and incident prevention | 9 | Energy efficiency and NCRE transition |
| 3 | Transparency, ethics and compliance | 10 | Waste management |
| 4 | Occupational Health and Safety prevention | 11 | Biodiversity protection |
| 5 | Value creation and financial sustainability | 12 | Successful clients' management |
| 6 | Supply chain management | 13 | Successful clients' management |
| 7 | Human rights approach on labor practices | | |

[2020 Materiality matrix]

7.6 GRI INDICATOR TABLE

GRI or own code or indicator	Indicator name	Location/Observations	Global compact principles
102-1	Name of organization	2	
102-2	Activities, brands, products and services	21	
102-3	Office location	2	
102-4	Operations location	23	
102-5	Ownership and legal form	21	
102-6	Markets served	23	
102-7	Organization size	21; 41; 42; 49; 60	
102-8	Information about employees and other workers	105	
102-9	Supply chain	48; 53; 56	
102-10	Significant changes in the organization and supply chain	41; 42	
102-11	Precautionary principle or approach	36	7
102-12	External initiatives	103	
102-13	Membership in associations	103	
102-14	Statement from senior decision-makers	4; 7	
102-15	Main impact, risks and opportunities	38; 39	7
102-16	Values, principles, standards and norms of conduct	20	
102-17	Advice and ethical concerns mechanisms	31	
102-18	Management structure	30	
102-19	Management structure	26	
102-20	Executive-level responsibility for economic, environmental and social issues	26	
102-21	Stakeholder consultation on economic, environmental and social issues	110	
102-22	Composition of the highest governing body and its committees	25; 26	
102-23	Chair of the highest governing body	25	

GRI or own code or indicator	Indicator name	Location/Observations	Global compact principles
102-24	Nomination and selection of the highest governing body	25	
102-25	Conflict of interest	32	
102-40	List of stakeholders	100	
102-41	Collective negotiation agreements	65	1; 3
102-42	Identification and selection of stakeholders	100	
102-43	Approach to stakeholder participation	100	
102-44	Key issues and concerns mentioned	100	
102-45	Entities included in the consolidated financial statements	118	
102-46	Definition of the reports' contents and topic coverage	110	
102-47	List of material topics	100	
102-48	Information restatement	There was no evidence of any restatement of information in the report.	
102-49	Changes in reporting	110	
102-50	Period covered by the report	2	
102-51	Date of last report	2	
102-52	Reporting cycle	2	
102-53	Contact points for questions about the report	2	
102-54	Report's preparation statement in accordance with GRI standards	2	
102-55	GRI content index	111	
102-56	External verification	115	
103-1	Explanation of the material topic	31; 34; 36; 41; 53; 57; 62; 66; 74; 84; 88; 90; 94	
103-2	Management approach and components	31; 34; 36; 41; 53; 57; 62; 66; 74; 84; 88; 90; 94	
103-3	Evaluation of management approach	31; 34; 36; 41; 53; 57; 62; 66; 74; 84; 88; 90; 94	
201-1	Direct economic generated value	49	7
201-2	Financial implications and other risks and opportunities derived from climate change	38	
204-1	Spending proportion on local suppliers	56	

GRI or own code or indicator	Indicator name	Location/Observations	Global compact principles
205-1	Assessed operations for risks related to corruption	31	10
205-2	Communication and training on anti-corruption policies and procedures	31	10
205-3	Confirmed corruption cases and actions taken	There were no cases of corruption in the report period.	10
206-1	Legal actions related to unfair competition and monopolistic practices and against antitrust	There were no cases of corruption in the report period..	
OG-1	Volume and type of estimated proven reserves and production	47	
302-1	Energy consumption within the organization	85	7; 8
302-3	Energy intensity	85	7; 8
OG-2	Amount invested in renewable energy	12	9
303-1	Amount invested in renewable energy	90	7; 8
303-2	Management of impacts related to water discharge	90	7; 8
303-3	Water extraction	91	7; 8
303-4	Water discharge	92	7; 8
303-5	Water consumption	92	7; 8
304-1	Owned, leased or managed operations centers located within/alongside protected areas or areas of great value for biodiversity outside of protected areas.	88	7; 8
304-3	Habitats protected or restored	88	7; 8
OG-4	Number and percentage of operations in which risks have been evaluated and monitored for biodiversity	88	7; 8
305-1	Direct GHG emissions (scope 1)	87	7; 8
305-2	Indirect GHG emissions when generating energy (scope 2)	87	7; 8
305-4	GHG emissions intensity	87	7; 8
305-5	GHG emissions reduction	87	7; 8
306-1	Water discharge according to its quality and destination	92	
306-2	Waste by type and disposal method	96	7; 8
306-3	Significant spills	95	7; 8

GRI or own code or indicator	Indicator name	Location/Observations	Global compact principles
307-1	Non-compliance with environmental legislation and regulations	There was no evidence of significant non-compliance with the environmental regulations in the report period.	7; 8
308-1	New suppliers that have passed evaluation and selection filters in accordance with environmental criteria	56	7; 8
308-2	Negative environmental impacts in the supply chain and taken measures	38; 39	7; 8
401-1	Nuevas contrataciones de empleados y rotación de personal	60	6
402-1	Minimum notice periods for operational changes	65	3
403-1	Occupational health and safety management system	66	
403-2	Hazard identification, risk assessment and incident investigation	68	
403-3	Occupational health services	71	
403-4	Worker participation, consultation and communication on occupational health and safety	71	
403-5	Workers' training in occupational health and safety	72	
403-6	Promotion of worker's health	70	
403-7	Impact prevention and mitigation on occupational health and safety directly linked <<< by business relationships	67	
403-8	Workers covered by an occupational health and safety management system	71	
403-9	Work related injuries	70	1
403-10	Work related health problems	70	1
404-1	Average hours of training per year per employee	63	6
404-2	Programs to improve employee skills and transition assistance programs	63	6
404-3	Percentage of employees receiving regular performance and professional reviews	108	
405-1	Diversity in governing bodies and workers	60	6
405-2	Ratio of basic salary and remuneration of women to men	63	6
406-1	Cases of discrimination and corrective actions implemented	There were no cases of discrimination during the report period.	1; 6

GRI or own code or indicator	Indicator name	Location/Observations	Global compact principles
407-1	Operations and suppliers whose right to freedom of association and collective bargaining could be at risk	No operations or suppliers were re-gistered whose right to free association and collective bargaining could be at risk in the period of the report.	1; 2; 3
408-1	Operations and suppliers with significant risk of child labor cases	At ENAP we strictly comply with all labor conditions regulations. These guidelines are extensive to contractor companies and subsidiaries. In this context, no cases of child labor or forced labor in ENAP operations have been recorded. This risk is mitigated given the nature of the company's activities .	
409-1	Operations and suppliers with significant risk of cases of forced or compulsory labor.		1; 2; 4; 5
411-1	Indigenous peoples' rights violations cases.	There were no cases of violence against the rights of indigenous peoples in the report period.	1; 2
412-1	Operations subject to review or impact assessments on human rights	102	1; 2
412-2	Employee training in human rights policies or procedures	No training processes of this type were recorded	1; 2
412-3	Significant investment agreements and contracts with human rights clauses or subjected to human rights evaluation	No agreement cases were registered and investment contracts in human rights during the report period.	1
413-1	Operations with local community participation, impact evaluations and developmental programs	76	
OG10	Significant disputes with local communities	79	
419-1	Breach with laws and regulations in the social and economic spheres	There were no significant law breaches and regulations in the social and economic fields during the report period.	

7.7 DELOITTE LETTER OF VERIFICATION



CARTA DE VERIFICACIÓN INDEPENDIENTE DE
INDICADORES DE REPORTE INTEGRADO ENAP 2021

Sr.
Andrés Roccatagliata Orsini
Gerente General
ENAP
Presente

De nuestra consideración:

Hemos realizado la revisión de los siguientes aspectos del Reporte Integrado ENAP 2021:

Alcance

Revisión de seguridad limitada de los contenidos e indicadores del Reporte Integrado ENAP 2021, con lo establecido en los Estándares del Global Reporting Initiative (GRI) en cuanto al perfil de la organización e indicadores materiales surgidos del proceso de materialidad realizado por la compañía en torno a los criterios establecidos por dicho estándar, relacionados a las dimensiones Económica, Social y Ambiental.

Estándares y procesos de verificación

Hemos realizado nuestro trabajo de acuerdo con la Internacional Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), emitida por el International Auditing and Assurance Standard Board (IAASB) de la International Federation of Accounts (IFAC).

Nuestro trabajo de verificación ha consistido en la revisión de evidencias entregadas por las unidades de negocios de ENAP, que han estado involucradas en el proceso de realización de este reporte, que respaldan la información escrita en el Reporte Integrado, asimismo se aplicaron procedimientos analíticos y pruebas de revisión que se describen a continuación:

- ✓ Reuniones con los encargados claves de las áreas de Seguridad y Salud Ocupacional, Personas, Asuntos Corporativos, Riesgos, Compliance, Legal y Medio Ambiente de ENAP.
- ✓ Análisis de la adaptación de los contenidos del Reporte Integrado ENAP 2021 a los recomendados por el Estándar GRI en su opción de conformidad Esencial, y comprobación que los indicadores verificados incluidos en este Reporte se corresponden con los protocolos establecidos por dicho estándar y se justifican los indicadores no aplicables o no materiales.
- ✓ Comprobación que los indicadores verificados incluidos en este Reporte se corresponden con los protocolos establecidos por dicho estándar.
- ✓ Comprobación mediante pruebas de revisión de la información cuantitativa y cualitativa, correspondiente a los indicadores del Estándar GRI incluida en el Reporte Integrado ENAP 2021, y su adecuada compilación a partir de los datos suministrados por las fuentes de información de ENAP.

Conclusiones

- ✓ El proceso de verificación se realizó en base a los indicadores GRI que se incluyen en la versión 2021 del Reporte Integrado. Los indicadores reportados y verificados se señalan en la siguiente tabla:

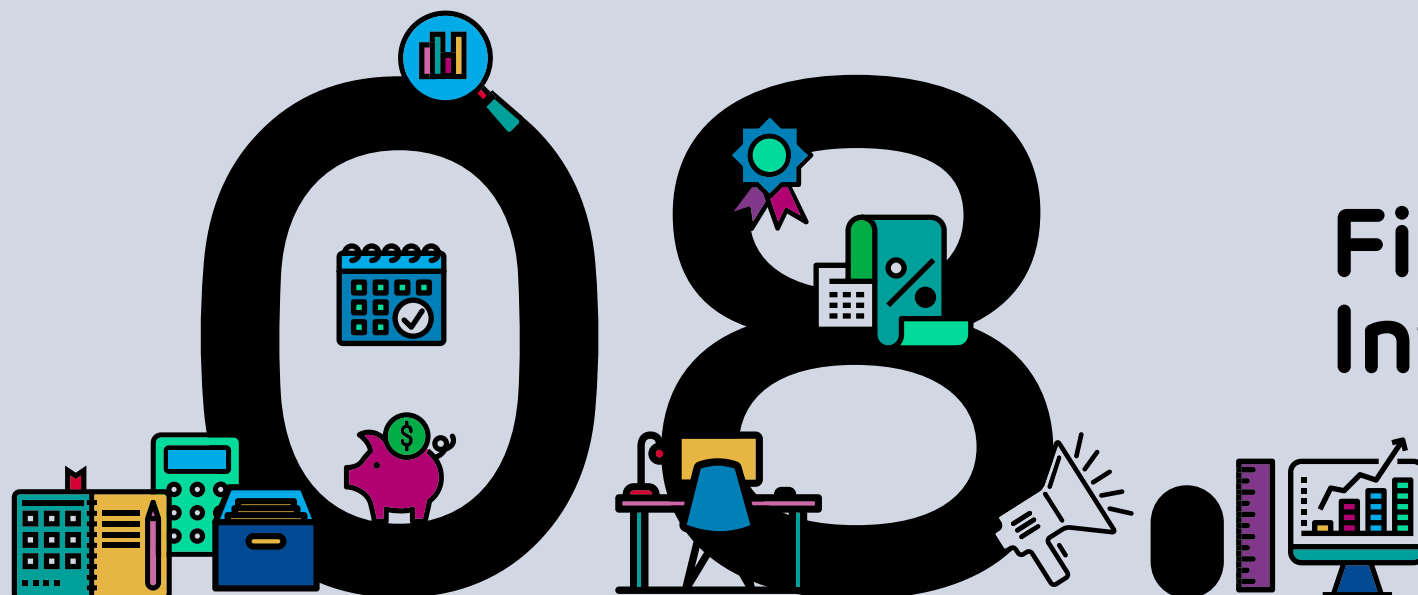
Contenidos Generales											
102-1	102-2	102-3	102-4	102-5	102-6	102-7	102-8	102-9	102-10	102-11	
102-12	102-13	102-14	102-15	102-16	102-17	102-18	102-19	102-20	102-21	102-22	
102-23	102-24	102-25	102-40	102-41	102-42	102-43	102-44	102-45	102-46	102-47	
102-48	102-49	102-50	102-51	102-52	102-53	102-54	102-55	102-56			
Enfoque de Gestión											
103-1	103-2	103-3									
Contenidos Específicos											
201-1	201-2	204-1	205-1	205-2	205-3	206-1	302-1	302-3	303-1	303-2	
303-3	303-4	303-5	304-1	304-3	305-1	305-2	305-4	305-5	306-1	306-2	
306-3	307-1	308-1	308-2	401-1	402-1	403-1	403-2	403-3	403-4	403-5	
403-6	403-7	403-8	403-9	403-10	404-1	404-2	404-3	405-1	405-2	406-1	
407-1	408-1	409-1	411-1	412-1	412-2	412-3	413-1	419-1			
Suplemento Oil and Gas											
OG1	OG2	OG4	OG10								

- ✓ Respecto de los indicadores verificados, podemos afirmar que no se ha puesto de manifiesto ningún aspecto que nos haga creer que el Reporte Integrado ENAP 2021 no ha sido elaborado de acuerdo al Estándar GRI en los aspectos señalados en el alcance.

Responsabilidades de la dirección de ENAP y de Deloitte

- La preparación del Reporte Integrado ENAP 2021, así como el contenido del mismo es responsabilidad de ENAP, el que además es responsable de definir, adaptar y mantener los sistemas de gestión y control interno de los que se obtiene la información.
- Nuestra responsabilidad es emitir un informe independiente, basado en los procedimientos aplicados en nuestra revisión.
- Hemos realizado nuestro trabajo de acuerdo con las normas de independencia requeridas por el Código de Ética de la IFAC.
- Las conclusiones de verificación realizadas por Deloitte son válidas para la última versión de los capítulos enviados del Reporte Integrado ENAP 2021 en nuestro poder, recibida con fecha 28/03/2022.
- El alcance de una revisión de seguridad limitada es sustancialmente inferior al de una auditoría o revisión de seguridad razonable, por lo que no proporcionamos opinión de auditoría sobre el Reporte Integrado ENAP 2021.

Christian Durán
Socio
Marzo 30, 2022



**Financial
Information**

8.1 ESSENTIAL FACTS

The following essential facts were presented by ENAP in 2021:

20 JANUARY 2021

By means of Supreme Decree Number 1A, dated January 19, 2021, it was informed that the President of the Republic, has determined the following:

- a) Accept the resignation of Mrs. María Loreto Silva Rojas, as Director and President of Empresa Nacional del Petróleo, as of June 26, 2020.
- b) Appoint as director of ENAP Mrs. María Consuelo Raby Guarda, for the remaining term that corresponds to Mrs. María Loreto Silva Rojas.
- c) Appoint as director of ENAP Mr. Rodrigo Manubens Moltedo, for a period of 4 years.
- d) Appoint as President of ENAP, the director Mr. Fernando Massú Taré.

27 APRIL 2021

The disclosure of the Consolidated Financial Statements for the period ended March 31, 2021 was reported on May 27, 2021.

26 MAY 2021

It was informed that on May 25, 2021, Mrs. Denisse Abudinén Butto assumes the position of Corporate Manager of Sipetrol, in the subsidiary ENAP Sipetrol S.A., leaving her previous position of Corporate Manager of Exploration and Production in the National Petroleum Company (ENAP).

29 JUNE 2021

Disclosure of the Consolidated Financial Statements for the period ended June 30, 2021 was reported on July 29, 2021.

8.2 REASONED ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED ON DECEMBER 31, 2021

2021 NATIONAL
PETROLEUM COMPANY

The purpose of this document is to facilitate the analysis of the National Petroleum Company (ENAP) and Subsidiaries consolidated financial statements, for the year ended on 31 December 2021 and to compare it to 2020, with respect to balance sheet balances; whereas, for the income statement figures, the comparison is with the year from January 1 to December 31, 2020.

This report is a complement to the consolidated financial statements and its explanatory notes. A more comprehensive conclusion on the exposed topics should be obtained through a joint reading of both.

1.- EXECUTIVE OVERVIEW

ENAP achieved by December 31, 2021 a positive result before taxes (RAI) of US\$ 217.5 million, compared to the losses of US\$ -167.3 million of the previous year. This historic RAI in ENAP represents the best result in the last 15 years and a better performance with respect to 2020 of US\$ 384.8 million.

In line with this, ENAP obtained an after-tax profit of US\$ 141.5 million, US\$ 231.6 million higher than the loss of US\$-90.1 million in 2020.

These positive results are explained by the correct execution of the strategic plan, which considers among its measures the optimization of the margin, the correct execution of the cost and expense reduction plan, the continuous improvement plan installed by Administration and the incorporation of digital technology for the crude oil purchase and refining processes, among others, which allowed us to completely reverse the lower revenues and margins resulting from the decrease in demand faced by the company in 2020.

These results confirm that the measures adopted by the Administration have been adequate, even more so in the complex scenario generated by mobility restrictions and other effects associated with the pandemic.

The \$636.7 million Consolidated Gross margin is compared to \$242.0 million as of December 31, 2020, which shows a \$394.7 million (163%) increase, mainly explained by (i) an increase in the refining margin and the optimization of the cost of the basket of crude oil purchased in the R&C business, and (ii) higher volumes and a higher Brent price in the E&P business (63.9% compared to 2020).

The above, associated with a strict cost control implemented at the end of 2018, which has allowed the company to maintain recurring savings of around US\$ 120 million.

As a result, EBITDA was US\$ 801.5 million in 2021, compared to US\$ 413.6 million in 2020. This historic EBITDA is the highest obtained by ENAP in the last 20 years.

With respect to the Company's financial situation, it should be noted that, as a result of the investment containment and prioritization plans, a 3.9% reduction in financial costs was achieved within the complex scenario described above. During the year, and optimizing a rate window produced in 2021, 25% of the company's debts were re-financed, considerably improving the debt maturity profile, so that in 2022 and 2023 the company faces very low maturities.

2.- CONSOLIDATED RESULTS ANALYSIS

Figures in US\$ million				
CONSOLIDATED RESULTS	Dec-21	Dec-20	US\$ Var.	% Var.
Regular activities income	7,654.9	4,891.4	2,763.5	56.5%
Cost of sales	(7,018.3)	(4,649.4)	(2,368.9)	(51.0%)
Gross margin	636.7	242.0	394.7	163%
Other income by tasks	33.8	26.8	7.0	26.1%
Distribution costs	(164.2)	(163.9)	(0.3)	0.2%
Administration costs	(74.9)	(67.1)	(7.8)	11.6%
Other costs by tasks	(39.3)	(16.6)	(22.7)	136.7%
Profit from operational activities	392.0	21.2	370.8	1749%
Financial income	8.0	2.5	5.5	220.0%
Financial costs	(221.8)	(230.9)	9.1	3.9%
Associates' participation	28.3	22.0	6.3	28.6%
Exchange differences	11.0	17.9	(6.9)	38.5%
Income (loss) before taxes	217.5	(167.3)	384.8	230%
Income tax (expense) benefit	(76.1)	77.3	(153.4)	198.4%
Income (loss) for the year	141.5	(90.1)	231.6	257%

● REGULAR ACTIVITIES INCOME

Revenues increased by 56.5% in 2021 compared to financial year 2020, mainly due to an increase in global fuel and crude oil prices, as well as a higher volume of refined product sales compared to the previous year.

The detail is as follows:

Figures in US\$ million				
Regular activities income	Dec-21	Dec-20	US\$ Var.	% Var.
Own products sales income (R&C)	5,598.4	3,290.2	2,308.2	70.2%
Import products sales income (R&C)	956.1	814.3	141.8	17.4%
Sales income E&P	681.2	546.3	134.9	24.7%
Imported natural gas sales income	406.8	229.9	176.9	76.9%
Other income	12.4	10.7	1.7	15.9%
TOTAL REGULAR INCOME	7,654.9	4,891.4	2,763.5	56.5%

Revenues from sales of own products in R&C increased by US\$ 2,308.2 million (70.2%), with respect to 2020, mainly explained by an increase in the average sales price of US\$ 29.7/bbl, and an increase in own sold production volume of 1,065.2 Mm³ (11.7%).

Revenues from E&P sales during 2021 increased by US\$134.9 million (17.4%) explained by a higher Brent price (2021: US\$70.8/bbl vs 2020: US\$43.2/bbl) and a higher gas price in Argentina and Magallanes.

Revenues from the sale of imported natural gas increased by US\$176.9 million, mainly due to the increase in international prices with respect to the previous year. Revenues associated with the compensation from the State of Chile covering the lower value obtained from gas sales for residential and commercial gas supply in the Magallanes Region remained virtually constant at US\$ 73.2 million for 2021 compared to US\$ 73.5 million in the previous year.

● SALES COSTS

The cost of sales for the year 2021 shows an increase of US\$ 2,368.9 million with respect to 2020, which represents a variation of 51.0%, 82.8% of which is explained by the increase in the cost of crude oil, according to the following detail:

Figures in US \$ million				
Sales costs	Dec-21	Dec-20	US\$ Var. \$	% Var.
Crude oil purchase costs	(4,670.6)	(2,707.8)	(1,962.9)	72.5%
Non-crude operating costs	(730.5)	(605.6)	(124.9)	20.6%
E&P production cost	(412.0)	(395.5)	(16.5)	4.2%
Import product costs	(844.9)	(766.3)	(78.6)	10.3%
Natural gas cost per sale	(360.3)	(174.2)	(186.1)	106.8%
TOTAL SALES COST	(7,018.3)	(4,649.4)	(2,368.9)	51.0%

Crude oil purchase costs increased by US\$ 1,962.9 million (72.5%), which is explained by higher prices, which in fiscal year 2021 were US\$ 71.9/bbl compared to US\$ 46.3 bbl in 2020 (55.3%) and by an increase in the volume sold of 1,065.2 Mm³ (11.7%).

Non-crude operating costs increased by US\$ 124.9 million (20.6%), due to higher variable and fixed costs associated with higher volumes of own production, positively compensated by the cost and expense containment and control initiatives implemented.

E&P production cost increased by US\$16.5 million, mainly explained by higher royalty costs in Argentina as well as a negative exchange rate effect in Chile. Imported natural gas sales costs increased by US\$ 186.1 million, mainly due to higher Brent and Henry Hub marker prices compared to fiscal year 2020.

● GROSS MARGIN

Consolidated Gross margin in the fiscal year 2021 reached US\$636.7 million, an improvement of US\$394.7 million (163%) compared to 2020. Its opening for each business line is as follows:

— Refining and Marketing (R&C) Business Line	US\$ 375.9 million
— Exploration and Production (E&P) Business Line	US\$ 269.2 million

The consolidated gross margin additionally considers corporate costs of US\$ -8.4 million.

The US\$ 375.9 million R&C Business Line Gross margin is compared to the US\$ 99. million obtained during 2020. This increase is due to an increase in the refining margin and a higher volume of refined product sales.

The Gross margin of the E&P Business Line of US\$ 269.2 million compares to the US\$ 150.8 million obtained in fiscal year 2020, mainly explained by higher crude oil and gas prices, together with cost and expense optimizations.

● VARIATIONS OTHER ITEMS

Other income, by segment, increased by \$7.0 million, from \$26.8 million in fiscal year 2020 to \$33.8 million in fiscal year 2021, mainly associated with a credit for provision-

al payments for absorbed profits (PPUA) of \$10.5 million for dividends received from associated companies.

Distribution costs increased by US\$ 0.3 million, from US\$ 163.9 million in fiscal year 2020 to US\$ 164.2 million in 2021, which represents a decrease considering the increase in the level of operations from one fiscal year to the next, as a result of the cost management applied by the Corporate Supply Chain Management.

Administration expenses increased by US\$ 7.8 million (11.6%) from US\$ 67.1 million in fiscal year 2020 to US\$ 74.9 million in fiscal year 2021, mainly explained by 4.2% due to the effects of the appreciation of the Chilean peso in fiscal year 2021 compared to 2020, as well as lower costs in 2020 as a result of the containment plan implemented to face the impacts of the pandemic.

Other expenses by segment increased by \$22.7 million, from \$16.6 million in the fiscal year 2020 to \$39.3 million in 2021, mainly explained by higher income charges of dry wells of \$15.4 million, increased exploratory campaigns of \$5.4 million and other charges of \$1.9 million.

Financial costs decreased by US\$ 9.1 million, from US\$ 230.9 million in fiscal year 2020 to US\$ 221.8 million in fiscal year 2021, mainly explained by the better conditions achieved in the refinancing carried out during the fiscal year.

Exchange differences went from a positive balance of US\$ 17.9 million in 2020 to US\$ 11.0 million in 2021, as a result of the higher positive effects on the exposure of local currency balances in 2020.

Taxes reflected an expenditure of US\$ 76.1 million in 2021 compared to a benefit of US\$ 77.3 million in 2020. This result is explained by better results before tax during 2021 compared to 2020 and the decrease in tax losses.

3.- ANÁLISIS DEL ESTADO DE SITUACIÓN FINANCIERA CONSOLIDADO

● ACTIVOS

Figures in US\$million				
CONSOLIDATED FINANCIAL POSITION STATEMENT				
	Dec-21	Dec-20	US\$ Var.	% Var.
Current assets	2,071.7	1,470.5	601.2	40.9%
Non-current assets	4,856.2	4,845.3	10.9	0.2%
ASSETS	6,927.9	6,315.8	612.1	9.7%

As of December 31, 2021, total assets present a net increase of US\$ 612.1 million with respect to that existing as of December 31, 2020. This increase is generated by the effect of the variations experienced in the balances of the following items:

— Cash and cash equivalents increased by US\$ 97.1 million (95%) explained by the December 2021 closing position to meet crude oil payment obligations in the first quarter of 2022.

— Trade debtors and other current accounts receivable increased by US\$104.1 million (18%) from US\$570.4 million as of December 31, 2020 to US\$674.5 million as of December 31, 2021, as a result of the increase in the sales price in December 2021 compared to December 2020, partially compensated by a lower account receivable in sundry debtors.

— Inventories reflect a US\$ 420.9 million (69%) increase with respect to December 31, 2020 due to the higher purchase price of crude oil in international markets and an 11% increase in the volume of crude oil inventories with respect to the end of the previous year.

— There was a US\$ 5.1 million decrease in Property, Plant and Equipment due to additions of US\$ 370.4 million, mainly due to construction and investments in the E&P line for US\$ 206.7 million, investments in R&C for US\$ 163.7 million net of depreciation and other payments for US\$ 375.5 million.

— The Deferred tax assets account increases by US\$ 57.2 million from US\$ 1,406.7 million as of December 31, 2020 to US\$ 1,463.9 million as of December 31, 2021.

● LIABILITIES

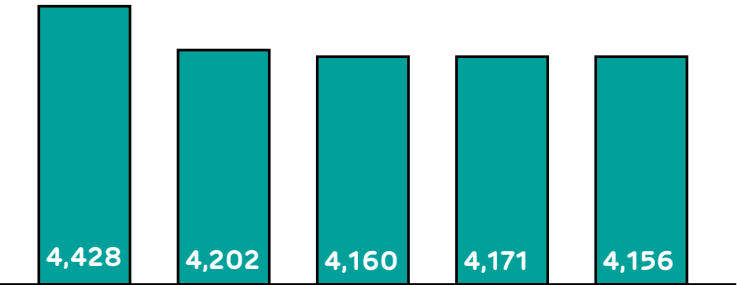
Figures in US\$ million				
CONSOLIDATED FINANCIAL POSITION STATEMENT				
	Dec-21	Dec-20	US\$ Var.	% Var.
Current financial liabilities	70.2	961.4	891.2	92.7%
Other current liabilities	1,154.8	714.9	439.9	61.5%
Total current liabilities	1,225.0	1,676.3	(451.3)	(26.9%)
Non-current liabilities	4,266.6	3,293.6	973.0	29.5%
Other non-current liabilities	417.7	418.5	(0.8)	0.2%
Total non-current liabilities	4,684.3	3,712.1	972.2	26.2%
Total liabilities	5,909.3	5,388.5	520.8	9.7%
Equity	1,018.7	927.3	91.4	9.9%
Total liabilities and equity	6,927.9	6,315.8	612.1	9.7%

As of December 31, 2021, the company's total liabilities show a net increase in cash of US\$423.8 million compared to the end of 2020.

This increase indicated above is mainly broken down as follows:

Indebtedness with financial institutions and bondholders decreased by US\$ 15 million during 2021, following the downward trend recorded in the last 3 years.

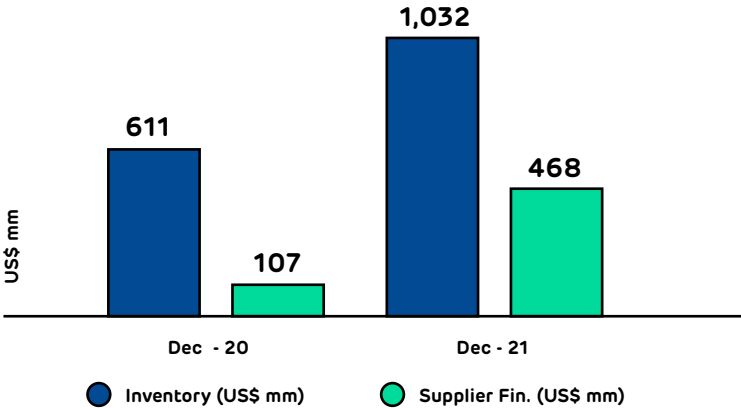
Financial Debt



Regarding indebtedness with suppliers included in trade accounts payable, which corresponds almost entirely to suppliers of hydro-carbons in their different formats, there was an increase of US\$ 361 million, which is explained by two factors:

- (1) A 63.9% increase in the average price of crude oil in 2021 compared to the average price in 2020, increasing the carrying amount of our inventories by US\$322 million, with a consequent increase in supplier debt; and
- (2) An increase in inventory levels to meet the higher demand for fuels experienced this year compared to 2020, equivalent to US\$99 million.

The following chart shows an increase of US\$421 million in the level of inventories (US\$ 1,032 million vs. US\$ 611 million), which compares with an increase of US\$ 361 million in supplier financing (US\$ 107 million vs. US\$ 468 million).



● EQUITY

— Equity increased by US\$ 91.4 million (9.9%) as of December 31, 2021 compared to December 31, 2020, due to the result for the year of US\$ 141.5 million net of a charge for hedging reserves for US\$ 50.1 million.

4.- CASH FLOW STATEMENT ANALYSIS

The main net cash flow components were originated as of 31 December 2021 and 20120:

Figures in US \$ million				
Cash Flow Statement	Dec-21	Dec-20	US\$ Var.	% Var.
Cash flows from operating activities	641.5	481.5	160.0	33.2%
Cash flows used in investing activities	(360.6)	(220.4)	(140.2)	63.6%
Cash flows used in financing activities	(175.4)	(308.7)	133.3	43.2%
Variation in cash and cash equivalents, before changes in exchange rate	105.5	(47.5)	153.0	322.1%
Variation effects in the cash and equivalents to cash exchange rate	(8.4)	(0.6)	(7.8)	1300.0%
Variation in cash and cash equivalents	97.1	(48.1)	145.2	301.9%
Cash and cash equivalents at the beginning of the year	83.7	131.8	(48.1)	(36.5%)
Cash and cash equivalents at the end of the year	180.8	83.7	97.1	116.0%

The cash and cash equivalents final balance reached US\$ 180.8 million as of December 31, 2021, compared to US\$ 83.7 million as of December 31, 2020. This increase is due to the accumulation of funds as of December 31, 2021 to meet crude oil payment obligations in the first quarter of 2022.

The operating activities flow was a US\$641.5 million positive balance as of December 31, 2021 compared to US\$481.5 million as of December 31, 2020. The increase in operating activities flow reflects the improved results of the year 2021 in the management of operations.

Cash flows used in investing activities reached US\$ 360.6 million, compared to US\$ 220.4 million as of December 31, 2020. The increase is explained by the postponement of investments during 2020 due to the pandemic.

The financing activities flow as of December 31, 2021 was a net use of resources for US\$ 175.4 million which compares to a use of US\$308.7 million as of December 31 2020. The net use of financial resources in 2021 corresponds to the refinancing of liabilities.

5.- EBITDA

The US \$801,6 million EBITDA, as of 31 December 2021, is compared to the US \$413.6 million as of December 2020. See details below:

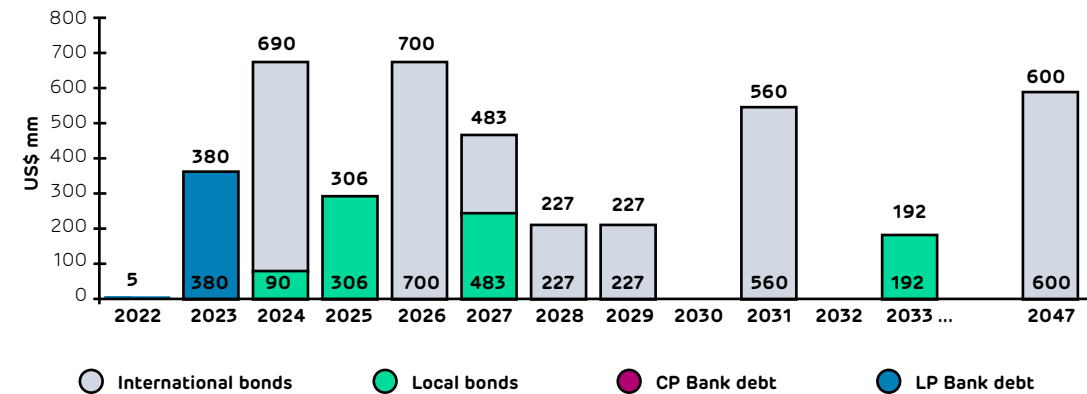
EBITDA	Dec-21	Dec-20	US\$ Var.	% Var.
Operating result	382.0	21.2	370.8	1749.1%
Depreciation, repayment and depletion fee	386.3	377.0	9.3	2.5%
Other charges / credits to results	23.2	15.4	7.8	50.6%
EBITDA	801.5	413.6	387.9	93.8%

The contribution to EBITDA from the Refining and Marketing (R&C) business was US \$ 423.1 million and the Exploration and Production (E&P) line was US\$ 402.5 million as of December 31, 2021. The US\$387.9 million increase is mainly explained by an increase in the refining margin and a higher ICE Brent price.

6.- ENAP MATURITY PROFILE AS OF 31 DECEMBER, 2021

This table shows the maturity profile of ENAP's debt capital:

Maturity profile



7.- PROFITABILITY AND RESULT RATES

ENAP Group's main financial indicators of liquidity, debt, activity and profitability are described below:

LIQUIDITY		Dec-21	Dec-20	US\$ Var.	% Var.
Liquidity level ¹	(times)	1.69	0.92	0.77	83.7%
Quick ratio ²	(times)	0.85	0.51	0.34	66.7%

¹ Liquidity level = Current assets and liabilities

² Quick ratio = (Current assets) / inventories-current liabilities

INDEBTNESS		Dec-21	Dec-20	US\$ Var.	% Var.
Indebtedness ratio ¹	(times)	5.80	5.81	(0.01)	0.2%
Net financial debt ratio ²	(times)	4.07	4.45	(0.38)	8.6%
Current financial debt ratio ³	(percentage)	1.62	22.59	(20.97)	92.8%
Non-current financial debt ratio ⁴	(percentage)	98.38	77.41	20.97	27.1%
Financial expenses coverage	(times)	3.61	1.79	1.82	101.9%

¹ Indebtedness ratio = (Total current liabilities + Total non-current liabilities) / Total Equity

² Net financial debt ratio = (Financial liabilities - Financial assets - cash and equivalent) / Total Equity

³ Current financial debt ratio = Current financial liability / Total financial liabilities

⁴ Non-current financial debt ratio = Non-current financial liability / Total financial liabilities

⁵ Financial expenses coverage = EBITDA / Financial costs

ACTIVITY		Dec-21	Dec-20	US\$ Var.	% Var.
Assets					
Total assets ¹	(US \$ million)	6,927.9	6,315.8	612.1	9.7
Average assets ²	(US \$ million)	6,621.9	6,401.8	220.1	3.4 %
Inventories					
Stock rotation ³	(times)	8.54	6.10	2.44	40.0%
Inventory permanence ⁴	(months)	1.41	1.97	(0.6)	28.7%

¹ Total assets = Total current and non-current assets

² Average assets = (Total assets current period + Total assets previous year) / 2

³ Stock rotation = Sales costs last 12 months / Average inventory last 12 months

⁴ Inventory permanence = Average inventory last 12 months / Sales costs last 12 months (monthly average)

PROFITABILITY		Dec-21	Dec-20	US\$ Var.	Var. %
Tester average return equity ¹	(percentage)	14.54	(9.27)	23.81	256.9%
Profitability of assets ²	(percentage)	2.13	(1.41)	3.54	250.8%

¹ Average return equity = Result last 12 months / ((Current period equity + Former period equity) / 2)

² Profitability of assets = Result last 12 months / Total asset average last 12 months

8.- ECONOMIC VALUES AND ASSET REGISTER DIFFERENCES

The following should be mentioned regarding the company's main assets:

The value of assets impairment is annually evaluated by the company, in accordance with the established methodology, in compliance with the IAS 36 provisions.

The assets to which the methodology is applied are as follows:

- Property, Plant and Equipment
- Intangible Assets
- Investments in subsidiaries and associated companies
- Other non-current assets

The assets impairment assessment is carried out in order to verify if there is any indication that the carrying amount is less than the amount recoverable. If such an indication exists, the recoverable value asset is estimated to determine the extent of impairment (if any). In the event that this asset does not generate independent cash flows from other assets, the company will determine the recoverable value of the cash-generating unit to which the asset belongs.

The recoverable value is the higher of the fair value minus the selling costs and the value in use. In order to determine the value in use, the present value of future cash flows is calculated by discounting them at an associated rate to the assessed asset. If the asset recoverable value is estimated to be less than its carrying amount, the latter decreases to the recoverable value.

Briefly, the assets are presented in accordance with IFRS values, as indicated in Note 3 of the Consolidated Financial Statements.

In accordance with the Commission for the Financial Market rules, subsidiaries and investments in associated companies are valued according to the equity method of the corresponding companies. According to this method, the investment is initially recorded at cost, and is subsequently adjusted for post-acquisition changes in the investor's portion in the investee's net assets.

9.- MARKET SITUATION

● CRUDE OIL PRICE

During 2021, Brent ICE, the crude oil global scoreboard, registered a 70.8 dollars (US \$/bbl) average per barrel on the Intercontinental Stock Exchange London, that is, 27.6 US \$/bbl over the fiscal year 2020 (43.2 US\$/bbl).

During 2021, oil prices and its derivatives increased as global demand for fuels surpassed the supply.

The year 2021 was marked by a recovery in global demand for fuels, as the main economies made progress in the vaccination process against Covid-19, mobility-related restrictions were eased, and economic growth showed solid signs of recovery. Global economic growth in 2021 is estimated to be around 5.4%, an increase compared to 4.9% in 2020.

- Global consumption of oil and liquid fuels averaged 96.9 million barrels per day (mn b/d), 5 mn b/d higher than in 2020, when consumption dropped significantly due to the pandemic.
- Gasoline demand in the United States, the world's largest gasoline market, returned to pre-Covid levels in May 2021, and set records during the summer, surpassing 10 million barrels per day for the first time.

In 2021, world demand for fuels recovered faster than the recovery of supply. As a result, the price of Brent Ice began the year at US\$50/bbl, and rose to a maximum of US\$80/bbl at the end of October, before decreasing in the last weeks of the year.

The slower increase in supply was primarily due to oil production cuts by the Organization of the Petroleum Exporting Countries (OPEC) and its allies (OPEC+), which began in late 2020. OPEC and other countries, such as Russia, announced in December 2020 that they would continue to limit production increases through 2021 to support higher oil prices.

In this context of lower supply, continuous draws of crude oil and liquid fuels inventories were generated worldwide from February to December, and contributed to the increase in crude oil prices. The largest inventory draw was in February, when Saudi Arabia imposed a voluntary cut of 1 million barrels per day (mn b/d) in its production, and the United States experienced extremely cold weather that caused well freezes and a 1.3 mn b/d decrease in oil production.

- Oil inventories are estimated to have decreased by 469 million barrels globally in 2021, probably the largest annual decrease since 2007.

The year 2021 ended in a context of uncertainty about global demand for fuels, following the outbreak of a new variant of the coronavirus called omicron, which has proved to be fast-spreading but less lethal than the other variants.

● PRODUCT PRICES ON THE GULF COAST IN 2021

International gasoline and diesel prices followed the upward trend of crude oil during 2021, supported by inventories below the 5-year average. In addition, high biofuels compliance costs (RVO) in the United States supported price levels.

Additionally, prices were supported by the lifting of mobility restrictions, added to the driving season in the northern hemisphere, a period in which demand for gasoline increases and inventories drop. On the other hand, weather factors (hurricanes and cold snaps) affected the availability of refineries in the US, limiting the supply of finished products.

The price of *Unleaded 87 waterborne* gasoline averaged US\$86.7/bbl, an increase of US \$38.9/bbl compared to 2020 (US\$47.8/bbl). The gasoline price differential with respect to Brent ICE averaged US\$15.9/bbl, an increase of US\$11.3/bbl compared to January-December of the previous year (US\$4.7/bbl).

In the case of diesel, the average price was US\$85.1/bbl. This is US\$ 34.3/bbl higher than in 2020. The price differential between diesel and Brent ICE averaged 14.3 US\$/bbl, 6.6 US\$/bbl higher than in 2020 (7.6 US\$/bbl).

The price of 3% sulfur fuel oil No. 6 averaged US\$59.8/bbl in 2021, an increase of US\$25.1/bbl compared to 2020 (US\$34.7/bbl).

● NATURAL GAS PRICE DURING 2021

The price of Natural Gas, according to the U.S. Henry Hub marker, averaged 3.7 US\$/MMBTU, an increase of 75% over 2020 (2.1 US\$/MMBTU).

During the second half of 2021, the price of natural gas rose considerably, as a result of a higher than expected increase in demand, together with a lower supply:

- Heat waves in the northern hemisphere boosted demand during the summer..
- Weather factors (cold snaps, hurricanes) led to lower natural gas production in the United States.

As a result, inventories decreased prior to the onset of winter in the northern hemisphere, a period when demand increases, driving prices higher.

In this context, the Henry Hub price averaged US\$5.6/MMBTU in October, then declined in November and December as mild weather prevailed in most parts of the United States, resulting in less natural gas being used for heating purposes.

10.- RISK ANALYSIS

a.- Market risk - Crude oil price

ENAP participates in the hydrocarbon exploration and production through its subsidiary ENAP Sipetrol S.A. and in refining, transportation, storage and marketing of petroleum products through ENAP Refinerías S.A. Refining and marketing of its products in Chile represents a substantial part of ENAP's operations.

The Company accesses the international market for the supply of crude oil and products, a situation which allows to ensure the commercial commitments supply and fulfillment. The ENAP Refinerías S.A. crude oil supply is mainly obtained from South America and the North Sea, Brazil, Colombia, Ecuador, Argentina and the United Kingdom being the main suppliers. The company's refineries have the necessary reception and storage facilities for raw material. Regarding the refined products origin of imports, these came mainly from the United States during the last year.

The business of ENAP Refinerías S.A. consists mainly in the crude oil purchase in the international market for its refining and subsequent products sale elaborated in the domestic market, airport parity price policy. The refining margin is affected by international prices fluctuations of crude oil, refined products and the differential between both of them (international margin or "crack"). A US \$1/bbl crack would cause a US \$65 million impact in results, if we consider a 65 million crude barrel refining level during the year

ENAP has oriented its investments towards increasing its productive flexibility and quality of its products as a central strategy to face the variation risk in the refining margin. Until now, no financial derivatives have been contracted to set the refining margin. However, the refining price levels are constantly being monitored.

The business relevant risks are essentially in the refining margin and in the international market price fluctuations for crude oil and products, due to the time elapsed between the moment of purchase (shipment) of crude oil and the refined products sale. Time Spread Swaps hedging covers this last risk. The administration has continued with the hedges contracting policy that would allow minimize the impact of

sudden and significant drops in the crude oil price, given the high volatility of it, if the refining business cycle is considered, due to the gap between the products sale prices and the cost of refined crude. However, it is important to mention that these instruments are protected from crude oil price variations, but they do not guarantee a complete elimination of effects in the resulting volatility in the purchase of raw material.

b.- Market risk - exchange rate and interest rate

In order to cover the foreign exchange rate risk (which is another business risk factor as an important part of the income is in pesos and the liabilities in dollars), forward hedging peso/dollar instruments are used to mainly cover accounts receivable. These are originated by product sale at prices based on the indexed import parity in dollars, but with its equivalent in pesos. This situation is periodically analyzed in order to maintain a competitive position, considering the prices and imports freedom in Chile.

The company signs floating to fixed rate derivative Swap contracts and financial products, such as cross currency swap, which will transform the floating rate and currency into a fixed rate and dollar functional currency, in order to hedge the interest risk rate.

Based on fair value, these operations are accounted for, recording their equity and income variation in accordance with IAS 39.

c.- Business risk

ENAP maintains a Comprehensive Risk Management Model based on international standards and best practices. The model is based on a corporate policy that aims to strengthen strategic management, and a methodology which ensures that critical risks are identified, assessed and mitigated, consistently and systematically.

Comprehensive risk management is applied in all business lines and units, and business group processes. It starts at the first level of the organization and is applied in all areas of management. It comprises all critical risks, whether strategic, operational, compliant, reportable or financial which may affect the vision, mission or strategic business plan of ENAP and its subsidiaries.

The main financial risks being managed are: significant variation losses due to the interest rate, the exchange rate, and those related to the inadequate risk transfers in property insurance matters. In this scope, the company contracts property, civil liability and transport insurance to protect assets and mitigate risks.

Risks related to the company's ethics culture and good practices are being managed in the Compliance area.

8.3 CONSOLIDATED FINANCIAL STATEMENTS

AS OF 31 DECEMBER 2021 AND 2020

2021 National Petroleum Company



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INFORME DE LOS AUDITORES INDEPENDIENTES

Al Señor Presidente y Directores de
Empresa Nacional del Petróleo y filiales

Hemos efectuado una auditoría a los estados financieros consolidados adjuntos de Empresa Nacional del Petróleo y filiales, que comprenden los estados de situación financiera al 31 de diciembre de 2021 y 2020 y los correspondientes estados de resultados integrales, de cambios en el patrimonio y de flujos de efectivo por los años terminados en esas fechas y las correspondientes notas a los estados financieros consolidados.

Responsabilidad de la Administración por los estados financieros consolidados

La Administración es responsable por la preparación y presentación razonable de estos estados financieros consolidados de acuerdo a Normas Internacionales de Información Financiera emitidas por el International Accounting Standards Board ("IASB"). Esta responsabilidad incluye el diseño, implementación y mantención de un control interno pertinente para la preparación y presentación razonable de estados financieros consolidados que estén exentos de representaciones incorrectas significativas, ya sea debido a fraude o error.

Responsabilidad del Auditor

Nuestra responsabilidad consiste en expresar una opinión sobre estos estados financieros consolidados a base de nuestras auditorías. Efectuamos nuestras auditorías de acuerdo con las normas de auditoría generalmente aceptadas en Chile. Tales normas requieren que planifiquemos y realicemos nuestro trabajo con el objeto de lograr un razonable grado de seguridad que los estados financieros consolidados están exentos de representaciones incorrectas significativas.

Una auditoría comprende efectuar procedimientos para obtener evidencia de auditoría sobre los montos y revelaciones en los estados financieros consolidados. Los procedimientos seleccionados dependen del juicio del auditor, incluyendo la evaluación de los riesgos de representaciones incorrectas significativas de los estados financieros, ya sea debido a fraude o error. Al efectuar estas evaluaciones de los riesgos, el auditor considera el control interno pertinente para la preparación y presentación razonable de los estados financieros consolidados de la entidad con el objeto de diseñar procedimientos de auditoría que sean apropiados en las circunstancias, pero no con el propósito de expresar una opinión sobre la efectividad del control interno de la entidad. En consecuencia, no expresamos tal tipo de opinión. Una auditoría incluye, también, evaluar lo apropiadas que son las políticas de contabilidad utilizadas y la razonabilidad de las estimaciones contables significativas efectuadas por la Administración, así como una evaluación de la presentación general de los estados financieros consolidados.

Consideramos que la evidencia de auditoría que hemos obtenido es suficiente y apropiada para proporcionarnos una base para nuestra opinión de auditoría.

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ro 07271800, y su domicilio registrado: H&H House,

Opinión

En nuestra opinión, los estados financieros consolidados mencionados en el primer párrafo, presentan razonablemente, en todos sus aspectos significativos, la situación financiera de Empresa Nacional del Petróleo y filiales al 31 de diciembre de 2021 y 2020 y los resultados de sus operaciones y los flujos de efectivo por los años terminados en esas fechas, de acuerdo con las Normas Internacionales de Información Financiera emitidas por el International Accounting Standards Board ("IASB").



Enero 31, 2022
Santiago, Chile



Patricia Zúñiga C.
RUT: 9.563.048-0

CONSOLIDATED FINANCIAL STATEMENTS AS OF
31 DECEMBER 2021 AND 2020

(In thousands of US dollars - MUS\$)

ASSETS	Note No.	31.12.2021 MUS\$	31.12.2020 MUS\$
Current Assets			
Cash and cash equivalent	6	180,792	83,719
Other current financial assets	7	295	370
Other current non-financial assets	8	33,909	30,802
Trade debtors and other current accounts receivable	9	674,477	570,381
Current accounts receivable to related entities	10	72,454	99,403
Current inventories	11	1,031,961	611,044
Current tax assets	12	77,861	74,755
Total current assets		2,071,749	1,470,474
Non-current assets			
Other non-current financial assets	7	12,570	39,764
Other non-current non-financial assets	8	58,537	61,929
Non-current accounts receivable	9	7,478	9,471
Investment support by equity method	13	143,787	135,926
Intangible assets different to capital gain		4,486	4,520
Properties, plant and equipment	14	3,018,697	3,023,808
Usage rights	15	139,717	156,076
Investment property	19	7,007	7,097
Differed tax assets	12	1,463,917	1,406,710
Total non-current assets		4,856,196	4,845,301
TOTAL ASSETS		6,927,945	6,315,775

Notes attached are an integral part of these consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS AS OF
31 DECEMBER 2021 AND 2020
(In thousands of US dollars - MUS\$)

EQUITY AND LIABILITIES	Note No.	31.12.2021 MUS\$	31.12.2020 MUS\$
Current liabilities			
Other current financial liabilities	20	70,208	961,354
Current liabilities by lease	15	35,305	39,187
Commercial and other accounts payable	21	965,348	499,777
Current accounts payable to other related entities	10	13,756	7,774
Other provisions in short term	22	3,792	2,444
Current tax liabilities	12	66,948	105,256
Current provisions on employees' benefits	23	69,662	60,537
Total current liabilities		1,225,019	1,676,329
Non-current liabilities			
Other non-current financial liabilities	20	4,266,576	3,293,608
Non-current liabilities by lease	15	126,518	141,032
Other non-current accounts payable	21	5,735	5,239
Other long-term provisions	22	157,933	153,847
Deferred tax liabilities	12	66,675	35,779
Non-current provisions on employees' benefits	23	51,870	73,131
Other non-financial non-current liabilities		8,944	9,490
Total non-current liabilities		4,684,251	3,712,126
Total liabilities		5,909,270	5,388,455
Equity			
Issued capital	24	1,632,332	1,632,332
Other reserves	24	(119,349)	(75,060)
Accumulated losses	24	(496,592)	(632,550)
Equity attributable to owners		1,016,391	924,713
Non-controlling interests	25	2,84	2,607
Total equity		1,018,675	927,320
TOTAL EQUITY AND LIABILITIES		6,927,945	6,315,775

Notes attached are an integral part of these consolidated financial statements.

COMPREHENSIVE RESULTS STATEMENT BY TASK AS OF 31
DECEMBER 2021 AND 2020
(In thousands of US dollars - MUS\$)

	Note	01.01.2021 31.12.2021	01.01.2020 31.12.2020
	No.	MUS\$	MUS\$
Regular activities income	27	7,654,933	4,891,425
Sales costs	28	(7,018,258)	(4,649,386)
Gross margin		636,675	242,039
Other income	29	33,769	26,808
Distribution costs	30	(164,215)	(163,913)
Administrative expenses		(74,911)	(67,127)
Other expenses by task	31	(39,293)	(16,558)
Operational activities income		392,025	21,249
Financial income		7,978	2,497
Financial costs	32	(221,756)	(230,896)
Equity accounted companies participation	13	28,281	21,903
Exchange rate differences	34	10,989	17,888
Pre-tax profit (loss)		217,517	(167,359)
Income tax benefit	12	(76,061)	77,253
Profit (Loss) for the year		141,456	(90,106)
Profit (Loss) attributable to:			
Profit (Loss) attributable to controlling interests		141,785	(89,986)
(Loss) Profit attributable to non-controlling interests	25	(329)	(120)
		141,456	(90,106)

Profit (Loss) for the year

Notes attached are an integral part of these consolidated financial statements.

COMPREHENSIVE RESULTS STATEMENT BY TASK AS OF 31
DECEMBER 2021 AND 2020

(In thousands of US dollars - MUS\$)

	Note	01.01.2021 31.12.2021 MUS\$	01.01.2020 31.12.2020 MUS\$
Period (loss) income		14,456	(90,106)
Integral components not reclassified as pre-tax year result			
Integral components not reclassified as pre-tax year result			
Actuarial (loss) gain by defined benefit plans		(659)	(471)
Other comprehensive result accounted companies participation	24 b) ii	2,597	-
Other comprehensive results not reclassified as pre-tax year total		1,938	(471)
Integral components reclassified as pre-tax year result			
Exchange rate differences			
Income (loss) based on pre-tax exchange rate differences			
Cash flow hedge	24 b) i	(2,760)	1,057
Pre-tax cash flow hedges		(133,072)	84,964
Reclassification adjustments in pre-tax cash flow hedge		30,114	(92,282)
Other pre-tax comprehensive result, cash flow hedge	24 b) iii	(102,958)	(7,318)
Other comprehensive reclassified as pre-tax year result total		(105,718)	(6,261)
Income taxes associated with other comprehensive results reclassified as pre-tax year:			
Income taxes associated with cash flow hedges			
Other comprehensive result	24 b) iii	59,500	7,815
		(44,280)	1,083
Total comprehensive result		97,176	(89,023)
Comprehensive result attributable to:			
Comprehensive result attributable to parent		97,505	(88,903)
Comprehensive result attributable to non-controlling interests		(329)	(120)
Total comprehensive result		97,176	(89,023)

Notes attached are an integral part of these consolidated financial statements.

STATEMENT OF CHANGES IN NET EQUITY AS OF 31 DECEMBER 2021 AND 2020
(In thousands of US dollars – MUS \$)

	Changes in other reserves									
	Issued capital MUS \$	Foreign exchange reserves MUS \$	Cash flow hedges reserves MUS \$	Defined benefit plans actuarial reserves MUS \$	Other reserves MUS \$	Total reserves MUS \$	Accumulated income MUS \$	Net worth attributable to controlling interests MUS \$	Non-controlling participation MUS \$	Total equity MUS \$
Opening balance 01.01.2021	1,632,332	(79,041)	6,157	(9,201)	7,016	(75,069)	(632,550)	924,713	2,607	927,320
Changes in equity										
Integral result:										
Restated loss	-	-	-	-	-	-	141,785	141,785	(329)	141,456
Other integral result	-	(2,760)	(43,458)	(659)	2,597	(44,280)	-	(44,280)	-	(44,280)
Integral result	-	(2,760)	(43,458)	(659)	2,597	(44,280)	141,785	97,505	(329)	97,176
Increase for transfers and others, equity	-	-	-	-	-	-	(5,827)	(5,827)	6	-
Total changes in equity	(5,821)	-	-	-	-	-	135,958	91,678	(323)	91,355
Final balance 31.12.2021	1,632,332	(81,801)	(37,301)	(9,860)	9,613	(119,349)	(496,592)	1,016,391	2,284	1,018,675
Opening balance 01.01.2020	1,632,332	(80,098)	5,660	(9,226)	4,419	(79,245)	(539,281)	1,013,806	2,503	1,016,309
Changes in equity										
Integral result:										
Restated loss	-	-	-	-	-	-	(89,986)	(89,986)	(120)	(90,106)
Other integral result	-	1,057	497	25	-	1,579	-	1,579	-	1,579
Integral result	-	1,057	497	25	-	1,579	(89,986)	(88,407)	(120)	(88,527)
Increase (Decrease) for transfers and others, equity	-	-	-	-	2,597	2,597	(3,283)	(686)	224	(462)
Total changes in equity	-	1,057	497	25	2,597	4,176	(93,269)	(89,093)	104	(88,989)
Final balance 31.12.2020	1,632,332	(79,041)	6,157	(9,201)	7,016	(75,069)	(632,550)	924,713	2,607	927,320

Notes attached are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENTS, DIRECT METHOD AS
OF 31 DECEMBER 2021 AND 2020
(In thousands of US dollars – MUS \$)

	Note No.	31.12.2021 MUS\$	31.12.2020 MUS\$
Cash flow (used) in applicable operations activities			
Operations activities type of fee			
Cash receipts from sale of goods and service provision		10,434,696	7,962,919
Other fees for operation activities		75,931	36,757
Payment type			
Payment providers for goods and services supply		(7,875,522)	(5,021,741)
Employee payment and on employees		(805,522)	(264,375)
Other payments on operation activities		(1,704,007)	(2,197,304)
Dividends received		21,216	19,600
Interest paid		(1,426)	(2,586)
Income taxes (paid)		(13,603)	(48,694)
Other cash inflows (outflows)		9,765	(3,063)
Cash flows arising from operation activities		641,528	481,513
Cash flows (used in) arising from investment activity			
Property, plant, equipment purchase	14	(370,395)	(226,111)
Interest received		7,046	1,553
Other receivables from sale of equity or debt instruments of other entities		1,750	4,161
Other cash inflows		1,000	-
Cash flows in investment activities		(360,599)	(220,397)
Cash flows arising from (used in) financing activities			
Cash balance arising from long-term loans	20 b) ii	280,000	13,000
Cash balance arising from short-loans	3.1.x	465,056	527,356
Cash balance arising from bonds payable	3.1.x	667,345	181,284
Loan payments	3.1.x	(906,774)	(636,724)
Bonds payable payments	3.1.x	(410,281)	(174,411)
Payment of liabilities for financial lease	3.1.x - 15	(40,878)	(38,267)
Interest paid		(159,289)	(176,487)
Other cash outflows	3.1.x	(70,620)	(4,407)
Cash flows used in financing activities		(175,441)	(308,656)
Net increase (decrease) in cash and cash equivalents before exchange rate changes effect		105,488	(47,540)
Variation in cash and cash equivalents before exchange rate changes effect		(8,415)	(508)
Net increase (decrease) in cash and cash equivalents		97,073	(48,048)
Cash and cash equivalents at the beginning of the year		83,719	131,767
Cash and cash equivalents at the end of the year	6	180,792	83,719

Notes attached are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

Empresa Nacional del Petróleo (hereinafter “the Company” or “ENAP”), is the parent company of the group of companies to which these consolidated financial statements refer (hereinafter “ENAP Group”).

ENAP is a 100% Chilean state-owned company, created under Law 9,618 on 19 September 1950. It is located in Avenida Apoquindo 2929, Floor 5, Las Condes, in Santiago and José Nogueira 1101, in Punta Arenas. The Company was registered in the Official Registry of the National Securities Market Commission, under No. 783, which was dated on 4 October 2002. Hence, the Company is subject to the Commission’s standards and the supervision.

ENAP’s corporate purpose is the exploration, production and commercialization of hydrocarbons and their derivatives. It is also part of geothermal energy related companies and energy and electrical power production, transportation and commercialization.

ENAP’s corporate management was modified on 1 December 2017, under Law 21.025 which granted the Company a governance system to clearly establish decision roles, supervision and execution. Thus, the number of directors went from 8 to 7, and the first recommendation element of the Organization for Economic Co-operation and Development (OECD) is taken into account, which meant the exclusion of the Minister of Energy from the board and the appointment of a professional model without union representation.

Likewise, the Law establishes the need to have a five-year business plan and development, elaborated by the directing and executing agencies, and to be presented to the shareholders’ meeting. This must be updated annually.

From March 2020 to date, the financial effects related to the COVID-19 outbreak generated lower production and sales levels, compared to the period before the pandemic.

ENAP has adopted the following measures to mitigate the financial or operational effects. The following are considered:

- Operational plans execution which allows the continuity and safe operation for refineries and plants, even with minimal staffing.
- Chain of fuels logistics and distribution strengthening, through permanent coordination with distribution companies and the Ministry of Energy.
- All efforts have been made to maintain the proper operation of oil pipelines, maritime terminals and loading yards, requesting support from the authority when necessary.

The consolidated financial statements of the Company as of 31 December 2021 were approved by the Honorable Board of Directors in an ordinary session held on 25 January 2022.

2. BUSINESS DESCRIPTION

In accordance with Law 9,618 and its subsequent amendments, ENAP’s main activity is the hydrocarbons exploration, exploitation or fields benefit, which they are able to perform in Chile or abroad. It is can also participate in geothermal energy proceedings societies and the production, transportation and commercialization of energy and electrical power. Its main subsidiaries are:

- ENAP Refinerías S.A., a closed stock companies, officially began operating on 1 January 2004. Its registered office is Avenida Borgoño 25.777 Comuna de Concón - Fifth region. ENAP Refineries S.A. was born from the merging between Petrox S.A., Refinería de Petróleo and Refinería de Petróleo de Concón S.A. (RPC), incorporating the latter into the former. ENAP Refinerías S.A. business line is the hydrocarbons and its derivatives import, processing, storage and marketing, and all other activities that are directly or indirectly related to those mentioned and those expressed in detail in the third article of the current bylaws.

— ENAP Sipetrol S.A., a closed stock companies, conducts hydrocarbons exploration, exploitation or benefit of fields outside national territory. It has a branch in Ecuador, and subsidiaries in Argentina, Ecuador, and Uruguay. Through the subsidiary in Uruguay, it participates in production activities, through joint operations in Egypt.

— Enap Sipetrol Argentina S.A., incorporated on July 17, 1997 under the laws of the Republic of Argentina. It has participation in the following blocks: Magallanes Area (50%), CAM 2A Sur (50%), Campamento Central - Cañadón Perdido (50%), and Faro Vírgenes (50%). It also participates in exploration in the blocks El Turbio Este (50%), La Invernada (50%) and E2 (33%) former CAM 1 and CAM 3.

Both subsidiaries ENAP Refinerías S.A. and ENAP Sipetrol S.A. are voluntarily registered in the Special Registry of the Reporting Entities of the National Securities Market Commission, under numbers 95 and 187 respectively, both regulated by General Norm 364.

Our business is organized into two independent business lines: (i) Exploration and Production (E&P), and (ii) Refining and Marketing (R&C). The latter, starting in 2021, incorporated "Gas and Energy" (G&E), an independent line in 2020.

3. SUMMARY OF MAIN ACCOUNTING POLICIES APPLIED

● 3.1 ACCOUNTING PRINCIPLES

These consolidated financial statements are presented in thousands of US dollars (MUS\$) and have been prepared from the accounting records kept by ENAP and subsidiaries. The Company's consolidated financial statements for the year ended on 31 December 2021 and 2020 have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

These consolidated financial statements preparation requires the use of estimates and assumptions by the ENAP Group Management. These estimates are based in

the best knowledge of the amounts reported by the administration, events or actions. Estimates and critical accounting judgments are detailed in Note 5.

The main accounting policies adopted in the preparation of the of these consolidated financial statements are described below. These policies have been defined based on IFRS in force as of 31 December 2021 and have been uniformly applied to the comparative exercises that are presented in these consolidated financial statements. As indicated in Note 26 Operating Segments, segment information for the final year ended December 31, 2020 was prepared as explained in that note.

a. Basis of preparation – these ENAP Group's consolidated financial statements comprise the financial situation as of 31 December 2021 and 2020. Additionally, they describe the statement of comprehensive income for the years ended 31 December 2021 and 2020, the consolidated statement of changes in equity and the statement of cash flows for the years ended 31 December 2021 and 2020.

These consolidated financial statements accurately reflect the ENAP Group and its subsidiaries financial situation as of 31 December 2021 and 2020. Additionally, they describe the statement of comprehensive income for the years ended 31 December 2021 and 2020, the consolidated statement of changes in equity and the statement of cash flows for the years ended 31 December 2021 and 2020.

For comparative purposes, in the financial statements reported as of December 31, 2020, MUS\$ 67,675 have been reclassified from Inventories to Property, plant and equipment, the materials that were part of "Materials in warehouse and in transit" and that comply with the definition of Property, plant and equipment.

Additionally, current liabilities were reclassified from Current provisions for employee benefits to Trade and other accounts payable MUS\$ 12,907, for the mandatory 12% participation to the Ecuadorian State. These changes in criteria do not modify the result or the equity of the previous year.

These consolidated financial statements have been prepared on historical cost basis, except those financial instruments which are measured at fair value, cash and assets acquired through a business combination, as explained in the accounting policies described below. The historical cost is generally based on reasonable value amount of consideration given in an asset exchange.

b. Basis of consolidation- ENAP Group's consolidated financial statements include assets, liabilities, income, expenses and cash flows of ENAP and subsidiaries, after the transaction's elimination between related companies.

The subsidiaries financial statements have US dollars as its functional currency and a presentation currency.

i) Subsidiaries

Subsidiaries are those companies directly or indirectly controlled by ENAP. Control is exercised only if the following elements are present: i) power over the subsidiary, ii) exposure, or right to these companies' variable returns, and iii) ability to use power to influence these returns amounts.

The Group will reassess whether or not it has control over a subsidiary company if the facts and circumstances indicate that there have been changes in one or more of the three previously mentioned control elements.

From the date ENAP obtains control over the subsidiaries, these become consolidated. If ENAP were to lose control over them, the control would cease. Therefore, a subsidiary's income and expenses are included in the consolidated income statements since the date the Company gained control of the subsidiary until the control ceases.

The owners of the Company and non-controlling interests are attributed with profits losses and each component of other comprehensive income. In subsidiaries is

attributed to the owners of the Company and to the non-controlling interests, even if these results show losses.

In order to ensure consistency with the accounting policies adopted, those belonging to subsidiaries are modified, when necessary.

The assets, liabilities, equity, income and expenses and relative cash flows transactions balances between the consolidated companies have completely been eliminated in the consolidation process.

The following table shows direct and indirect subsidiaries, consolidated by ENAP:

Company	Address	Connection with Head Office	Shareholding percentage	
			31.12.2021	31.12.2020
Enap Refinerías S.A.	Chile	Direct subsidiary	99.98%	99.98%
Enap Sipetrol S.A.	Chile	Direct subsidiary	100.00%	100.00%
Gas de Chile S.A.	Chile	Direct subsidiary	100.00%	100.00%
Enap Sipetrol Argentina S.A.	Argentina	Direct subsidiary	100.00%	100.00%
Petro Servicios Corp. S.A.	Argentina	Indirect subsidiary	100.00%	100.00%
Sipetrol International S.A.	Uruguay	Indirect subsidiary	100.00%	100.00%
EOP Operaciones Petroleras S.A.	Ecuador	Indirect subsidiary	100.00%	100.00%
Energía Concón S.A.	Chile	Indirect subsidiary	100.00%	100.00%
Vientos Patagónicos SpA.	Chile	Direct subsidiary	66.00%	66.00%

● CHANGES DURING THE 2021 FINANCIAL YEAR

EOP Operaciones Petroleras S.A.

On December 10, 2021, the General Extraordinary and Universal Shareholders' Meeting resolved to increase the capital stock of the company in the amount of MUS\$600, leaving the subscribed capital at MUS\$7,186. The subscription and payment of the new shares was made pro rata to the shareholding of each shareholder. Thus, MUS\$594 was subscribed and paid by Enap Sipetrol S.A. (99%), and MUS\$6 by Enap Refinerías S.A. (1%). This does not generate accounting effects at group level.

Enap Sipetrol Argentina S.A.

On June 3, 2021, according to the Minutes of the Unanimous Ordinary and Extraordinary General Shareholders' Meeting No. 39, the capital stock was increased through the decision of the shareholders to contribute and capitalize the credits that the shareholders had with the Company. ENAP contributed the total amount of its credit in dollars amounting to MUS\$ 36,354 and Enap Sipetrol S.A. contributed the total amount of its credit in dollars amounting to MUS\$ 10,680. The equity of Enap Sipetrol Argentina S.A. as of May 31, 2021 amounted to MUS\$ 3,220. As a result of the above, the capital reached MUS\$ 50,254, after the capitalization of the credits.

As a result of the capital increase, the shareholding was made up as follows: ENAP with a total of 1,632,003,331 shares representing a 58.7% interest and Enap Sipetrol S.A. with a total of 1,148,240,845 shares equivalent to 41.3%, which did not have any effect on the Group's consolidated financial statements. This does not generate accounting effects at group level. The decision making of this company is carried out by ENAP's Board of Directors.

● CHANGES DURING THE 2020 FINANCIAL YEAR:

EOP Operaciones Petroleras S.A.

There was an agreement at the EOP Operaciones Petroleras S.A company's extraordinary and universal general meeting of shareholders, dated 26 August 2020, to increase the share capital in MUS \$1,200 leaving then a MUS \$6,586 capital. The subscription and new actions payment were carried out pro rata of the social participation of each shareholder. ENAP Sipetrol S.A. (99%) paid MUS \$1,188 and subscribed. ENAP Refinerías S.A. (1%) paid MUS \$12. This does not generate accounting effects at the group level.

Enap Sipetrol Argentina S.A.

At the 36th ENAP Sipetrol Argentina S.A. extraordinary general shareholders' meeting, an increase of M\$ARS 100,000 on capital stock was approved on 22 December 2020. Additionally, there was a 100,000,000 new shares issuance and a M\$ARS 115,019 capital, which are equivalent to 115,019,123 ordinary shares at nominal value with voting rights. The new shares subscription and payment was made through the dividend capitalization of capitalized value. Thus, the ENAP Sipetrol S.A. (99.5%) shareholding amounted 14,953,977 shares, which added 99,500,000 more, totaling 114,453,977 shares. 75,146 of ENAP's shares (0.5%) added 500,000, totaling 575,146 shares. This does not generate accounting effects at the group level.

ii) Joint operation:

A joint operation is an arrangement through which the parties who have joint control of the arrangement have rights to the assets and obligations regarding the liabilities related to the agreement.

The Group as a joint operator shall be recognized in relation to its participation in a joint operation:

- (i) Assets, including interest in assets held jointly;
- (ii) Liabilities, including share of jointly incurred liabilities;
- (iii) Income from sale ordinary activities from its participation in the product that arises from joint operation;
- (iv) Revenue share in ordinary activities from product sale of the that arises from joint operation;
- (v) Expenses, including jointly incurred expenses share.

Details in Note 17 of "Participation in joint operations".

c. Functional currency - ENAP's Group functional and presentation currency is the US dollar.The functional currency, US dollar, of each entity of the ENAP group of the main economic environment in which it operates. Transactions carried out in other than the functional currency have been converted at the current exchange rate at the date of the transaction.

Net equity is kept at the historical exchange rate on the date of its acquisition or input. Conversion adjustments will be included in other comprehensive results.

d. Foreign currency exchange rates - Assets and liabilities in Chilean pesos, in development units (UF) and other currencies have been converted into dollars at the current exchange rates on the date of these financial statements, in accordance with the following detail:

	31.12.2021	31.12.2020
	US\$	US\$
Chilean pesos	844.69	710.95
Argentinian pesos	102.76	84.14
Egyptian pound	15.70	15.72
Development units (UF)	0.03	0.02
EURO	0.88	0.81

e. Compensation of balances and transactions - As a general rule in financial statements,assets and liabilities, or income and expenses, are not offset, except in those cases where that compensation is required or permitted by IFRS standards and that this shows a reflection of management's intentions.

Income or expenses arising from transactions that, contractually or by a legal imperative, contemplate a compensation possibility which is intended to liquidate its net amount or to realize the asset and proceed simultaneously to the liability's payment. Comprehensive income and financial position consolidated statement nets are presented.

The following item offsets have been carried out at balances level in financial position statements:

— Current tax assets and liabilities are presented in net amount at the subsidiary level, as it has a legally applicable right to offset current tax assets with current tax liabilities, when they are related to taxes issued by the same tax authority. This allows the entity to settle or receive a single net payment.

Therefore, deferred tax assets and liabilities are only offset if the entity has the legal right to settle the current tax amounts on a net basis and they are collected by the same tax administration, provided that the entity has the applicable legal right to offset the current tax assets with current tax liabilities.

—In the case of derivative instruments of fair value hedging, they are presented net when:(i) their respective contracts establish exchange for offsetting differences, at the time of the operation's settlement (ii) the administration's intention is to settle such differences for the net amount.

f. Foreign currency - Transactions in a currency other than the functional currency are considered 'foreign currency transactions' and are accounted for in their functional currency at the current exchange rate on the date of the transaction. By the end of each month, the current assets balances are valued at the closing month exchange rate.

g. Property, plant and equipment - Property, plant and equipment are presented at cost, excluding periodic maintenance costs, except by the accumulated depreciation and impairment losses.

The cost of property, plant and equipment items comprises their acquisition price plus all directly related costs to the asset location and its set-in motion condition as intended by the management and the initial estimate cost of any dismantling and removing the item or restoring the physical site where it is located.

The financing interest costs, attributable to the acquisition or construction of assets that require a substantial period of time before they are ready for use are considered as the property, plant and equipment cost of the items.

The repair, conservation and maintenance expenses are charged to the yearly income in which they occur. It should be noted that some property, plant and equipment elements at ENAP Group require periodic reviews (major maintenance). The company follows a componentization policy with respect to these items when they meet the criteria for capitalization.

Reserve equipment and spare parts (stand-by) are recognized in accordance with IAS 16 and are depreciated in the related assets estimated useful life.

Capital replacements are recognized in accordance with IAS 16 and are depreciated from the date of use.

Whenever there is an indication that there may be a potential impairment in the value of assets, their recoverable value is compared with their carrying amount. Any record or loss reversal in value which arises as a result of this comparison is recorded with a cost or credit to results as appropriate.

h. Hydrocarbon exploration and production - Hydrocarbon exploration and production operations are recorded in accordance with the standards established in IFRS 6, "Exploration and Evaluation of Mineral Resources".

Hydrocarbon exploration and production disbursements are recorded according to the successful-efforts method. The accounting treatment of different costs incurred under this method is as follows.

- i. The costs arising from the acquisition of new rights or interests in areas with proven and unproven reserves are capitalized under property, plant and equipment,
- ii. The costs arising from the acquisition of interests in exploration areas are capitalized at their purchase price and in the event that no reserves are found, these values previously capitalized are recorded as an expense in income.
- iii. Exploration costs, such as geology and geophysics, associated with the maintenance of unproved reserves and other exploration-related costs are charged to income as incurred.
- iv. Drilling costs incurred in exploratory campaigns, including stratigraphic wells exploration, are capitalized and presented in the Property, Plant and Equipment area. These depend on the determination of whether proven reserves have been found to justify their commercial development. If proven reserves are not found, these initially capitalized costs are charged to income.
- v. Well drilling costs that have resulted in a positive discovery of commercially exploitable reserves are capitalized and presented under the Properties, Plant and Equipment area.
- vi. The costs for future field abandonments and dismantling are calculated, field by field and capitalized at discounted value. This capitalization is carried out with credit to the non-current provisions item.

Capitalized investments according to these criteria are amortized in accordance with the following method:

- Investments corresponding to the acquisition of proven reserves are amortized

over the reservoir’s estimated commercial life based on the production unit method, which considers the year’s production and proven field’s reserves from the beginning of the amortization period.

- Related investments in areas with unproven reserves or in evaluation fields are not amortized. These investments are, at least, analyzed annually. If there is any indication of impairment and if impairment occurs, it is charged on to the results.
- The costs originated in drilling and investments made afterwards for the hydrocarbon reserves development and extraction are amortized using the production units method.

Changes in reserve estimates are taken into account by calculating the prospective amortizations.

i. Depreciation: - Items of property, plant and equipment related to the production process are depreciated by units of production; for hydrocarbon exploration and production activities, depreciation is calculated according to the production unit method (depletion quotas) and those not related to the production process are depreciated using the straight-line method:

	Lifespan
Buildings	30 to 50 year-linear depreciation
Refining plants, facilities and annexes	Production unit
Industrial equipment	Production unit
Information technology equipment and others	4 to 10 year-linear depreciation
Exploration and production investment	Depletion rate
Other property, plants and equipment elements	Production unit

The residual value and the lifespan of property, plant and equipment items are reviewed annually and its depreciation begins when the assets are in use condition.

Premises are registered independently from the buildings or facilities that may be perched on them. They are viewed as having an indefinite lifespan. Therefore, they are not depreciation factors.

If there are any factors indicating impairment, ENAP Group will assess the existence of possible property, plant and equipment assets impairment.

In the event of impairment, ENAP Group determines the “recoverable value” for each unit generating cash, through the methodology of discounting future flows based on a real discount pre-tax rate and projections that consider a 5 year-span perpetuity for the R&C line and a 30 year- without perpetuity horizon for the E&P line

j. Associates: - ENAP Group exerts a significant influence on partner institutions, which consists in the power to intervene in the associate’s financial and operating policy decisions without actually having control nor joint control over these policies. The evaluation is carried out considering the significant influence exercised through ENAP Refinerías S.A.

An associate’s results, assets and liabilities are incorporated in these financial statements through the equity method. Under this method, associates’ investments are recorded initially at cost in the consolidated financial statements, and are subsequently adjusted based on the associate’s results portion that corresponding to the Group, except by any impairment in the value of individual investments.

When ENAP’s associate or joint venture participation in the losses exceeds its participation in these, the entity will stop recognizing its participation in the additional losses. An associate or joint venture’s participation will be the associate’s amount in investment books or will be determined according to the equity method, along with any long-term interests that are essentially part of the entity’s net investment in the associate.

An investment shall be accounted by using the equity method since the date on which becomes an associate. At the time of the investment’s acquisition, any difference between the cost of the investment and the entity’s share of the identifiable assets and

liabilities' net fair value of the investee will be accounted for as gain and will be included in the investment's carrying amount.

When the Company reduces its share in an associate, and continues to use the equity method, the effects that had been previously recognized in other comprehensive results items should be reclassified as profit or loss according to a decrease proportion in participation of the aforementioned associate.

k. Non-financial assets impairment – ENAP Group assesses whether there is any indication that the assets have suffered an impairment loss before the end of the year. In the event that there is any indication of impairment, an estimate of the recoverable asset amount is made to determine its amount, when appropriate. When a consistent and reasonable allocation base can be identified, corporate assets are included in a separate cash-generating unit. Otherwise, these are allocated to the smallest group within a cash-generating unit for which a consistent and reasonable basis of allocation must be identified.

An asset's recoverable value is the highest between the fair value less the cost necessary for its sale and value in use. When evaluating value in use, the estimated future cash flows are discounted using a pre-tax interest rate that reflects current market valuations trends regarding the time value of money and risks that are specific to the asset, for which the estimated future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is less than the carrying amount, this is reduced to its recoverable amount. Impairment losses are recognized immediately in the results.

When an impairment loss is subsequently reversed, the carrying amount of the asset or CGU is increased to a revised estimate of the recoverable amount. This increase in the carrying amount does not exceed the determined carrying amount if an impairment loss had never been recognized for the assets or CGU in previous years. An impairment losses-reversal is recognized immediately in results.

l. Financial instruments – Financial assets and liabilities are recognized when the Group becomes a part in the instrument's contractual clauses.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and liabilities (other than financial assets and liabilities at fair value through changes in profit or loss) are added or deducted from the fair value of financial assets and liabilities statements, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value with changes in results are immediately recognized in results.

i. Financial assets

All conventional purchases or financial assets sales are recognized and discharged on the date of hire. Conventional purchases or financial asset sales are purchases or sales under agreement that require assets delivery during a period that is generally regulated or arises from a convention established in the corresponding market.

All recognized financial assets are subsequently measured in their entirety, either at amortized cost or fair value, depending on the classification of financial assets.

Classification of financial assets

This is the classification of financial assets:

- Debt instruments that are held within a business model whose objective is to obtain contractual cash flows, and
- The contractual conditions of the financial asset give rise, on specified dates, to cash flows that are only the principal and interest payments on the main pending amount.

Financial assets that meet the following conditions are subsequently measured at fair value with changes in other comprehensive income (VRCCORI):

- The financial asset is kept within a business model. Its objective is achieved by obtaining contractual cash flows and selling financial assets; and
- The contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the amount of the main pending.

All other financial assets that do not meet these conditions are subsequently measured at fair value through profit or loss (VRCCR). However, the Group may take the following irrevocable elections/designations at the time of the initial recognition of a financial asset:

- The Group could irrevocably choose to present in other comprehensive income subsequent changes in the fair value of an equity investment that would otherwise be measured at fair value through profit or loss (where applicable);
- The Group could irrevocably designate a financial asset that meets the criteria of amortized cost or VRCCORI criteria as measured at VRCCR if doing so eliminates or significantly reduces an inconsistency in measurement or recognition.

Amortized cost and effective interest method

The effective interest method is used to calculate the amortized cost of financial assets and for the distribution of interest income throughout of the corresponding period.

For financial instruments other than those with purchased or originated credit value impairment, the effective interest rate is the one that exactly discounts estimated future cash receipts (including all fees and basic points of interest, paid or received by the parties in the contract, which include the effective interest rate, transaction costs and any other premiums or discounts) excluding expected credit losses, during the expected life of the financial asset, or when appropriate, a shorter period, regarding the gross carrying amount of a financial asset at the time of initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is

measured at initial recognition, minus principal repayments and plus the accumulated amortization, using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of the financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for financial assets subsequently measured at amortized cost.

Interest income is recognized in the income statement and is included in the "financial income" line.

Equity instruments designated to be measured at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments be measured on FVTOCI. The FVTOCI designation is not allowed, if the equity instrument is held for trading or if it is a recognized contingent consideration by an acquirer in a business combination to which IFRS 3 applies.

A financial asset is held for trading if:

- It is bought or incurred mainly with the aim of selling it in the near future; or
- In its initial recognition it is part of a portfolio of identified financial instruments, which is jointly managed by the Group and for which shows evidence of a recent actual pattern of short-term profit making; or
- It is a derivative (except for derivatives that are a financial guarantee contract or have been designated as an effective hedging instrument).

Investments in equity instruments measured at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value recognizing gains and losses arising from changes in fair value in other comprehensive income and accumulated in the "Reserve for gains and losses on assets financial assets measured at fair value with changes in other comprehensive income" in equity. The collected profit or loss will not be reclassified to the results at the time of the equity instruments sale, instead it will be transferred to equity.

Dividends on these investments in equity instruments are recognized in results when the Group is entitled to receive the dividend. It is possible for the Group to receive the associated economic benefits and the dividend amount may be reliably measured, unless the dividend clearly represents an investment cost recovery. Dividends are included in "other income" in the results statement.

Financial instruments measured at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria to be measured at amortized cost or at FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified to be measured at FVTPL, unless the Group designates an equity instrument that is not held for negotiate or contingent consideration arising from a business combination to be measured at FVTOCI, on its initial recognition.
- Financial assets that have been irrevocably designated as measured to the FVTPL, at the time of initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, the measurement of assets or liabilities or the recognition of earnings and losses thereof on different bases.

Financial assets designated as FVTPL, are measured at fair value at closing of each reporting period, with any gains or losses at fair value recognized in results to the ex-

tent that they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the "financial income" line.

Gains and losses due to exchange variations

The carrying amount of financial assets that are denominated in a foreign currency is converted at the closing exchange rate of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a coverage relation, exchange differences are recognized in profit or loss under "Differences exchange";
- For financial assets measured at FVTOCI that are not part of a hedging relationship, exchange differences on the amortized cost of the financial instrument will be recognized as gain or loss in the line item "Exchange differences". Other exchange differences are recognized in other comprehensive income in the "Reserve for gains and losses on financial assets measured at fair value through other comprehensive income";
- In the case of financial assets measured at fair value through profit or loss, which are not part of a designated hedging relationship, exchange differences are recognized in profit or loss under "Exchange differences".

ii. Financial assets impairment

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the related financial asset. The ECL over the life of the asset represents the expected credit losses that will result from all possible non-payment events over the expected life of a financial instrument.

In contrast, the expected ECL in the next twelve months will represent the portion of the ECL during the expected asset life which is expected to result from default events on a financial instrument within 12 months after the reporting date.

An impairment loss is not recognized for investments in equity instruments.

The Group always recognizes ECL during the asset's lifetime for commercial accounts receivable, various debtors and other debtors. Commercial accounts receivable, various debtors and other debtors qualify for the simplified method considering that they do not contain a significant financing component. Expected credit losses in these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. This is adjusted for factors that are specific to debtors, general economic conditions and the assessment of both the current, as well as the budgeted direction of conditions on the date of report, including time value of money when appropriate.

Non-compliance definition

The following are constituted as non-compliance events for internal credit risk management purposes, according to the Group, given that historical experience indicates that accounts receivable that meet any of the following criteria are generally non-recoverable.

- When there is a financial restriction breach of the counterpart; or
- The internally developed information or obtained from external sources indicate that the debtor is unlikely to pay their creditors in full, including the Group (without taking into consideration any guarantee maintained by the Group).

Regardless of the foregoing analysis, when a financial asset is overdue for more than 90 days, the Group considers that there has been a default, unless that the Group has reasonable and supportable information to demonstrate that a more isolated non-compliance criterion is more appropriate.

Credit impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on estimated future cash flows of that financial asset have occurred. Evidence

that a financial asset is credit-impaired include observable information about the following events:

- a) Significant financial difficulties of the issuer or debtor;
- b) A breach of contract, such as a default or a default event
- c) For related economic or contractual reasons with financial difficulties of the debtor, their creditor has granted them concessions or advantages that would have not been provided in other circumstances;
- d) It is possible that the debtor will go into bankruptcy or other form of financial reorganization; or
- e) An active market disappearance for the financial asset in question, due to financial difficulties.

Write-off policy

When there is information indicating that the counterparty is in severe financial distress and there is no realistic prospect of recovery, the Group writes off a financial asset. For example, when the counterparty has been put into liquidation or has entered bankruptcy proceedings, or in the case of trade accounts receivable, when amounts have been overdue for more than two years, whichever comes first. The written-off financial assets could still be subject to compliance activities under the Group's recovery procedures, taking legal advice, when appropriate, into consideration. Any recovery made is recognized as income.

Measurement and recognition of expected credit loss

The expected credit loss for financial assets is estimated as the difference among the Group's contractual cash flows in accordance with the contract and all the cash flows that the Group is expecting to receive, discounted at the original effective interest rate.

The Group recognizes an impairment in gain or loss (or adjustments thereto) for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for financial instruments which are measured at

FVTOCI, for which the value correction is recognized in other comprehensive income and collected in the "Reserve for gains and losses on financial assets measured at fair value with changes in other comprehensive income", and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

A financial asset is only derecognized by the Group when the contractual rights of the financial asset expire on cash flows, or when financial assets and substantially all the risks and benefits inherent in owning the asset are transferred to a third party. If the Group neither transfers or retains substantially all the risks and benefits inherent to ownership and continues to control the transferred asset, it recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and benefits inherent to the ownership of a transferred financial asset, it continues to recognize the financial asset and it also recognizes a liability for the resources received.

When derecognizing a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and to be received is recognized in the results. When derecognizing a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and to be received is recognized in the results. Additionally, when canceling an investment in a debt instrument classified to FVTOCI, the previously accumulated gain or loss in the "Reserve of gains and losses on financial assets measured at fair value with changes in other comprehensive income" is reclassified to results.

On the contrary, when derecognizing an investment in an equity instrument which has been chosen by the Group in the initial recognition to measure it at FVTOCI, the previously accumulated profit or loss in the "Reserve of profit and loss on financial assets measured at fair value in other comprehensive income" is not reclassified as income, but is transferred to retained income.

iii. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as financial liabilities or as equity, in accordance with the substance of the contractual arrangement and the definitions of financial liabilities and equity instruments.

Equity instruments

An equity instrument is any contract that evidences a residual interest on an entity's assets after deducting all of its liabilities. Equity instruments issued by any entities in the Group are recognized by the amounts received, direct net issuance costs.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or FVTPL (fair value through profit or loss).

Financial liabilities measured at FVTPL

Financial liabilities are classified as FVTPL when the financial liability is: (i) a contingent consideration by the acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as FVTPL.

A financial liability is classified as held for trading if:

- It has been acquired mainly with the aim of reselling it in the near future; or
- It is part of a portfolio of financial identified instruments in its initial recognition, which the Group manages jointly and for which has recent evidence of an actual pattern of short-term profit-making; or

- It is a derivative, except derivatives that have been made financial guarantee contracts or have been designated as an effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent acquirer's consideration as part of a business combination may be designated as FVTPL upon initial recognition if:

- Such a designation eliminates or significantly reduces any inconsistency in measurements or recognition that would otherwise arise; or
- The financial liability is part of a group of financial assets or financial liabilities or both, which is managed and evaluated based on its fair value basis, according to the Group's documented investment or risk management strategy, and the internally provided information about that group, based on its fair value; or
- It is part of a contract that contains one or more embedded derivative instruments, and IFRS 9 allows the entire contract to be designated as FVTPL.

Financial liabilities to FVTPL are recorded at fair value, recognizing any gain or loss arising from changes in fair value in the income statement to the extent that they are not part of a designated hedging relationship. The net profit or loss recognized in the results include any interest obtained on the financial liability and it is included in the 'financial income/costs' line statement.

However, for financial liabilities designated as FVTPL, the change amount in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the changes effects in the liability's credit risk on other comprehensive income created or increased an accounting asymmetry in results. The remaining amount of change in the liability's fair value is recognized in profit or loss. Changes in value reasonable attributable to the credit risk of a financial liability, which are recognized in other comprehensive income that is not subsequently reclassified as income. They are transferred to retained earnings once the financial liability is written-off.

The gains or losses on financial guarantee contracts or loans commitments issued by the Group that are designated by it to be measured by FVTPL and are recognized in the results.

Exchange variation gains and losses

Financial liabilities that are not (1) an acquirer's contingent consideration in a business combination; (2) held for trading; or (3) designated as FVTPL and are subsequently measured at amortized cost using the effective interest method.

The effective interest method is used to calculate the amortized cost of a financial liability and for the distribution of interest expense throughout the corresponding period. The effective interest rate discounts exactly the estimated payments future cash flows (including all fees and interest points,

paid or received, which include the effective interest rate, transaction costs and any other premiums or discounts) during the financial liability lifespan, or when a shorter period is appropriate at the amortized cost of a financial liability.

Exchange variation gains and losses

The gains and losses for exchange differences are determined based on the amortized cost of the instrument, for financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period. These exchange differences gains or losses are recognized in the results, in the "Exchange differences" line for financial liabilities that are not part of a designated hedging relationship.

The financial liabilities fair value is determined in a foreign currency and are converted at the closing exchange rate of each reporting period. For financial liabilities that are measured as FVTPL, the component of exchange difference is part of fair value gains or losses and is recognized in the results for financial liabilities that are not part of a hedging relationship.

Financial liabilities derecognition

The Group derecognizes financial liabilities only if the Group's obligations are met, canceled or have expired. The difference between the carrying amount of the financial liability derecognition and the consideration paid and payable is recognized, including any transferred assets different from cash or liability assumed, is recognized in profit or loss.

iv. Derivative financial instruments

The Group uses a variety of derivative financial instruments to manage its volatility risks in interest and exchange rates, including foreign currency forward contracts and interest rate swaps. A more detailed explanation about the derivative financial instrument is included in the "Financial liabilities" line.

Derivatives are initially recognized at fair value on the date derivative contracts are subscribed, and are subsequently remeasured at fair value by the end of each reporting period. The resulting gain or loss is recognized immediately in profit or loss, unless the derivative is designated and effective as a hedging instrument, in which case the timing of recognition in income will depend on the nature of the hedging relationship.

Embedded derivatives

Derivatives embedded in host contracts that are not financial assets within of the IFRS 9 scope are treated as separate derivatives when they meet the definition of a derivative, its risks and characteristics are not closely related to host contracts and these are not measured as FVTPL. Derivatives embedded in hybrid contracts that contain a host within the IFRS 9 scope are not separate. The entire hybrid contract is classified and subsequently measured either at amortized cost or at FVTPL, as appropriate.

v. Hedge accounting

The Group designates certain derivatives as hedging instruments regarding risk exchange rate, interest rate risk and ICE Brent crude commodity risk, either in fair value hedges or cash flow hedges, as appropriate. The exchange rate risk hedging of a firm commitment is accounted for as cash flow hedging.

At the beginning of the hedging relationship, the Group documents the relationship between the hedging instrument and hedged item, as well as risk management objectives and its strategy for conducting various hedging transactions. Additionally, when initiation of hedging and on an ongoing basis, the Group documents whether the hedging is an effective offsetting instrument in fair value or cash flows of the hedged item attributable to the hedged risk, which is when all hedging relations meet the following performance requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not predominate over the changes in value that result from that economic relationship; and
- The hedge ratio is the same as that the one resulting from the amount of the hedged item that the Group currently covers and the amount of the hedging instrument that the entity currently uses to cover that amount of the covered item.

If a hedging relationship no longer meets the hedge effectiveness requirement relative to the coverage ratio, but the risk management remains unchanged, the Group will adjust the hedging ratio of the hedging relationship (this is referred to in IFRS 9 as "rebalancing the hedging relationship") so that it meets the required criteria again.

The Group designates the entire change in the fair value of a forward contract (that is, including the forward elements) as a hedging instrument for all its hedging relationships involving forward contracts.

Fair value hedges - (Time spread swap - Inventory)

Changes in the fair value of hedging instruments are recognized in profit or loss, except when the hedging instrument hedges a designated equity instrument to be measured at FVTOCI, in which case changes in fair value are recognized in other comprehensive income.

The carrying amount of a hedged item (ICE Brent crude commodity risk, which is part of the raw materials and products inventory) is adjusted for

When hedging gains or losses are recognized in profit or loss, they are recognized in the same line as a hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part of it) no longer meets the classification requirements (after rebalancing the hedging relationship, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item that arises from the hedged risk and is amortized in results from that date on.

Cash flow hedges - (Cross currency swap - Exchange rate and interest rate)

The effective portion of changes in the derivatives fair value and other rated hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income and is accumulated in the "Hedge reserve of cash flow" line in equity and limited to the accumulated change in the fair value of the hedged item from the hedge inception. The gain or loss relating to the ineffective portion of the hedging instrument is immediately recognized in profit or loss.

The amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to the results in the years in which the hedged item is recognized in profit or loss, on the same line where the recognized effect of the hedged

item is recorded. However, when a forecasted transaction results in the recognition of a non-financial asset or non-financial liability, the gains or losses in other comprehensive income and accumulated in equity are eliminated from equity and are directly transferred to the initial cost of the non-financial asset or nonfinancial liability. This is not a reclassification adjustment and, therefore, it does not affect other comprehensive results. Additionally, if the Group expects that part or all of the accumulated loss in other comprehensive income will not be recovered in the future, that amount is immediately reclassified to the results.

The Group discontinues hedge accounting only when the hedging relationship (or a part of it) no longer meets the classification requirements (after rebalancing the hedging relationship, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuation is accounted for prospectively. Any gain or loss recognized in other comprehensive income and accumulated in equity until that date remains in equity and is recognized when the forecasted transaction is finally recognized in profit or loss. When the forecasted transaction is no longer expected to occur, the accumulated gain or loss in equity is recognized immediately in the results.

m. Revenue recognition – Revenues are recognized by the ENAP Group, considering the price established in the transaction for the fulfillment of each of the performance obligations. ENAP Group recognizes income when it has been compliant with performance obligations for the transfer of the goods to the client and committed services. The main activities for each business segment are described below, from which the Group generates its main income. For more details see Note 26 on "Business segments".

R&C segment:

The generation of ordinary income in the R&C business line mainly comes from the sale of its refined products. This generally occurs when the client gets control of sold or supplied goods, and there are no pending performance obligations. Refined products sales are made generally under the protection of annual contracts, establishing agreements for both parts including a monthly delivery schedule, operational toler-

ances, and non-compliance fines. In the moment a client gains control, the tank-to-tank deliveries occur: the instant the products pass through the flange at the entrance of the buyer's plant facilities, and in case of deliveries from tank to oil pipelines, on the seller's plant outlet flange. In both cases, the flange is where the product delivery, transfer of title and risk to the client occurs. There are not significant financial components.

G&E segment (incorporated from 2021 to the R&C business line):

The generation of regular income in the G&E business line mainly comes from liquefied natural gas (LNG) sale, through oil pipelines to its industrial and electricity generation clients. This occurs when the client gains control of the products, and there are no non-separable performance obligations pending to be fulfilled. LNG sales are carried out under sales contract protection, which establish agreements for both parties (for example, price; quantity; annual delivery schedule; non-compliance fines). The specific moment a client gains control takes place when the products have been sent to a delivery point, which corresponds to the Quillota reception station for Santiago clients and the reception station in ENAP's Regasification Satellite in Pemuco for clients in the South area. There are no significant financial components.

As of January 1, 2021, the G&E line was incorporated to the R&C segment. See Note 26 to these financial statements.

E&P segment:

The generation of regular income in the E&P business line comes mainly from crude oil and natural gas sale. This occurs when the client gains control of the goods sold or supplied, and there are no non-separable performance obligations pending to be fulfilled. Oil and gas sales are generally made under annual contracts or "spot" sales contracts, which establish agreements for both parties (for example, the calculation of the sale price is usually based on international prices; discounts associated with product quality or "bonuses"; delivery schedule;

fines in case of non-compliance). The client obtains control in the moment when the products are delivered to the indicated place, in accordance with the conditions agreed. Sales through oil pipelines are produced with a measuring unit delivery. Inspectors certify the delivery, in all cases of maritime terminals with the disconnection of the loading hose. There are no significant financial components.

Other operating income:

i) **Dividend income:** Dividends are recognized by the ENAP Group, when the right to receive payment is established.

ii) **Interest income:** Interest is recognized using the interest rate effective method.

n. Inventories –Raw material, work in progress, finished products and materials are initially valued at cost. Subsequently, upon initial recognition, they are valued at the lower realizable net value and cost. ENAP Group uses the first in, first out (FIFO) method as a costing method for products in stock, except for materials for which it uses the Weighted Average Price method. See note 5.3 for more information.

The net realizable value represents the estimate of the sale closing price minus all estimated completion costs and those associated with the marketing, sales and distribution processes.

In the event that the cost of raw material is part of the hedged item of a fair value hedging strategy, the gain or loss associated with the hedged price risk is part of the cost of inventories.

o. Provision for employee benefits: – Costs associated with contractual staff benefits, related to the services provided by workers during the year are charged to the year's income. Actuarial gains and losses are recognized in the "Actuarial reserves in defined benefit plans", within "Other reserves" in equity.

Compensation for years of service to all events arise as a result of collective agreements, signed with workers of the ENAP Group, in which the commitment of the company is established. ENAP Group recognizes the cost of benefits for employees according to actuarial calculations, as required by IAS 19 "Personnel benefits", where considered estimates such as life expectancy, future tenure and nominal future wage increase are considered. To determine this calculation as of 31 December 2021 and 2020, an annual nominal discount rate of 5.37% has been used.

The Company recognizes a liability and an expense associated with the Variable Income System (SRV) that applies to all executives, with the exception of the General Manager. The system is based on a formula that takes the company's annual financial results, areas and levels of fulfillment results achieved by each management. A provision is recognized monthly during the applicable period, these benefits are paid during the first quarter of the following year. Executives have voluntarily resigned to the 2020 benefit.

p. Other provisions and contingent liabilities – Other provisions correspond to legal or assumed current obligations, arising as a result of a past event; its cancellation may result in an outflow of resources, the amount and opportunity can be reliably estimated.

Contingent liabilities related to possible obligations, arising as a result of past events. Their existence needs to be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that are not entirely under the Company's control. It might come from a present obligation, arising as a result of past events, that has not been accountably recognized because it is unlikely that an outflow of resources will be required to settle the obligation to incorporate economic benefits; or because the amount of the obligation cannot be measured reliably.

ENAP Group does not record contingent liabilities except those that derive from onerous contracts, which are recorded as a provision and are reviewed at closing date to reflect the best estimate available at that time.

q. Income tax and deferred taxes – ENAP and its subsidiaries in Chile determine the tax base and calculate income taxes in accordance with the legal current provisions. In the case of foreign affiliates, they present their tax declarations individually, in accordance with the applicable tax regulations in the corresponding countries.

Deferred taxes originated by temporary differences and other events that create differences between the accounting and assets and liabilities tax base, are recorded in accordance with IAS 12 "Income taxes". Current and deferred income tax is recorded in the income statement unless it relates to a recognized item in other comprehensive income (equity) or is the result of a business combination.

The Company does not record deferred taxes on temporary differences arising from investments in subsidiaries and associates, as long as the opportunity in which the temporary differences is controlled by the Company and the temporary difference will not be reversed at a foreseeable time in the future. Otherwise, the corresponding deferred taxes are recognized.

Income tax is recorded in the consolidated income statement or in the net equity of financial position consolidated statement, depending on the nature of the underlying transaction. The differences between the book value of assets and liabilities and their tax base generate, if applicable, deferred asset or liability tax balances which are calculated using tax rates expected to be in force when the assets and liabilities are passed.

The generated variations in the deferred taxes of assets or liabilities during the year are recorded in the consolidated income statement or directly in equity statements of financial position, as appropriate.

The deferred tax assets are recognized only when the Company is expected to dispose of enough future tax benefits to offset temporary differences.

r. Leases – In accordance with IFRS 16 "Leases", the Group measures lease liabilities and right-of-use assets on underlying assets in leases previously classified as operating by

reference to the lease payments for the lease term remainder, by using the asset register option to equal the liability amount allowed by IFRS16: C8 (b); and it also determines the incremental borrowing rate (since the implicit interest rate could not be identified) on the date of initial application, in accordance with the lease term and the nature of the right-of-use asset; the registered right of use assets will incur amortization expenses through the contract period or the asset lifespan at the date of initial application, whichever is shorter.

s. Issued capital – The issued capital is constituted by contributions and/or capitalized profits, authorized through official letters and/or decrees issued by the Ministry of Finance, which constitute the legal obligation that gives rise to its registration.

t. Profit distribution – The profit distribution policy used by ENAP is established through the official letters and/decrees issued by the Ministry of Finance, which constitute the legal obligation that gives rise to its registration.

u. Environment – ENAP's Group accounting policy related to the recognition of environmental commitments establishes that when these are part of an investment project, they are activated as part of the project, and when they are not part of it, they are recognized with a charge to income for the year. In the case of environmental provisions, costs may differ from estimates due to changes in laws and regulations, discovery and analysis of site conditions, as well as variations in sanitation technologies.

v. Business Accounts Payable and Other Accounts Payable – Business Accounts Payable and other accounts payable are initially recognized at fair value and they are subsequently valued at their amortized cost.

w. Cash and cash equivalents – The statement of cash flows includes cash movements made throughout the year, determined by the direct method. In these cash flows statements, the following expressions are used:

— Cash and cash equivalents: ENAP Group considers liquid financial assets, deposits or liquid financial investments, which have an original duration of three months or less and whose risk of change in their value is insignificant, to be cash equivalents.

— Operating activities: These are the activities that constitute the main source of ordinary income for ENAP Group, as well as other that cannot be classified as investment or financing activities.

Interest paid on operating activities corresponds to interest paid to crude oil suppliers.

The "Other payments for operating activities" item includes MUS \$1,697,134 for the specific taxes on fuels payment in the ENAP Refinerías S.A. subsidiary, corresponding to the year ended 31 December 2021, and MUS \$2,192,883 corresponding to the year ended 31 December 2020.

— Investment activities: activities related to the acquisition, disposal or long-term disposal by other means of assets and other investments not included in cash and its equivalents.

— Financing activities: activities that produce variations in the net worth composition and financial liabilities.

Interest paid on financing activities corresponds to interest paid to banks and financial institutions.

Changes in liabilities arising from financing activities are shown in the following reconciliation table:

● 3.2 NEW ACCOUNTING PRONOUNCEMENTS

a) Interpretation and amendments to IFRS have been adopted in these financial statements:

Amendments to IFRS	Mandatory Effective Day
Interest Rate Benchmark Reform - Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	Annual periods beginning on or after 1 January 2021
COVID-Related Rent Concessions - Beyond June 30, 2021 (amendments to IFRS 16)	Annual periods beginning on or after 1 April 2021

The application of these amendments and interpretations have had no significant effect on the amounts reported in these consolidated financial statements, however, it could affect the recording of future transactions or the disclosure required in Phase 2, interest rate reform. In relation to leases, there is no change due to the health contingency for COVID-19.

b) Rules and amendments that have been issued but their effective date is not yet in effect:

New IFRS	Mandatory Effective Day
IFRS 17, Insurance contracts	Annual periods beginning on or after 1 January 2023.
Amendments to IFRS	Mandatory Effective Day
Current and non-current liabilities classification (amendments to IAS 1)	Annual periods beginning on or after 1 January 2023.

Conceptual framework reference (amendments to IFRS 3)	Annual periods beginning on or after 1 January 2022
Property, plant and equipment-Intended use income (amendments to IAS 16)	Annual periods beginning on or after 1 January 2022
Onerous contracts-Contract compliance costs (amendments to IAS 37)	Annual periods beginning on or after 1 January 2022
Annual IFRS norms improvement, 2018-2020 cycle (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	Annual periods beginning on or after 1 January 2022
Disclosure of Accounting Policies (amendments to IAS 8)	Annual periods beginning on or after 1 January 2023
Definition of Accounting Estimates (amendments to IAS 8)	Annual periods beginning on or after 1 January 2023
Deferred Tax related to Assets and Liabilities Arising from a Single Transaction (amendments to IAS 12)	Annual periods beginning on or after 1 January 2023

The Company's management does not anticipate that there will be no significant impact on the consolidated financial statements from the future application of IFRS 17 and additionally, due to the application of the amendments, the effects have not been estimated and will be analyzed during 2022. However, during 2021 and 2020 the company has not carried out this type of operations.

4. FINANCIAL RISK MANAGEMENT AND HEDGING DEFINITION

ENAP Group is exposed to different financial nature risks that may affect significant the economic value of its flows and assets and, consequently, its results, in the normal course of its business and financing activities.

The Company has organization and information systems, managed by the Administration and Corporate Finance Management, which allow risks identification, determination of their magnitude, suggest mitigation measures to the Board, the implementation of these measures and the monitoring of their effectiveness.

A definition of the main risks ENAP Group faces is found below: a characterization and quantification of them, as well as a description of the mitigation measures currently in use by the Company, if applicable.

a) Market risk

The possibility that the fluctuation of market variables such as interest rates, exchange rate, prices or indices of crude oil and products, etc., might produce economic losses due to the devaluation of flows or assets or to the valuation of liabilities, due to the nomination or indexing of these variables.

a.1) Interest rate risk - ENAP Group’s financing structure considers a mix of fixed rate (mainly bonds) and variable rate sources of funds (bilateral loans, syndicated loans, documents payable or forfaiting, short-term bank loans and supplier financing).

The portion of the financing subject to a variable interest rate, usually consisting of 3-or 6-months LIBOR floating rate plus a margin, exposes ENAP Group to changes in its financial expenses in the fluctuations scenario in the LIBOR rate.

ENAP Group total financial debt as of 31 December, 2021 is summarized in the following table, broken down between fixed rate debt and variable rate debt - Pre-Hedge:

In MUSS	Fixed rate	Floating rate	Total
Long-term bank debt	266	195	461
International bonds	3,140	-	3,140
Local bonds	679	-	679
Total	4,084	195	4,280

Note: The data in the attached table corresponds only to the principal value of the debt without including accrued interest and other concepts. International and local bonds are presented at nominal value (face), not at amortized cost as in the balance sheet. Since the interest rate is applied to the nominal value of the bonds, this value allows to correctly quantify the exposure of ENAP Group to the fixed or variable rate, object of this section. Local bonds are denominated in UF and are presented at their equivalent face value in US \$ as of 31 December 2021 after financial derivatives. This table does not include Lease liabilities reported in Note 15.

Risk mitigation instruments:

ENAP Group has contracted several hedging instruments applicable to some of the debt items in the previous table, in order to reduce the variability of its financial expenses.

Residual risk exposure:

Considering the existence of the previously mentioned hedging instruments, ENAP net balance obligations whose financial cost remains subject to the fluctuations in the LIBOR interest rate amounted to MUS \$195,333 which means 4.56% of the total.

Depending on this amount, a 1% increase/decrease in the applicable LIBOR rate (quarterly or semi-annually depending on the type of debt) would generate an annual increase/decrease in the company's financial expenses of approximately MUS \$1,953. Management has reduced the exposure to the LIB rate, leaving at December 31, 2021 a nominal US\$ 195 million exposed to the effects of changes in the reference interest rate, so the financial risk of a possible transition to other reference rates is low, since a change of 100 basis points in what is currently the reference rate would have an effect of US\$ 1.9 million on the consolidated financial cost.

a.2) Exchange rate risk - NAP Group functional currency is the US dollar. However, there are relevant items in financial statements denominated in local currency (pesos or UF), such as sales and financial obligations invoicing. These are exposed to changes in their dollar value in the extent that fluctuations in peso/US \$ and UF/US \$ parity occur.

Mitigation measures:

The exposure of the billing flow to variations in the exchange rate is minimized fundamentally through the product price policy based on the import parity, a mechanism by which the local sales price of products is recalculated weekly according to the current exchange rate.

Regarding the balance sheet items, the main items exposed are local bonds (denominated in UF), a long-term loan in local currency CLP and accounts receivable corresponding to local sales (denominated in pesos). ENAP Group performs hedging operations in order to mitigate the exchange risk associated to these items.

ENAP Group debt capital of local bonds amounts to UF \$18,500,000 as of 31 December 2021 (equivalent to MUS \$678,766 as of 31 December 2021). Based on that amount and the CLP/US \$ and CLP/UF parities in force on that date, a variation of \$50 in the CLP/US\$ exchange rate would produce the following effects on the value of bonds:

Exchange rate		Variation in bond valuation MUS \$
\$50 increase	(\$894,69)	37,933
\$50 decrease	(\$794,69)	(42,706)

In order to mitigate this risk, ENAP Group has closed derivative contracts of the cross-currency type swap, through which the company receives UF flows from its counterparts equal to the flows payable to bondholders. These fixed flows are paid in dollars, as they remain free from the foreign exchange described risk. The notional value amounts to MUS \$678,766.

On the other hand, the balance of accounts receivable corresponding to local sales amounted the equivalent of MUS \$497,679 as of 31 December 2021, which implies a \$50 increase in the exchange rate which would produce a MUS \$27,813 value decrease in the accounts receivable.

In order to minimize this risk, ENAP Group maintains a coverage policy consisting of the weekly closing of forward exchange rate contracts, for a maximum amount equivalent to 100% of the estimated sales for the corresponding week and by terms based on the estimated collection dates of the respective billing.

a.3) Commodity price risk: ENAP Group's Refining & Trading Line consists mainly in the purchase of crude oil in the international market for its refining and subsequent products sale elaborated in the domestic market, in accordance with its import parity pricing policy.

ENAP Group's Refining & Trading Line consists mainly in the purchase of crude oil in the international market for its refining and subsequent products sale elaborated in the domestic market, in accordance with its import parity pricing policy. The refining margin obtained by the Group is affected by the fluctuation of the international prices of crude

oil, refined products and the differential between both (international margin or "crack"). Considering a 66 million bbl. per year refining level average, a variation of US \$1 /bbl in crack would have, ceteris paribus, a MUS \$66,000 effect on results of the period.

ENAP Group has oriented its investments to increase its productive flexibility and the quality of its products, as a central strategy to face the risk of variation in the refining margin. Until now, no financial derivatives have been contracted in order to set the refining margin, but the pricing levels are constantly being monitored by the market.

On the other hand, due to time elapse between the moment of crude oil purchase and the refined products sale, ENAP is also affected to time spread or risk that, at the time of product sale, prices will be below the prevailing price at the time of crude oil purchase. The losses or gains related to this reason increase the volatility of ENAP Group operational results.

ENAP Group imports a 5.5 million bbl. crude oil average approximately, on a monthly basis. A drop of US \$1/bbl in the price of the product during the refining inventory cycle has a MUS \$5,500 immediate effect in the Gross margin.

The hedging policy for mitigating the risk of inventory impairment (crude oil shipments) consists of contracting time-spread swaps, which have the objective of being able to financially shift the pricetaking window of a shipment of crude oil (which is usually on the days that are around the loading date) and adjust it to the dates where the refined products are priced. Thus, inventory costs will be in line with prices of the products to be sold, mitigating in a good way the time spread at which the Company is naturally exposed. However, it is important to mention that these instruments, by their nature and way of operating, are protected against variations in crude oil prices, but they do not guarantee a complete elimination of the effects on results due to volatility in the purchase of raw materials.

Currently, Brent crude is the relevant marker for the market and for products prices of ENAP's reference market, since their prices are directly correlated to this marker price.

For this is the reason, when the trading area assigns crude purchases based on the WTI or DTD Brent, a derivative called "Swap spread" is contracted and whose purpose is to financially transfer a WTI or DTD Brent position to one of ICE Brent and thus maintain the optimization criteria that prevailed at the time of award the purchase of said crude.

On the other hand, the Exploration & Production Line business consists mainly of the activities of hydrocarbon exploration and exploitation of reserves and their sale in the international market. Consequently, its results are directly related with international oil and gas price levels.

In order to mitigate this risk, the Group focuses its efforts on constant operational improvement, in order to maintain an efficient cost structure. The company does not systematically resort on the use of derivatives as a hedging mechanism for its sales of own production, although operations of this type have been performed from time to time.

b) Liquidity risk

This risk arises from required funds to meet capital expenditure commitments and normal business operation, debt maturities, derivative liquidations, etc. The Group maintains a financial policy that establishes the guidelines to face this risk, consisting in long-term committed credit facilities and temporary financial investments, for sufficient amounts of projected needs for a period where debt and capital markets situation and expectations are met.

The Risk Market and Financial Operations Managements and the Corporate Finance Management reporting to the Administration and Finance Management continuously monitor the Group's funding requirements.

In addition to the balance sheet balances, the Group has additional liquidity sources available: (i) a US \$150 million committed credit line with BCI Miami Branch (ii) a CLP \$25,000 million committed credit line with Banco Santander, and (iii) several US \$1,000 million uncommitted bank lines with several national and international banks.

The aforementioned projected needs include debt net financial maturities, i.e., after financial derivatives. The following table shows the capital maturities profile of the ENAP Group's current financial obligations as of 31 December 2021:

MUS \$	2022	2023	2024	2025 [#]	2026	2027 +	Total
Long-term debt	5	366	90	-	-	-	461
International bonds	-	-	600	-	700	1,840	3,140
Local bonds	-	-	-	294	0	385	679
Total	5	366	690	294	700	2,225	4,280

For more details regarding the characteristics and conditions of financial debts and derivatives, see Note on "Financial liabilities".

The following table shows the profile of capital maturities of the ENAP Group's other financial obligations as of 31 December 2021:

MUS \$	2022	2023	2024	2025	2026	2027 +	Total
Commercial accounts payable	965	6	-	-	-	-	971
Related entities account payable	14	-	-	-	-	-	14
Hedging derivatives	26	21	-	37	-	47	131
Total	1,005	27	-	37	-	47	1,116

c) Credit risk

This risk refers to the ability of third parties to meet their financial obligations with ENAP Group. Within the items exposed to this risk, there are 3 mayor categories:

c.1) Financial assets - These are cash and cash equivalent balances, time deposits, operations with repurchase agreements and negotiable securities in general. ENAP Group's ability to recover these funds upon maturity depends on the solvency of the bank in which they are deposited.

To mitigate this risk, ENAP Group has a financial policy that specifies credit quality parameters that financial institutions must meet in order to be able to be considered eligible as depositories of the products indicated above, as well as each institution's maximum concentration limits.

c.2) Obligations of counterparties in derivatives - are ENAP's market values in force of current derivative contracts with banks.

To mitigate this risk, ENAP Group has a derivative-products-managing policy that specify creditworthiness parameters that must be met by financial institutions to be considered eligible as counterparties

c.3) Sales debtors - The risk of uncollectibility of the group's sales debtors is significantly low, since almost all local sales (> 95%) correspond to invoicing to the main fuel distribution or liquefied gas distribution companies.

On the other hand, the incorporation of new clients is subject to the analysis of their financial solvency and approval by ENAP Group's Credit Committee. This committee coordinates the collection actions required in case of late payments.

On 31 December 2021, ENAP Group's total exposure to sales debtors amounted MUS \$631,530 as indicated in the Note on "Trade debtors and other accounts receivable". There are no guarantees for significant amounts to cover such exposure, since as mentioned above, almost all sales correspond to fuel distribution companies or liquefied gas, with which ENAP Group operates on the basis of unsecured credit sales. The estimate of uncollectable debtors as of 31 December amounts to MUS \$6,333.

Information regarding capital management is included in the "Equity" note.

5. ESTIMATES AND CRITICAL ACCOUNTING JUDGMENTS

● RESPONSABILITY FOR THE INFORMATION AND ESTIMATES MADE

ENAP Group Senior Management is responsible for the information contained in these consolidated financial statements.

ENAP Group Management and the consolidated entities have used estimates to quantify some of the assets, liabilities, income, expenses and commitments that appear registered therein.

These estimates have been made based on the best information available on the analyzed facts. However, there is a possibility that events taking place in the future will force its modification (up or down), in accordance with IAS 8, and prospectively recognizing the estimate change effects, if the revision affects only the present period, or in the review period, and future periods if change affects both of them.

In the application of ENAP Group accounting policies, which are described in the "Summary of main accounting policies applied" note 3, the management makes estimations and judgments regarding the future on the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results could differ from these estimates.

Judgments and estimates are necessarily made by the management that have an effect on the figures presented in the financial statements, therefore, changes in these assumptions and estimates could have an effect on the consolidated financial statements. The estimates and critical judgments used by management are detailed below:

1. Impairment of assets – At the end of each year or at a specific intermediate date, if indicators of deterioration are observed, the management will analyze the value of

the assets to determine whether they have suffered any impairment loss. If the case, an estimate of the recoverable value of each asset is made, to determine in each case, the amount of the adjustment. In case of identifiable assets that do not generate independent cash flows, the recovery of the asset's cash generating unit is estimated.

2. Property, plant and equipment lifespan -ENAP Group Management estimates lifespans and based on them the corresponding depreciation charges of property, plant and equipment. This estimate is based on technical studies prepared by internal and external experts. When there are indications that recommend changes in their asset lifespans, this must be done using technical estimates for this purpose. Management will increase the depreciation charge when lifespans are less than the estimate or write off technically abandoned or sold. ENAP Group reviews the estimated useful lives of property, plant and equipment on an annual basis.

3. Provision of obsolescence of materials and spare parts – The materials and spare parts presented under Inventories may be affected by various factors such as technological changes, disuse, environmental exposure, among others, for which the Group makes estimates and judgments in order to determine obsolescence provisions with the best available information. These estimates are periodically reviewed based on additional information and more experience may affect the determined values.

4. Oil and gas reserves - The estimate oil and gas reserves are an integral part of the ENAP Group's decision-making process. The volume of crude oil and gas reserves is used to calculate depreciation, using the production/reserves ratio, as well as for the evaluation of the recoverability of investments in Exploration and Production assets. The determination of crude oil and gas is effected through the appropriate use of geological assessment and petroleum engineering practices and techniques consistent with recognized practices in the industry and in accordance with the definitions established by the PRMS in 2007 (Petroleum Resources Management System). These studies carried out by our experts are annually audited by specialized world-renowned certifying companies.

5. Fair value of derivative instruments and other financial instruments- The fair value of financial instruments not traded in an active market is determined using valuation techniques. ENAP Group uses judgment to select a variety of methods and to make assumptions that are based primarily on the existing market conditions on the balance sheet date. In the case of derivative financial instruments, the assumptions made are based on the adjusted quoted market rates due to the specific characteristics of the instrument. Other financial instruments are valued using a discounted cash flow analysis based on supported assumptions, by observed market prices or rates when possible.

6. Provisions for litigation and other contingencies - The final cost for claims and lawsuits may vary due to estimates based on different norm interpretations, opinions and final evaluations of the amount of damages. Therefore, any variation in circumstances related to these types of contingencies could have a significant effect on the amount of the provision recorded.

7. Provisions for environmental remediation - ENAP Group files lawsuits and estimates ENAP Group files lawsuits and estimates when recording costs and establishing provisions for write-offs and environmental remediation, mainly pit remediation, which are based on current information regarding costs and expected remediation plans, timing of actual disbursement, interest rate to discount future cash flows, among others, in order to determine their fair value. Environmental costs may differ from estimates due to changes in laws and regulations, discovery and analysis of site conditions, as well as to variations in sanitation technologies. Therefore, any modification in the factors or circumstances related to this type of provision, as well as in the rules and regulations, could have a significant effect on the recorded provisions as a consequence.

8. Calculation of income tax and deferred tax assets- Tax assets and liabilities are reviewed periodically and balances are adjusted as appropriate. ENAP Group considers that an adequate provision has been made for future tax effects, based on the facts, circumstances and tax laws in force. Also, the tax losses for amortization of Chilean companies as of the date of these consolidated financial statements have been esti-

mated as fully recoverable by management. However, the tax position might change, causing different results that would impact amounts reported in the consolidated financial statements

6. EFECTIVO Y EQUIVALENTES AL EFECTIVO

This item's composition as of 31 December 2021 and 2020 is as follows:

Detail	31.12.2021	31.12.2020
	MUS\$	MUS\$
Checkout	67	64
Bank	130,146	38,725
Time deposits	50,579	44,930
Total	180,792	83,719

Cash and cash equivalents details are as follows:

Details	Currency	31.12.2021	31.12.2020
		MUS\$	MUS\$
Cash and cash equivalents	USD	116,003	32,211
Cash and cash equivalents	CLP	11,159	32,734
Cash and cash equivalents	ARS	43,102	3,492
Cash and cash equivalents	EGP	10,528	15,282

Time deposits have a maturity term of less than three months from their date of acquisition and accrue market interest for this type of investment. There are no restrictions on the disposition of cash. As of 31 December 2021, there are no bank overdrafts registered (MUS \$27,666 as of December 2020).

7. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

As of 31 December 2021 and 2020, details are as follows:

Details:		Current		Non-Current	
		31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Hedging derivatives	(a)	295	370	-	27,194
Investment in other companies	(b)	-	-	12,570	12,570
Total		295	370	12,570	39,764

(a) See detail in Note 20 a) "Hedging derivatives".

(b) Investment details for other companies as of 31 December 2021 and 2020 are as follows:

Details	Country of origin	Participation		31.12.2021 MUS\$	31.12.2020 MUS\$
		2021 %	2020 %		
Terminales Marítimos Patagónicos S.A.	Argentina	13.79	13.79	7,664	7,664
Electrogas S.A.	Chile	15.00	15.00	4,901	4,901
Asociación Gremial de Industrias Químicas C.P.A.	Chile	N/A	N/A	5	5
Total				12,570	12,570

The ENAP Group classifies its financial assets in the following categories as of December 31, 2021 and 2020:

	Current		Non-current	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Other financial assets				
Financial assets at fair value through profit or loss				
Hedging	295	370	-	27,194
Total	295	370	12,570	39,764

8. OTHER NON-FINANCIAL CURRENT AND NON-CURRENT ASSETS

As of 31 December 2021 and 2020, details are as follows:

Details:	Current		Non-current	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Prepaid vessel lease	5,173	5,189	-	-
Prepaid expenses of Torquemada Substation	582	582	485	1,066
Prepaid insurance	14,950	13,782	-	-
Deferred staff expenses(2)	10,375	7,837	25,298	28,109
Platinum in catalysts (1)	-	-	32,754	32,754
Other	2,829	3,412	-	-
Total	33,909	30,802	58,537	61,929

(1) Corresponds to the platinum extracted from the catalysts used and which can be reused.

(2) Bonds established in collective agreements and amortized over the term of the agreement, generally 36 months.

9. TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE

As of 31 December 2021 and 2020, details are as follows:

Details:	Current		Non current	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Trade debtors	631,530	519,330	-	-
Sundry debtors	37,664	40,676	68	70
Other receivables	11,645	16,634	7,410	9,401
Allowance for doubtful accounts	(6,362)	(6,259)	-	-
Total	674,477	570,381	7,478	9,471

The fair values of sale, sundry and other debtors are similar to their book values.

As of December 31, 2021 and 2020 there are accounts outstanding for MUS\$ 616,076 and MUS\$ 482,301, respectively.

a) Accounts receivable due and not impaired, in force: The following is a detail of the validity of accounts receivable due, but not impaired.

	31.12.2021 MUS\$	31.12.2020 MUS\$
Over 1 day to 5 days	16,181	1,746
Over 6 days to 30 days	15,137	28,241
Over 31 days to 60 days	5,502	4,281
Over 61 days to 90 days	4,425	6,166
Over 91 days to 1 year	2,855	38,154
Over 1 year	14,301	9,492
Total	58,401	88,080

Overdue accounts and unimpaired balances included in this item accrue interest, which are calculated using the maximum conventional rate published in the Official Newsletter.

As of 31 December 2021 and 2020, the overdue and non-impaired balances of clients in Egypt and Ecuador do not accrue interest.

b) Expected credit loss: The amount of the provision for doubtful accounts as of 31 December 2021 and 2020 is as follows:

	Total Current	
	31.12.2021 MUS\$	31.12.2020 MUS\$
Balance by the beginning of the year	(6,259)	(4,266)
(Increase) decrease in provision	(103)	(1,993)
Total	(6,362)	(6,259)

Considering the solvency of the debtors and the historical collection behavior, the Group has estimated that the provision of doubtful accounts as of 31 December 2021 and 2020 is sufficient.

10. BALANCES AND TRANSACTIONS WITH RELATED ENTITIES

Accounts receivable, payable and transactions with related parties as of 31 December 2021 and 2020 are as follows:

a) Current accounts receivable:

ID Number	Company	Country	Relation	Currency	31.12.2021 MUS\$	31.12.2020 MUS\$
61.979.830-9	Ministry of Energy	Chile	Indirect	\$	9,358	39,841
76.418.940-K	GNL Chile S.A.	Chile	Associate	US\$	60,095	57,083
0-E	Casoducto del Pacifico Argentina S.A.	Argentina	Associate	US\$	1,944	992
96.861.390-1	Innergy Soluciones Energéticas S.A.	Chile	Associate	US\$	477	702
81.095.400-0	Sociedad Nacional de Oleoductos S.A.	Chile	Associate	US\$	580	785
Total					72,454	99,403

b) Current accounts payable:

ID Number	Company	Country	Relation	Currency	31.12.2021	31.12.2020
					MUS\$	MUS\$
81.095.400-0	Sociedad Nacional de Oleoductos S.A.	Chile	Associate	\$	2,099	1,783
76.418.940-K	GNL Chile S.A.	Chile	Associate	US\$	11,200	5,612
96.655.490-8	Oleoducto Trasandino (Chile) S.A.	Chile	Associate	US\$	355	274
	Other			US\$	102	105
Total					13,756	7,774

Balances receivable and payable to current related companies at the end of each year originate mainly from consolidated business line transactions. They are agreed in Chilean pesos and dollars, their collection and/or payment terms do not exceed 60 days, and in general they do not have readjustment or interest clauses.

c) Transaction with related companies:

					Income effect			
					01.01.2021	01.01.2020	01.01.2021	01.01.2020
IDNumber	Company	Country	Relation	Transaction description	31.12.2021	31.12.2020	31.12.2021	31.12.2020
					MUS\$	MUS\$	MUS\$	MUS\$
76.418.940-K	GNL Chile S.A.	Chile	Associate	Natural gas purchase	457,326	229,972	(457,326)	(229,972)
				Advances on gas purchase	69,910	27,184	-	-
				Dividend received	1,370	-	-	-
				Dividend accrued	-	867	-	-
78.889.940-8	Norgas S.A.	Chile	Associate	Dividend received	121	205	-	-
81.095.400-0	Sociedad Nacional de Oleoducto S.A.	Chile	Associate	Purchase of services	37,804	33,491	(37,804)	(33,491)
				Dividend received	2,818	2,398	-	-
				Dividend accrued	-	785	-	-
96.856.650-4	Innergy Holding S.A.	Chile	Associate	Purchase of services	4,820	4,864	(4,820)	(4,864)
				Product sales	8,651	5,059	2,824	184
				Capital decrease	1,500	3,125	-	-
96.856.700-4	Innergy Transportes S.A.	Chile	Associate	Plant Operation	1,320	1,189	(1,320)	(1,189)
76.788.080-4	GNL Quintero S.A.	Chile	Associate	Dividend received	13,589	12,711	-	-
96.655.490-8	Oleoducto Trasandino (Chile) S.A.	Chile	Associate	Purchase of services	4,654	3,763	(4,654)	(3,63)
96.762.250-8	Gasoducto del Pacifico Chile S.A.	Chile	Associate	Dividend received	-	1,058	-	-
				Capital decrease	250	-	-	-
0-E	Gasoducto del Pacifico Argentina S.A.	Argentina	Associate	Dividends accrued	-	992	-	-
61.979.830-9	Ministerio de Energia	Chile	Indirect	Gas subsidy	73,161	73,501	73,161	73,501

d) Remuneration paid to the Honorable Board of Directors

Current Board of Directors			01.01.2021 31.12.2021	01.01.2020 31.12.2020
Name	ID Number	Position	MUS\$	MUS\$
Fernando Massú Tare	6.783.826-2	President	76	61
Rodrigo Cristóbal Azócar Hidalgo	6.444.699-1	Director	55	49
Ana Beatriz Holgué Barros	5.717.729-2	Director	50	52
José Luis Mardones Santander	5.201.915-K	Director	64	57
Marcos Mauricio Varas Alvarado	10.409.044-3	Director	53	54
Consuelo Raby Guarda	11.703.205-1	Director	45	-
Rodrigo Manubens Molledo	6.575.050-3	Director	50	-
Total			393	273

Former directors			01.01.2021 31.12.2021	01.01.2020 31.12.2020
Name	ID Number	Position	MUS\$	MUS\$
Maria Loreto Silva Rojas	8.649.929-0	President	-	15
Claudio Fernando Skarmeta Magri	5.596.891-8	Director	-	32
Subtotal			-	47
Total			393	320

The members of ENAP's Board of Directors are also members of the Boards of Directors of Enap Refinerías S.A. and Enap Sipetrol S.A.. The information presented in the table above includes the consolidated remunerations of ENAP and those subsidiaries.

On June 26, 2020, the President of the Board of Directors submitted her resignation. In her place, Mr. Fernando Massú Tare took over on an interim basis until January 20, 2021, date on which the President of the Republic, Mr. Sebastián Piñera appointed him as Chairman of ENAP's Board of Directors.

The remuneration of the members of Board of Directors is not related to the Company's results.

Key Management Personnel The gross remuneration of the executive staff accrued and paid during the 2021 financial year, amount MUS \$1,936 and considers the main executive positions in the Group, while the gross remuneration paid in fiscal year 2020 amounted TMUS \$2,367. The positions considered in the reported amounts correspond to those executives who have the authority and responsibility to plan, direct, and control the entity activities.

The Company has accrued obligations to senior executives for long-term benefits of MUS\$813 as of December 31, 2021 (MUS\$1,003 as of December 31, 2020).

At an extraordinary Board meeting held on December 13, 2021, Mr. Andrés Roccatagliata Orsini submitted his resignation as General Manager, effective February 28, 2022.

Incentive plans for executives - The Group has a Variable Remuneration System (SRV) that applies to all its executives, with the exception of the General Manager. A provision is recorded monthly for the estimated amount for the current year; these benefits are paid during the first quarter of the following year.

Its purpose is to encourage the addition of value to the ENAP Group, improving team work and individual performance. The factors considered to determine the incentive are the following:

- Annual financial results of the company;
- Area and level of fulfillment results of goals reached by each management area.
- Individual performance results.

Within the framework of cost containment measures, the Company executives have voluntarily waived this benefit during 2020.

11. INVENTORIES

As of 31 December 2021 and 2020, details are as follows:

Details	31.12.2021 MUS\$	31.12.2020 MUS\$
Crude oil in inventories	409,279	207,020
Crude oil transit	23,256	6,801
Finished products	551,399	372,453
Products in transit	36,132	18,196
Material in warehouse and transit	11,895	6,574
Total	1,031,961	611,044

As indicated in Note 3, the Company takes hedging instruments (Time Spread Swap - TSS) to cover the ICE Brent crude commodity risk, which is part of the inventory of raw materials and products. In this way, the ICE Brent crude that is part of the inventory is adjusted to its fair value on the date of each monthly closing. As for 31 December 2021, the accrued effects associated with the hedged item (stock of crude oil in inventory) of the fair value hedging instruments recognized in the accounting as part of the cost of crude oil inventory for MUS \$7,986 and finished products for MUS \$8,872 (as of 31 December 2020 for MUS \$ \$12,137 and MUS \$40,474, respectively).

Additional inventory information:

	01.01.2021 31.12.2021 MUS\$	01.01.2020 31.12.2020 MUS\$
Amount of adjustment to inventories fair value	(35,753)	11,767
Inventory costs recognized in the year	(6,489,988)	(4,110,942)

ENAP Group does not present inventories pledged in debt compliance guarantees as of 31 December 2021 and 2020.

12. CURRENT, DEFERRED TAXES AND PROFIT (EXPENSE) FOR INCOME TAX

a) Current tax assets and liabilities: The detail of current taxes as of 31 December 2021 and 2020 is as follows:

	31.12.2021 MUS\$	31.12.2020 MUS\$
Current tax assets:		
VAT Fiscal credit	39,953	65,578
Foreign Recoverable tax	6,362	4,258
Specific tax on fuel	-	1,019
Recoverable customs taxes	11,131	-
Provisional payments for absorbed profits	8,220	-
Other recoverable taxes	12,195	3,900
Total	77,861	74,755
Current tax liabilities		
VAT Fiscal credit	4,901	6,048
Specific tax on fuel	25,188	75,178
Tax withholding	3,597	2,585
Royalty and exploitation rights	5,520	6,078
Net income tax payable	25,683	14,070
Other taxes	2,059	1,297
Total	66,948	105,256

b) Deferred tax assets and liabilities: The origin of the deferred taxes recorded as of 31 December 2021 and 2020 is as follows:

	31.12.2021		31.12.2020	
	Assets MUS\$	Liabilities MUS\$	Assets MUS\$	Liabilities MUS\$
Time difference:				
Related to tax loss	1,465,452	-	1,462,347	-
Related to impairment	-	-	36,548	-
Related to net realizable value of inventories	4,215	-	-	13,153
Related to other provisions	28,635	-	24,042	-
Related to property, plant and equipment	98,020	131,300	99,963	164,972
Related to right of use	-	38,051	-	46,226
Related to leasing liabilities	42,866	-	51,339	-
Related to deferred expenses	-	74,233	-	79,931
Related to obligations for severance benefits	-	852	-	1,139
Related to others	2,490	-	2,113	-
Total	1,641,678	244,436	1,676,352	305,421

On the balance sheet, deferred taxes are presented as follows:

Time difference	31.12.2021		31.12.2020	
	Assets MUS\$	Liabilities MUS\$	Assets MUS\$	Liabilities MUS\$
Presentation of deferred taxes in consolidated financial statements	1,463,917	66,675	1,406,710	35,779

Changes in deferred tax net assets	31.12.2021 MUS\$	31.12.2020 MUS\$
Amount recognized in income of the year	(34,993)	113,970
Amount recognized in other comprehensive income	59,500	7,815
Amount recognized in retained earnings	1,925	-
Amount in other items	1,804	1,869
Changes in deferred taxes assets and liabilities	26,311	123,654

c) Profit (expense) for current taxes

All ENAP Group companies individually present their tax returns, in accordance with the applicable tax regulations in each country.

The (Expense) tax and deferred income for the fiscal year ended on 31 December 2021 and 2020 is as follows:

	01.01.2021 31.12.2021	01.01.2020 31.12.2020
	MUS\$	MUS\$
Profit (expense) for Current Income Tax		
(Expense) current tax	(41,068)	(36,717)
(Expenses) for current taxes, net total	(41,068)	(36,717)
Deferred benefit for taxes related to the creation and reversal of temporary differences	(34,993)	113,970
Benefit for deferred taxes, net total	(34,993)	113,970
Income tax benefit	(76,061)	77,253

d) Reconciliation of Tax Expenses Using the Legal Rate with the Tax Expense Using the Effective Rate:

The reconciliation of the statutory tax rate in Chile to the effective tax rate applicable to the ENAP Group is as follows:

	01.01.2021 31.12.2021	01.01.2020 31.12.2020
	MUS\$	MUS\$
Income for taxes using the legal rate	(46,082)	41,840
Tax effects of rates in other jurisdictions	6,687	3,324
Tax effect of ordinary income, not taxable	-	6,283
Tax effect of change in tax rate	(18,798)	-47,543
Tax decree Law 2398	5,622	(7,840)
Tax effect of subsidiaries and associates' dividends with no credit	(8,935)	(3,608)
Inflation adjustment effect-Argentina	(14,352)	-
Other increase (decrease) in charge of legal taxes	(203)	(10,289)
Adjustments for tax expense using the legal rate, total	(29,979)	35,413
Income (expense) for taxes using the effective tax rate	(76,061)	77,253

Additional Information:

During 2021 and 2020, the rate used in Chile was 25%. Tax rates for other jurisdictions are: Argentina 35% in 2021 and 30% in 20120, Ecuador 25% in 2021 and 2020. Since the Uruguayan subsidiary does not have operations in the country, it is not subjected to tax. In Egypt, the joint operation contract with EGPC grants a tax-free regime for ENAP.

ENAP head office is additionally affected with a 40% rate for a single tax which affects companies of the State of Chile, in accordance with the Decree Law 2,398.

Tax Reform in Argentina

On June 16, 2021, Law 27,630 on Income Tax Reform was published in the Official Gazette of the Argentine Republic. This law established new graduated rates for corporations, based on the accumulated net income, leaving without effect the descending scale of rates that was in force until then, which reduced the rate from 35% to 25% gradually.

On 29 December 2017, Law 27,430 on Income Tax Reform was published in the Official Gazette of the Argentine Republic and became into force the day after its publication. One of the main changes of the Tax Reform was the reduction of the income tax levied rate on undistributed business profits from 35% to 25% as of 1 January 2020, with a transition scheme for the fiscal years beginning on 1 January 2018 and ending on 31 December 2019, in which the rate would be 30%. The Solidarity Law 27.541/2019 incorporated reform establishing a 30% tax rate for the years 2018 to 2021. This will change to 25% from the year 2022 onwards.

Tax Reform in Ecuador

Through the Official Newsletter 111 published on 30 December 2019, Chapter III Article 56, the sole and temporary contribution was established for the companies that carry out economic activities, and that have generated taxable income equal to or greater

than one million United States dollars (USD \$ 1,000,000.00) in fiscal year 2018, will pay a one-time and temporary contribution, for fiscal years 2020, 2021 and 2022, on income, according to the following detail:

- Taxed income from US \$1,000,000.00 to US \$5,000,000.00, contribution of 0.1%
- Taxed income from US \$5,000,000.01 to US \$10,000,000.00, contribution of 0.15%
- Taxed income from US \$10,000,000.01 onwards, contribution of 0.20%

This contribution may not be used as a tax credit or as a deductible expense for other taxes determination of the settlement during the years 2020, 2021, 2022. The companies will pay this contribution taking by the total income taxes contained in the 2018 income tax return as a reference, including income that is under a single income tax regime. In no case this contribution will be higher than 25% of income tax caused of fiscal year 2018.

13. INVESTMENTS ACCOUNTED USING THE PARTICIPATION METHOD

A detail of the investments accounted for using the participation method and their movements as of 31 December 2021 and 2020 is found below:

a) Investment details:

Companies	Main activity	Country of origin	Currency	Participation	
				2021 %	2020 %
A&C Pipeline Holding	General investment and financing	Cayman I.	USD	36.25	36.25
Compañía Latinoamericana Petrolera S.A.	Exploration and exploitation projects related to oil, gas and derivatives	Chile	CLP	40.00	40.00
Gasoducto del Pacífico (Chile) S.A.	Natural gas transport	Chile	USD	25.00	25.00
Gasoducto del Pacífico (Argentina) S.A.	Natural gas transport	Argentina	USD	22.80	22.80
Geotermica del Norte S.A.	Exploration and exploitation of geothermal energy	Chile	USD	15.41	15.41
GNL Chile S.A.	Storage, processing and LNG regasification	Chile	USD	33.33	33.33
GNL Quintero S.A.	Commissioning of "GNL" regasification terminal	Chile	USD	20.00	20.00
Innergy Holding S.A.	Exploration and operation of all kinds of natural gas transport networks.	Chile	USD	25.00	25.00
Norgas S.A.	Import, export and purchase of LPG and its sale	Chile	CLP	42.00	42.00
Oleoducto Trasandino (Argentina) S.A.	Construction and exploitation of an oil pipeline between Argentina and Chile	Argentina	USD	35.79	35.79
Oleoducto Trasandino (Chile) S.A.	Construction and exploitation of an oil pipeline between Argentina and Chile	Chile	USD	35.83	35.83
Sociedad Nacional de Oleoducto S.A.	Fuel and derivatives transport	Chile	CLP	10.06	10.06

b) Investment movements:

As of 31 December 2021:

Companies	Initial balance 01.01.2021	Additions	Participation in result		Conversion difference	Other increase (decrease)	Final balance 31.12.2021
	MUS\$		MUS\$	Dividends MUS\$			MUS\$
A&C Pipeline Holding	152	-	-	-	-	-	152
Compañía Latinoamericana Petrolera S.A.	221	-	6	-	(35)	-	192
Gasoducto del Pacífico (Chile) S.A.	4,83	-	2,474	-	-	(250)	7,007
Gasoducto del Pacífico (Argentina) S.A.	10,350	-	3,966	(2,319)	-	-	11,997
Geotérmica del Norte S.A.	77,773	-	(400)	-	-	-	77,373
GNL Chile S.A.	2,433	-	4,487	(502)	-	-	6,418
GNL Quintero S.A.	14,312	-	13,750	(13,589)	-	2,597	17,070
Innergy Holding S.A.	8,137	-	1,304	-	-	(1,500)	7,941
Norgas S.A.	1,240	-	71	(121)	(28)	-	1,162
Oleoducto Trasandino (Argentina) S.A.	1,300	-	(295)	-	-	-	1,005
Oleoducto Trasandino (Chile) S.A.	5,074	-	(148)	-	-	-	4,926
Sociedad Nacional de Oleoducto S.A.	10,151	-	3,066	(2,752)	(1,921)	-	8,544
Total	135,926	-	28,281	(19,283)	(1,984)	847	143,787

As of 31 December 2020:

Companies	Initial balance 01.01.2020	Additions	Participation in result		Conversion difference	Other Increase (Decrease)	Final balance 31.12.2020
	MUS\$		MUS\$	Dividends MUS\$			MUS\$
A&C Pipeline Holding	152	-	-	-	-	-	152
Compañía Latinoamericana Petrolera S.A.	218	-	(9)	-	12	-	221
Empresa Nacional de Geotermia S.A.	1,291	-	(634)	-	-	(657)	-
Gasoducto del Pacífico (Chile) S.A.	4,051	-	732	-	-	-	4,783
Gasoducto del Pacífico (Argentina) S.A.	10,241	-	1,198	(1,089)	-	-	10,350
Geotérmica del Norte S.A.	77,062	-	711	-	-	-	77,773
GNL Chile S.A.	1,875	-	1,425	(867)	-	-	2,433
GNL Quintero S.A.	11,219	-	13,207	(12,711)	-	2,597	14,312
Innergy Holding S.A.	7,450	-	3,812	-	-	(3,125)	8,137
Norgas S.A.	1,216	-	172	(206)	58	-	1,240
Oleoducto Trasandino (Argentina) S.A.	1,862	-	(562)	-	-	-	1,300
Oleoducto Trasandino (Chile) S.A.	5,475	-	(401)	-	-	-	5,074
Sociedad Nacional de Oleoducto S.A.	9,638	-	2,252	(2,496)	757	-	10,151

c) Additional information on the investments accounted for using the participation method.

● LESS THAN 20% SHARE IN SOCIEDAD NACIONAL DE OLEODUCTOS S.A AND GEOTÉRMICA DEL NORTE S.A.

ENAP Group exercises significant influence over Sociedad Nacional de Oleoductos S.A. despite having a less than a 20% share, due to the existence of transactions of relative importance between the investor and the investee, in addition to participating in business and financial decisions as a member of the Board of Directors.

Regarding the investment in the company Geotérmica del Norte S.A., despite a minor participation (20%), ENAP maintains one Director, out of a total of four, and maintains significant influence.

● CHANGES AND/OR MODIFICATION IN SHARE ASSOCIATES

As of 31 December 2021, Innergy Holding S.A. presents a capital decrease that it did not affect the MUS\$ 1,500 and MUS \$ 3,125 shareholding, respectively.

The company Gasoducto del Pacífico Chile S.A., also presents during 2021 a capital decrease that did not affect the shareholding for MUS\$ 250, there was no capital decrease during 2020.

On June 14, 2021, Empresa Nacional de Geotermia S.A. terminated its liquidation process, as agreed at an Extraordinary Shareholders' Meeting due to the early termination of the company.

d) Financial information details

The following is a summary of the financial statements of related companies with significant influence:

For the year ended December 31, 2021							
Compañías	Participation	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income	Profit (loss)
	%	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Geotérmica del Norte S.A.	15.41	7,522	576,363	76,587	5,201	39,291	(2,822)
Gnl Chile S.A.	33.33	158,424	1,821,402	239,632	1,720,940	1,350,741	13,460
Gnl Quintero S.A.	20.00	507,291	815,411	176,536	1,060,117	236,136	68,747
Sonacol S.A.	10.06	9,445	236,437	44,913	116,043	75,125	30,469
Other investment	-	73,261	144,948	24,041	63,091	55,154	27,518
Total		755,943	3,594,561	561,709	2,966,092	1,756,447	137,372

For the year ended December 31, 2020							
Compañías	Participation	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Income	Profit (loss)
	%	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Geotérmica del Norte S.A.	15.41	8,497	550,580	53,960	426	33,996	5,067
Gnl Chile S.A.	33.33	80,270	2,016,917	166,044	1,923,841	699,551	4,276
Gnl Quintero S.A.	20.00	533,951	827,561	114,427	1,175,524	174,534	66,035
Sonacol S.A.	10.06	8,345	280,029	53,189	134,83	228,189	22,374
Otras inversiones	-	67,126	136,204	17,933	66,600	63,496	22,035
Total		698,189	3,811,291	405,553	3,300,674	1,199,766	119,787

14.PROPERTY, PLANT AND EQUIPMENT

Changes in property, plant and equipment as of December 31, 2021 and 2020 are presented below:

Current period	Land MUS\$	Buildings MUS\$	Plant and equipment MUS\$	Facilities MUS\$	Ongoing construction MUS\$	E&P Investment MUS\$	Other MUS\$	Total MUS\$
Initial balance 01.01.2021	230,342	15,263	1,541,603	9,093	60,562	1,109,548	57,397	3,023,08
Additions	-	-	21,086	-	142,209	206,707	393	370,395
Exploratory dry holes and exploratory campaigns	-	-	-	-	-	(21,465)	-	(21,465)
Withdrawals and write-offs	-	(265)	(323)	-	-	-	(120)	(708)
Depreciation expenses	-	(1,46	(163,787)	(2,389)	-	(164,957)	(12,886)	(345,487)
Geological studies and unabsorbed costs	8) -	-	-	-	-	(1,051)	-	(1,051)
Transfers	-	4,045	35,591	-	(26,403)	(15,876)	2,643	-
Other increases (decreases)	-	-	(6,123)	-	-	(1,476)	804	(6,795)
Change, total	-	2,312	(113,556)	(2,389)	115,806	1,882	(9,166)	(5,111)
Ending balance 31.12.2021	230,342	17,575	1,428,047	6,704	176,368	1,111,430	48,231	3,018,697

Previous year	Land MUS\$	Buildings MUS\$	Plant and equipment MUS\$	Facilities MUS\$	Ongoing construction MUS\$	E&P Investment MUS\$	Other MUS\$	Total MUS\$
Initial balance 01.01.2020	230,42	15,488	1,343,485	32,71	314,266	1,128,301	81,634	3,145,687
Additions	-	-	19,902	71	61,458	143,924	756	226,111
Exploratory dry holes and exploratory campaigns	-	-	-	-	-	(7,214)	-	(7,214)
Withdrawals and write-offs	-	-	(2,494)	-	-	(267)	(43)	(2,804)
Depreciation expenses	-	(1,352)	(143,590)	(4,285)	-	(171,425)	(18,135)	(338,787)
Geological studies and unabsorbed costs	-	-	-	-	-	(633)	-	(633)
Transfers	-	1,127	318,629	(18,864)	(307,667)	13,972	(7,197)	-
Other increases (decreases)	-	-	5,671	-	(7,495)	2,890	382	1,448
Change, total	-	(225)	198,118	(23,078)	(253,704)	(18,753)	(24,237)	(121,879)
Ending balance 31.12.2020	230,342	15,263	1,541,603	9,093	60,562	1,109,548	57,397	3,023,808

The balances of this item as of December 31, 2021 and 2020 are presented below:

Net Property, plants and equipment	31.12.2021 MUS\$	31.12.2020 MUS\$
Land	230,342	230,342
Buildings	83,388	79,608
Plant and equipment	4,210,654	4,160,423
Facilities	88,726	88,726
Ongoing construction	176,366	60,562
E&P Investment	4,628,390	4,461,237
Other	207,672	204,211
Total	9,625,538	9,285,109

Accumulated Depreciation Property, plants and equipment	31.12.2021 MUS\$	31.12.2020 MUS\$
Buildings	65,813	64,345
Plant and equipment	2,782,606	2,618,820
Facilities	82,022	79,633
E&P Investment	3,516,959	3,351,689
Other	159,441	146,814
Total	6,606,841	6,261,301

Net Property, plants and equipment	31.12.2021 MUS\$	31.12.2020 MUS\$
Land	230,342	230,342
Buildings	17,575	15,263
Plant and equipment	1,428,048	1,541,603
Facilities	6,704	9,093
Ongoing construction	176,366	60,562
E&P Investment	1,111,431	1,109,548
Other	48,231	57,397
Total	3,018,697	3,023,808

There are no goods related to fixed assets given as collateral, either mortgages or garments.

Additional Information

a) Ongoing construction: Construction in progress as of December 31, 2021 corresponds mainly to construction of sulfur recovery plants, acid water treatment plants and construction of reservoirs, as well as maintenance of plants, reservoirs and pipelines. As of December 31, 2020, they correspond mainly to maintenance of plants, ponds and pipelines.

b) Dismantling, removal or restoration costs: As part of its fixed asset costs, the ENAP Group has capitalized expenses for the dismantling of platforms and oil fields.

c) Capitalization of interest: During the year ended December 31, 2021, the ENAP Group has not capitalized interest on projects in progress, because it does not have assets that qualify for capitalization of interest.

d) Insurance: ENAP Group has formalized insurance policies to cover all possible risks to which elements of property, plant and equipment are subject, as well as the possible claims that may be presented for the exercise of activities. These policies are sufficient to cover the risks to which they are subjected. Additionally, the loss of benefits that could occur as a consequence of a stoppage is covered.

e) Depreciation cost: The depreciation charge to income for the year is included in sales, distribution and administration expenses as follows:

	01.01.2021 31.12.2021 MUS\$	01.01.2020 31.12.2020 MUS\$
Sales costs	333,284	324,029
Distribution costs	11,066	11,926
Administration costs	1,137	2,832
Total	345,487	338,877

f) Impaired assets: See Note 16.

a) Other increases (decreases): As of December 31, 2021, a provision for obsolescence of materials are mainly included for MUS\$ 2,799, and MUS\$ 2,472 for transfer of spare parts. As of December 31, 2020, a provision for fixed assets are mainly included for MUS\$7,496 and recalculation of the provision for abandonment of wells in Argentina for MUS\$5,935.

b) Acquisition commitments: As of 31 December 2021, the Group has assumed contractual commitments for the acquisition of property, plant and equipment for MUS\$328,217.

c) Assets out of service: As of 31 December 2021 and 2020, there are no elements or essential assets temporarily out of service, or whose investment is fully depreciated

or withdrawn from active use. There are no retired assets of its active use not classified as held for sale in accordance with IFRS 5. Property, plant and equipment mainly correspond to refineries plant and equipment of and their major maintenance, exploitation blocks, which include wells and operating investments that allow the execution of the Group's business.

d) Cash flows arising from the exploration and evaluation of mineral resources: They correspond entirely to operating activities and are not part of the investment activities, given the criteria of successful efforts disclosed in criteria note 3), i, iii.

e) Investments in exploration and production through joint operations and contracts of operation: There is a E&P investment-detail below of the operations' joint ventures between ENAP and private companies, which are part of the E&P Investment, recognized in accordance with IFRS 11:

	Participation percentage		Net investment before impairment		Less: impairment loss		Net investment in joint operation	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	%	%	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Joint operations								
a. Exploitation								
Magallanes area	50.00	50.00	288,263	308,137	-	-	288,263	308,137
Campamento Central Cañadón Perdido	50.00	50.00	37,912	43,266	-	-	37,912	43,266
Cam 2A Sur	50.00	50.00	-	31	-	-	-	31
East Ras Qattara	50.50	50.50	33,826	33,236	-	-	33,826	33,236
Petrofaro	50.00	50.00	3,929	2,012	-	-	3,929	2,012
Total			363,930	386,682	-	-	363,930	386,682

In addition to the above, as of 31 December 2021 and 2020, Enap Sipetrol Argentina S.A. subsidiaries and Sipetrol S.A. in Ecuador, operate the following businesses associated with exploitation contracts and development of oil fields, which are registered as follows:

Other businesses	Net investment before impairment		Less: impairment loss		Net investment in other businesses	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Paraíso, Biguno, Huachito	20,768	22,669	-	-	20,768	22,669
Mauro Dávalos Cordero	156,868	136,342	-	-	156,868	136,342
Intracampos	76,144	66,937	-	-	76,144	66,937
El Turbio Este	-	3,657	-	-	-	3,657
Total	253,780	229,605	-	-	253,780	229,605

(*) All details for projects are found in notes 17 and 18.

15. RIGHTS OF USE AND OBLIGATIONS FOR LEASE

a) **Rights of use** - As of 31 December 2021 and 2020, the details of rights of use item movement associated with assets subject to IFRS 16 is as follows::

	Hydrogen plants contracts MUS\$	Terrestrial operation contracts MUS\$	Shipping line operations MUS\$	Airborne operations MUS\$	Property MUS\$	Others MUS\$	Total MUS\$
Balance as of 01.01.2021	67,215	13,286	57,442	4,162	9,901	4,070	156,076
Additions	1,638	968	20,952	-	945		24,503
Year amortization	(2,329)	(3,485)	(30,326)	(1,642)	(1,754)	(1,326)	(40,862)
Balance as of 31.12.2021	66,524	10,769	48,068	2,520	9,092	2,744	139,717

	Hydrogen plants contracts MUS\$	Terrestrial operation contracts MUS\$	Shipping line operations MUS\$	Airborne operations MUS\$	Property MUS\$	Others MUS\$	Total MUS\$
Balance as of 01.01.2020	67,938	13,233	29,036	5,805	11,743	5,396	133,151
Additions	1,647	3,518	56,038	-	-	-	61,203
Year amortization	(2,370)	(3,465)	(27,632)	(1,643)	(1,842)	(1,326)	(38,278)
Balance as of 31.12.2020	67,215	13,286	57,442	4,162	9,901	4,070	156,076

b) Lease liabilities: The following is a maturity analysis of lease liabilities:

As of 31 December 2021	Current		Non-current		
	Total	+ 1 - 3 years	+ 3 - 5 years	+ 5 years	Total
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Lease associated with					
Hydrogen plants contracts	2,607	5,614	6,194	71,206	83,014
Terrestrial operation contracts	1,401	2,344	2,544	5,591	10,479
Shipping line contracts	26,303	22,236	725	-	22,961
Airborne line contracts	1,739	1,036	-	-	1,036
Property contract	1,888	3,601	3,766	127	7,494
Other	1,367	1,534	-	-	1,534
Total	35,305	36,365	13,229	76,924	126,518

As of 31 December 2020	Current		Non-current		
	Total	+ 1 - 3 years	+ 3 - 5 years	+ 5 years	Total
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Lease associated with					
Hydrogen plants contracts	2,482	5,345	5,897	74,379	85,621
Terrestrial operation contracts	2,987	2,133	2,334	6,839	11,306
Shipping line contracts	28,894	26,780	3,152	-	29,932
	1,720	2,775	-	-	2,775
Airborne line contracts	1,783	3,292	3,428	1,777	8,497
Property contract	1,321	2,781	120	-	2,901
Other	39,187	43,106	14,931	82,995	141,032
Total					

As of December 31, 2021 and 2020, ENAP Group has no restrictions associated with leases.

ENAP Group has certain contracts, which contain options for renewal and for which there is reasonable certainty that this will happen (indefinitely or for a specified period), the lease period used to measure liabilities and assets correspond to this period unless its lifespan of the asset involved, in which case the asset lifespan is considered as the end of contract term.

The following table depicts the movement of the lease liabilities obligation and flows of the year:

Lease liabilities

Initial balance
Additions
Interest expenses
Capital payment
Interest payment
Final balance

For the year ended		
31.12.2021	31.12.2020	
MUS\$	MUS\$	
180,219	158,735	
22,865	59,781	
7,095	7,771	
(41,261)	(38,267)	
(7,095)	(7,771)	
161,823	180,219	

16. IMPAIRMENT LOSSES AND PROVISIONS

i) Flow estimation methodology for Exploration and Production

ENAP makes an estimate based on the investment flows until 2030 and from there on a projection of the last flow for 20 years, which covers approximately the existing reserves. The estimate is made on the basis of projected investments for the 2021 and following years, the level of drilling of wells, considerations of the development of relevant area for the business potential in unconventional gas, estimation of long-term prices for sale to companies and residential, and the effects of changes in the context of the players participating in the development of the industry.

ii) Conclusion of impairment tests for Exploration and Production

As of December 31, 2021 and 2020, there are no impairment indicators.

iii) Abandonment of dry exploratory wells without commercially exploitable reserves

There are decreases on the Exploration and Production of properties, plant and equipment due to abandonment of dry exploratory wells without commercially exploitable reserves, according to the following detail:

Result for exploratory campaigns and dry wells

Total result for exploratory campaigns and dry wells

Accumulated		
01.01.2021	01.01.2020	
31.12.2021	31.12.2020	
MUS\$	MUS\$	
21,465	7,214	
21,465	7,214	

The aforementioned items are included in the income statement under the "Other expenses by function" item.

17. INTERESTS IN JOINT OPERATIONS

The main exploitation and exploration operations, controlled by jointly through which income is obtained and expenses incurred are described below. Assets and liabilities of each of the joint operations as of 31 December 2021 and 2020 are the following:

Joint operations	Participation percentage		Current assets		Non-current assets		Current liabilities		Non-current liabilities	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	%	%	MUSS	MUSS	MUSS	MUSS	MUSS	MUSS	MUSS	MUSS
a. Exploration										
Área Magallanes (a)	50.00	50.00	49,964	17,856	292,226	317,035	55,752	116,369	261,404	172,344
Campamento Central Cañadón Perdido (b)	50.00	50.00	19,850	8,768	39,837	43,525	13,448	1,036	25,808	86,289
Cam 2A Sur (c)	50.00	50.00	103	10	(41)	127	516	3,398	12,865	8,254
East Ras Qattara (d)	50.50	50.50	541,119	40,040	33,697	33,106	6,359	6,064	-	-
Petrofaro (e)	50.00	50.00	3,099	3,626	4,127	3,940	813	175	496	5,516
Total			614,135	70,300	369,846	397,733	76,888	127,042	300,573	272,403

Regular income, costs and results of each of the joint ventures for the years ended 31 December 2021 and 2020 are detailed below:

Joint operations	Participation percentage		Regular income		Regular expenses		Results	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	%	%	MUSS	MUSS	MUSS	MUSS	MUSS	MUSS
a. Exploitation								
Área Magallanes (a)	50.00	50.00	116,098	74,226	78,423	79,773	(15,973)	(17,278)
Campamento Central Cañadón Perdido (b)	50.00	50.00	45,085	33,121	31,009	27,418	(7,633)	4,403
Cam 2A Sur (c)	50.00	50.00	-	-	431	448	325	(1,189)
East Ras Qattara (d)	50.50	50.50	56,915	44,722	20,115	21,448	35,573	22,581
Petrofaro (e)	50.00	50.00	-	3,233	-	-	-	2,425
b. Exploration								
Consorcio Block 28 (a)	42.00	42.00	183	325	-	-	(0)	-
Total			218,281	155,627	129,978	129,087	12,292	10,942

a) Exploitation

(a) Magallanes Area

On 4 January 1991, ENAP Sipetrol Argentina S.A. and YPF S.A. celebrated a Temporary Union of Companies (UTE) contract, for hydrocarbons development and exploitation in the Magallanes Area, a block located in the mouth eastern Strait of Magellan, Argentina.

On 17 November 2014, the Company, represented by its General Manager and YPF President and CEO, signed a private agreement which extended the relationship between both companies until 14 November 2027 with the possibility of further extension until the 2042. This agreement allows to extend the reserves until the new term of the agreement.

As the operator of this concession, ENAP Sipetrol Argentina S.A. is responsible for executing all operations and activities in this area.

(b) Campamento Central - Cañadón Perdido

In December 2000, ENAP Sipetrol S.A. (later ENAP Sipetrol Argentina S.A.) signed an agreement with YPF S.A. through which the latter assigns and transfers YPF S.A.'s 50% of the concession to ENAP Sipetrol Argentina S.A. for the hydrocarbon exploitation on the areas of Campamento Central - Cañadón Perdido, in the province of Chubut in Argentina. This agreement is under Law 24,145 and its complementary regulations. YPF S.A. is the operator of this concession.

On 26 December 2013, YPF S.A. and ENAP Sipetrol Argentina S.A. got the extension of this exploitation concession for a period additional 10 years until 2027 on behalf of the province of Chubu. This extension adds on 20 more years, until 14 November 2047.

(c) Cam 2A Sur

Under administrative decision 14 dated on 29 January 1999, the exploration permit for the "Cuenca Austral" area Marina 2/A SUR (CAM 2/A SUR) was awarded in favor of YPF and ENAP Sipetrol Argentina S.A. On 7 October 2002, ENAP Sipetrol Argentina S.A. (operator) and YPF S.A. entered into a Temporary Union of Companies Agreement (UTE) in the provinces of Tierra del Fuego.

According to Law 17,319, the exploitation is a 25 year-term concession, until 2028, which can be extended for an additional period of 10 years. In common agreement with YPF S.A., ENAP Sipetrol Argentina S.A. is carrying out the process of Reversion of the Area that is estimated to end in 2028, in its capacity as area operator.

(d) Petrofaro - Faro Vírgenes Area

On 19 May 2016, the ENAP Sipetrol Argentina S.A. subsidiary acquired Arpetrol International Financial Company, controlling 100% of the shares of Petrofaro S.A. (former Arpetrol Argentina S.A.), which is the holder of the CA-11 Faro Vírgenes concession, in Cuenca Austral. The plant is located in Faro Vírgenes gas treatment plant, forming part of the PIAM project, located next to the Magallanes Area reservoir and the General San Martín Gas Pipeline.

On 12 January 2017, ENAP Sipetrol Argentina S.A. yielded 50% of share package to YPF S.A. of the company for US \$5.4 million, becoming jointly in control of the acquired company as of this date.

The exploitation concession is granted by the province of Santa Cruz until the year 2026, term that can be extended for 10 years until 2036.

b) Exploration

Block 28 Consortium

ENAP through its subsidiary EOP Operaciones Petroleras S.A. participates in the "Block 28" Consortium with a 42% participation. The other partners are Petroamazonas with 51% participation and Belorusneft with 7% participation, being EOP Operaciones Petroleras S.A. the Operator of the Consortium. In 2014, the Block 28 Consortium and the Secretary of Hydrocarbons of Ecuador, currently the Ministry of Energy and Renewable Natural Resources (MERNNR), signed a Service Contract for the provision of Exploration and Exploitation of Hydrocarbons (oil-crude) in Block 28, located in the central west of the Ecuadorian Oriente, within the sector called Sub-Andean Zone (foothills), encompassing territories of the Napo and Pastaza provinces, with an area of 1,750 km².

On 19 February 2019 the Environmental Impact Study entered the Ministry of the Environment. However, due to the COVID Pandemic situation, it has not been possible to make any progress in the field to comply with activities for obtaining the License. For this reason, the Ministry of Energy and Non-Renewable Natural Resources approved its force majeure delay in the Block, dated 18 June 2020.

In May 2021, Consortium B28 informs MERNNR of the expiration of the exploratory period and termination of the contract. In July 2021 MERNNR confirms that "the maximum term of the exploration stage has elapsed" according to the legal regulations and therefore the "term of the indicated Contract has concluded". With this, the delegates of the parties have been formed to continue with the process of reversion of the Block to the Ecuadorian State. During the month of December the information requested by MERNNR is delivered and the audit is carried out with government agencies in the Block to move forward with the respective reports prior to the signing of the reversion of the Block.

c) ENAP joint operation agreements in Chile:

In addition to the ENAP Sipetrol Argentina S.A holdings in exploration and exploitation operations, ENAP jointly develops Special Contracts for Petroleum Operation (CEOP) with the private companies detailed below, in the Magallanes area.

CEOP	Date of incorporation	Enap Participation %	Partners	Operator	Stage	Enap total investment MUS\$	2021 Enap year investment MUS\$	Observations
Dorado Riquelme Block	28.08.2009	50%	Methanex Chile S.A.	Enap	Operation	243,389	29,340	Drilling campaign
Lenga Block	28.07.2008	50%	Methanex Chile S.A.	Enap	No activity	228	-	In the process of returning the block to the government.
Coirón Block	28.07.2008	50%	Conoco Phillips	Enap	No activity	39,394	231	In the process of returning the block to the government
Caupolicán Block	28.04.2009	99%	Petromagallanes Operaciones Ltda.	Enap	No activity	22,946	180	In the process of returning the block to the government
Brótula Block	28.04.2008	99%	Petromagallanes Operaciones Ltda.	Enap	Sporadic Operation	747	204	In the process of returning the block to the government
Flamenco Block	07.11.2012	50%	Geopark TDF S.A.	Geopark	Exploration	12,424	233	No activity due to health contingency.
Isla Norte Block	07.11.2012	40%	Geopark TDF S.A.	Geopark	Exploration	1,564	92	No activity due to health contingency.
Campanario Block	09.01.2013	50%	Geopark TDF S.A.	Geopark	Exploration	3,787	116	No activity due to health contingency.
Marazzi-Lago Mercedes Block	07.01.2013	50%	YPF Chile S.A.	YPF Chile S.A.	No activity	-	-	In the process of returning the block to the government

Note: The investment in MUS\$ corresponds to the OPEX - CAPEX cash flows of CEOP.

Additional Information:**Dorado Riquelme Block**

Construction of the surface facilities associated with the Cahuil 8 and 9 wells was completed. Fracturing of the Cahuil 8 well was performed. Work Over works were executed and the production facilities of Cahuil 1 were completed, being in production since July 5, 2021. Velocity string was installed in the Puerto Sara Oeste ZG-1 well. In production. The technical financial audit requested by the Ministry of Energy was carried out. The Cahuil 10, Cahuil 11 and Cahuil 12 wells were drilled and the construction of the facilities of those superficies began.

CEOP Isla Norte y CEOP Campanario

Ministerial Exempt Resolution No. 18/2021 accepts the force majeure request presented by the CEOP contractor and suspends the execution of the obligations of the exploratory phase of the CEOP's Campanario Block and Isla Norte Block, until June 30, 2021. A term of six months is granted, counted from the indicated date for the Contractor to resume the execution of the exploratory obligations. No activity to date.

CEOP San Sebastian

On January 13, 2021, through Ministerial Resolution No. 2/2021, the Ministry approved the assignment of rights and obligations of CEOP by Enap.

CEOP Coiron

The Tiuque 1 pit was closed. The technical and financial audit requested by the Ministry of Energy was carried out.

CEOP Brótula:

The Brótula TA2 well continues with spot production and according to system requirements. Well closed since February 5, 2021, with no system requirements. The technical and financial audit requested by the Ministry of Energy was carried out.

18. OTHER BUSINESSES

Below is a detail of the assets and liabilities of the financial statements of the Other Businesses as of 31 December 2021 and 2020, corresponding to exploitation operations where ENAP Group exploits 100% concessions granted by regional and state authorities of the countries where they are carried out; which are part of the E&P investment of the Group's properties, plant and equipment area:

Projects	Current assets		Non-current assets		Current liabilities		Non-current liabilities	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Paraíso, Biguno, Huachito (a)	10,771	21,224	49,853	44,461	45,863	33,741	1,170	1,661
Mauro Dávalos Cordero (a)	46,736	92,091	216,313	192,917	198,999	146,400	5,077	7,205
El Turbio Este (b)	18	117	24	2,032	-	255	-	478
Total	57,525	113,432	266,190	239,410	244,862	180,396	6,247	9,344

The main operations for exploitation activities are detailed below.

a) Paraíso, Biguno, Huachito and Mauro Dávalos Cordero and Intracampes

On 28 February 2012, the branch in Ecuador signed amending contract number one to the Modifying Contract to the Service Contract of Services for the Exploration and Exploitation of Hydrocarbons (crude oil) with the Ministry of Hydrocarbons in the Mauro Dávalos Cordero Block – MDC. The rate was modified through this instrument, as well as other relevant definitions for the rate application, keeping the other clauses of the amending contract unaltered, which was signed between the parties on 23 November 2010.

On 5 July 2013, the Branch signed the modifying contract number two to the modifying contract for the provision of services for hydrocarbons exploration and exploitation of (crude oil), with the Ministry of Hydrocarbons in the Block Mauro Dávalos Cordero - MDC and number one to the contract modifying the provision of services for hydrocarbon exploration and exploitation (crude oil), in the Paraíso, Biguno, Huachito and Intracampos Block – PBHI. Through this instrument the corresponding rates were modified, as well as other relevant definitions for the application of the aforementioned rates, remaining the other clauses of the amending contracts unaltered. It was signed between the parties on 23 November 2010.

On 17 April 2014, the Branch signed the contract amendment number two to the contract amending the contract for the provision of services for hydrocarbons exploration and exploitation (crude oil) with the Ministry of Hydrocarbons in the Paraíso Block, Biguno, Huachito and Intracampos–PBHI. The rate was modified through this instrument in exchange for a commitment to additional investments, maintaining unchanged the other clauses of the amending contract signed between the parties on November 23, 2010.

In compliance with what was agreed in the contract signed on 17 April 2014, the branch carried out exploration in the Inchi and Copal wells and on 16 April 2015, the Branch signed the modifying contract number three to the amendment contract for the provision of services for hydrocarbons exploration and exploitation (crude oil) with the Ministry of Hydrocarbons, in the Paraíso, Biguno, Huachito and Intracampos Block–PBHI. Through it, the rate is set at US \$38.57 for each net barrel in the Inchi field, rate in force as of the moment the crude oil price scoreboard equals or exceeds the US \$63 per barrel, according to the WTI. Additionally, the term is modified until the year 2034, which commits investments in a US \$53.4 million development plan.

The contract was registered in the Hydrocarbons Registry on 29 April 2015.

On 28 December 2016, the Branch signed the amending contract number three to the contract for the provision of services for hydrocarbons exploration and exploitation

(crude oil), with the Ministry of Hydrocarbons in the Mauro Dávalos Cordero Block - MDC, which was registered with the Ministry of Hydrocarbons in January 2017. Through this instrument, the T2 rate was increased to US \$20.62 per barrel and the exploitation of the block term modified until 2034, in exchange for additional investments. The other clauses remain unchanged.

On 10 January 2018, the price of crude oil according to the WTI scoreboard exceeded US \$63 per barrel. Therefore, as of 11 January 2018, the provisions of the contract are in force to amendment number three of the Paraíso, Biguno, Huachito and Intracampos Block-PBHI subscribed on 16 April 2015. These are related to: i) the contractor will comply with the established obligations in the Modifying Contract number three Annex 2 (commitments of development activities of the field - several started in previous years), ii) the MERNNR will initiate the payment of the US \$38.57 negotiated rate per barrel; and, iii) as of that date, 20 years will be counted until the termination of which the new validity term of the amending contract will be extended. With this, the term of the PBHI Block is modified until January 2038.

On 13 July 2018, the Branch signed the contract amendment number four to the contract for the provision of services for hydrocarbons exploration and exploitation (crude oil) with the Ministry of Hydrocarbons in the Mauro Dávalos Cordero Block-MDC, which was registered with the Ministry of Hydrocarbons on 18 July 2018. Through the aforementioned instrument, a new T3 US \$25.20 rate per barrel was defined, in exchange for additional investments, for additional incremental productions (above base curve and incremental curve T2). The other clauses remain unchanged.

Modifying contract number four; until December 31, 2020 the activities regarding the wells to be drilled and the associated facilities of this Secondary Recovery phase in the field were concluded. During 2021 the conversion of wells to injector wells from existing platforms will be completed to fulfill the contractual commitments.

In October 2020, the Negotiation Agreement was signed with the Commission of the Ministry of Energy and Non-Renewable Natural Resources and Enap to commit to

new investment activities and, on March 24, 2021, Amendment Contract number 5 was signed.

b) El Turbio Este

On 5 September 2017, the Government of Santa Cruz province awarded the Exploration Permit for the El turbio Este area to ENAP Sipetrol Argentina S.A ., through Decree 0774/2017.

Once the aforementioned allocation was conducted, ENAP and ConocoPhillips Argentina Ventures S.R.L. signed a Joint Operation Agreement whose principles were replicated in the UTE Contract for hydrocarbons exploration and exploitation from El Turbio Este area on 31 January 2018. The parties formed the UTE under the name ENAP Sipetrol Argentina S.A. – Conoco Phillips Argentina Ventures S.R.L - Unión Transitoria EL Turbio Este. It was registered in the General Inspection of Justice on 12 April 2018, under No. 66, Book 2. Both partners agreed upon ENAP being the operator. In July 2018, the parties signed the 50%assignment agreement.

During the year, an extension of the initial exploration period that ended in September 2020 was processed before the Enforcement Authority (Instituto de Energía de Santa Cruz), obtaining an additional 4-year term extension until September 2024.

At the end of April 2021, amid the context of macroeconomic uncertainty in Argentina and the restrictive access to the foreign exchange market necessary for the payment of the operating and financing activities abroad, the Honorable Board of Directors of ENAP decided the early exit of the El Turbio Este Area, a decision that was shared by the partner and ConocoPhillips Argentina Ventures S. R. L. Although the terms of the exploratory period reach June 6, 2022, the payment of the pending commitment for 1,749 MMARS (17.4 MMUSD) was executed was executed on November 12, 2021, where Conoco Phillips and Enap Sipetrol Argentina contributed their corresponding participation.

During the month of December 2021, the Santa Cruz Energy Institute was asked to issue a certificate of compliance with all the related commitments in order to reverse the exploration permit in the area.

c) Octans Pegaso

In September 2017, negotiations began with the consortium formed by the companies TOTAL AUSTRAL S.A., WINTERSHALL ENERGIA S.A. and ENI ARG EyE S.A. for the assignment of 100% of the Exploitation Concession "Octans-Pegaso" located in the Province of Santa Cruz in Argentina, for a price of US\$ 25 million. The actual acquisition of the Concession and all the rights and obligations derived from it was effective on June 22, 2018, once the authorization of the assignment was obtained from the National Government and the Government of the Province of Santa Cruz. The exploitation permit expires on September 20, 2031, with the option to extend for an additional 10 years, until September 20, 2041.

Given the size and high potential of the area, the Company projects the need for a partnership for its development. With the ratification of the gas price incentive plan, the increase in market prices experienced in connection with this new plan and the imminent presentation of the Argentine Hydrocarbon Investment Promotion Law, the search for partners is reaffirmed with the objective of resuming the area's development plans.

19. INVESTMENT PROPERTIES

The movement of Investment Properties is as follows:

	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance, net	7,097	7,189
Depreciation expense	(90)	(92)
Final balance	7,007	7,097

Investment properties correspond mainly to land and real estate which are intended for exploitation under an operating lease. The Company has chosen the costing method to measure investment property after the initial recognition. The depreciation method is used in straight-line and the lifespan assigned to personal property is 10 years and 80 years for property.

20. FINANCIAL LIABILITIES

The detail of financial liabilities as of 31 December 2021 and 2020 is the following:

As of 31 December 2021:

Item	Financial liabilities held for trading MUS\$	Financial liabilities measured at amortized cost MUS\$	Hedging financial derivatives MUS\$	Total Other financial liabilities MUS\$
Other current financial liabilities	-	44,281	25,927	70,208
Current lease liabilities (Note 15)	-	35,305	-	35,305
Trade creditors and other accounts payable	-	965,348	-	965,348
Due to related companies	-	13,756	-	13,756
Total current financial liabilities	-	1,058,690	25,927	1,084,617
Other non-current financial liabilities	-	4,161,446	105,130	4,266,576
Non-current lease liabilities (Note 15)	-	126,518	-	126,518
Other accounts payable, non-current	-	5,735	-	5,735
Total non-current financial liabilities	-	4,293,699	105,130	4,398,829

Item	Financial liabilities held for trading MUS\$	Financial liabilities measured at amortized cost MUS\$	Hedging financial derivatives MUS\$	Total Other financial liabilities MUS\$
Other current financial liabilities	-	886,495	74,859	961,354
Current lease liabilities (Note 15)	-	39,187	-	39,187
Trade creditors and other accounts payable	-	473,963	-	473,963
Due to related companies	-	7,774	-	7,774
Total current financial liabilities	-	1,407,419	74,859	1,482,278
Other non-current financial liabilities	-	3,293,608	-	3,293,608
Non-current lease liabilities (Note 15)	-	141,082	-	141,082
Other accounts payable, non-current	-	5,239	-	5,239
Total non-current financial liabilities	-	3,439,879	-	3,439,879

a) Hedging derivatives

The ENAP Group, following the financial risk management policy described in Note 4, contracts financial derivatives to hedge its exposure to the variation of interest rates, currencies (exchange rate) and commodities (crude oil and imported products).

Interest rate derivatives are used to set or limit the variable interest rate of financial obligations and correspond to interest rate swaps.

Currency derivatives are used to set the exchange rate of the dollar against the peso (CLP) and Development Unit (U.F.), product of investments or existing obligations in different currencies to the dollar. These instruments correspond mainly to Forwards and Cross Currency Swaps.

Commodity derivatives are used to hedge the variation in the price of ICE Brent crude, during the inventory cycle, that is, from the time of purchase to the period sale of refined products from said crude. Derivative instruments correspond to Time Spread Swaps.

i) **Presentation of assets and liabilities** -The breakdown of hedging assets and liabilities, taking into account the nature of the operations, it is as follows:

	31.12.2021		31.12.2020	
	Current MUS\$	Non-current MUS\$	Current MUS\$	Non-current MUS\$
Hedging assets				
Exchange rate hedging				
Cash flow hedging	-	-	24	27,194
WTI/Brent differential hedging				
Cash flow hedging	295	-	346	-
Total	295	-	370	27,194
	31.12.2021		31.12.2020	
	Current MUS\$	Non-current MUS\$	Current MUS\$	Non-current MUS\$
Hedging liabilities				
Exchange rate hedging				
Cash flow hedging	6,545	171,490	34,958	-
Margin Call Guarantees	-	(66,360)	-	-
TSS hedging				
Fair value hedging	7,674	-	46,368	-
Cash flow hedging	11,708	-	(6,467)	-
Total	25,927	105,130	74,859	-

ii) **Hedging derivatives at fair value**

ENAP Group's hedging instruments details are as follows:

Hedging instruments	Hedging instrument description	Hedging instruments hedge	Hedging instruments at fair value on which the hedge is held	
			31.12.2021 MUS\$	31.12.2020 MUS\$
Cross-Currency Swap	Exchange and interest rate	Obligations (bonds)	(106,948)	(1,029)
TSS	Crude oil	Inventories	(19,382)	(39,901)
SDI	Differential WTI-Brent	Inventories	295	346
Forward	Exchange rate	Trade receivable	(4,727)	(6,711)
Total			(130,622)	(47,295)

iii) **Effect on profit or loss of hedging derivatives**

The amounts recognized in profit or loss and comprehensive income as of 31 December 2021 and 2020 is as follows:

	Accumulated	
	01.01.2021 31.12.2021 MUS\$	01.01.2020 31.12.2020 MUS\$
Credit (charge) recognized in other comprehensive income during the year	(43,458)	497
Credit (charge) to results during the year	(383,086)	92,103

iv) Other data on financial instruments

Hedging maturities are detailed below:

As of 31 December 2021		Notional						
Financial derivatives	Fair value MUSS	2022 MUSS	2023 MUSS	2024 MUSS	2025 MUSS	2026 MUSS	2027 and following MUSS	Total MUSS
Exchange rate hedging								
Cash flow hedging	(111,675)	710,000	180,000	-	306,000	-	448,175	1,644,175
Total	(111,675)	710,000	180,000	-	306,000	-	448,175	1,644,175
			Fair value MUSS					
SDI Hedging: Cash flow hedging			295					
TSS Hedging: Cash flow hedging			(11,708)					
TSS Hedging: Fair value hedging			(7,674)					
As of 31 December 2020		Notional						
Financial derivatives	Fair value MUSS	2021 MUSS	2022 MUSS	2023 MUSS	2024 MUSS	2025 MUSS	2026 and following MUSS	Total MUSS
Exchange rate hedging								
Cash flow hedging	(7,740)	609,000	-	-	-	187,000	256,75	1,052,175
Total	(7,740)	609,000	-	-	-	187,000	256,175	1,052,175
			Fair value MUSS					
SDI Hedging: Cash flow hedging			346					
TSS Hedging: Cash flow hedging			6,467					
TSS Hedging: Fair value hedging			(46,368)					

The notional contractual amount of the contracts entered does not represent the risk assumed by ENA Group, since this amount only responds to the basis on which derivative settlement calculations are made.

v) Fair value hierarchies

ENAP Group calculates the financial derivatives fair value by using market parameters, which are adjusted to the maturity profile of each operation.

Forward transactions that hedge the exposure to the accounts receivable exchange rate from sales invoiced in Chilean pesos are valued using the peso-dollar forward curves available in the market as a reference.

Cross currency swap operations that hedge exposure to dollar fluctuations of financial liabilities that are denominated in UF are valued as the present value of the UF (assets) and US \$ (liabilities) future flows. To calculate these values, we use UF and LIBOR market rate curves, which are adjusted to the relevant flow dates contemplated in each operation.

Interest rate swap transactions that hedge exposure to fluctuations in the financial liabilities in LIBOR rate that accrue variable rate based on LIBOR are valued as the future flows current value.

To calculate these current values, the LIBOR market curve rate are used, which are adjusted to the relevant flow dates contemplated in each operation.

Options operations on ICE Brent that hedge the exposure to the international price variation of ENAP Group's crude oil imports are valued using calculation tools provided by financial information platforms.

Financial instruments recognized at fair value in financial position statements are classified according to the following hierarchies:

— Level 1 are quoted prices (unadjusted) in active markets for assets or liabilities where the entity can access the measurement date;

— Level 2 are inputs other than the quoted prices included in Level 1, which are observable for the asset or liability, either directly or indirectly, and

— Level 3 is non-observable significant data in the market for the asset or liability, but rather through valuation techniques.

Financial instruments at fair value	Total 31.12.2021 MUS\$	Financial instruments classification		
		Level 1 MUS\$	Level 2 MUS\$	Level 3 MUS\$
Hedging assets: Cash flow hedging	295	-	295	-
Total	295	-	295	-
Hedging liabilities: Cash flow hedging	123,383	-	123,383	-
Hedging liabilities: Fair value hedging	7,674	-	7,674	-
Total	131,057	-	131,057	-

Financial instruments at fair value	Total 31.12.2020 MUS\$	Financial instruments classification		
		Level 1 MUS\$	Level 2 MUS\$	Level 3 MUS\$
Hedging assets: Cash flow hedging	27,564	-	27,564	-
Total	27,564	-	27,564	-
Hedging liabilities: Cash flow hedging	28,491	-	28,491	-
Hedging liabilities: Fair value hedging	46,368	-	46,368	-
Total	74,859	-	74,859	-

b) Accrue Interest Loans

i) **Summary of loans** -The summary of loans that accrue interest as of 31 December 2021 and 2020 is as follows:

	Current		Non-current	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Financial entities loans	7,440	444,530	453,943	194,979
Bonds	36,841	441,965	3,707,503	3,098,629
Total	44,281	886,495	4,161,446	3,293,608

ii) [Detail of Accrue Interest Loans](#) - The currency and maturity breakdown for financial institutions loans (secured and unsecured) which include accrued interest as of 31 December 2021 and 2020 is the following:

As of December 2021

Name	Interest payment	Nominal rate	Effective rate	Nominal value MUSS	Current			Non-current		
					Up to 3 months MUSS	+3 months up to 1 year MUSS	Total MUSS	+1-3 years MUSS	+3 to 5 years MUSS	Total MUSS
The Bank of Nova Scotia (3)	Quarterly	Libor+1.40%	1.61%	80,000	5,235		5,235	-	-	-
The Bank of Nova Scotia (4)	Quarterly	Libor+1.125%	1.33%	100,000	30		30	100,000		100,000
Bank of America, N.A. (5)	Quarterly	Libor+0.85%	1.06%	90,000	112		112	89,751		89,751
Scotiabank Chile	Biannual	1.05%	1.05%	180,000	1,812		1,812	164,805		164,805
Banco Santander Chile	Biannual	0.53%	0.53%	100,000	252		252	99,387		99,387
Total					7,440	-	7,440	453,943	-	453,943

As of December 2020

Name	Interest payment	Nominal rate	Effective rate	Nominal value MUSS	Current			Non-current		
					Up to 3 months MUSS	+3 months up to 1 year MUSS	Total MUSS	+1-3 years MUSS	+3 to 5 years MUSS	Total MUSS
BNP Paribas (Cesce) (1)	Biannual	4.07%	4.07%	3,500	3,619		3,619	-	-	-
The Bank of New York Mellon (2)	Quarterly	Libor+1.85%	2.09%	150,000	10,121	20,000	30,121	-	-	-
The Bank of Nova Scotia (3)	Quarterly	Libor+1.40%	1.64%	80,000	5,398	16,000	21,398	5,198		5,198
The Bank of Nova Scotia (4)	Quarterly	Libor+1.125%	1.36%	100,000	28	-	28	100,000		100,000
Bank of America, N.A. (5)	Quarterly	Libor+0.85%	1.09%	90,000	134	-	134	-	89,781	9,781
Banco BBVA Argentina S.A.	Maturity	5.50%	5.50%	9,400	9,406	-	9,406	-	-	-
Banco Itaú Argentina S.A.	Maturity	43.00%	43.00%	3,209	3,396	-	3,396	-	-	-
Banco Itaú Argentina S.A.	Maturity	37.50%	37.50%	3,565	3,774	-	3,774	-	-	-
Banco Itaú Argentina S.A.	Maturity	39.00%	39.00%	951	1,006	-	1,006	-	-	-
Mizuho Bank Ltd.	Biannual	Libor + 1.625%	2.00%	250,000	-	249,747	249,747	-	-	-
Itaú Corpbanca	Maturity	Libor + 0.2%	2.40%	120,000	121,901	-	121,901	-	-	-
Total					158,783	285,747	444,530	105,198	89,781	194,979

Reported nominal interest rates are annual.

Other information related to loans from financial entities, effective as of 31 December 2021:

As of December 31, 2021

	ID Number	Currency	Country	Company	ID Number	Country	Guarantee
The Bank of Nova Scotia (3)	0-E	Dollars	Canada	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
The Bank of Nova Scotia (4)	0-E	Dollars	Canada	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
Bank of America, N.A. (5)	0-E	Dollars	USA	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
Scotiabank Chile	97.018.000-1	Pesos	Chile	ENAP	92.604.000-6	Chile	Not guaranteed
Banco Santander Chile	97.036.000-K	Dollars	Chile	ENAP	92.604.000-6	Chile	Not guaranteed

Other information related to financial entities loans in force as of 31 December 2020:

Name	ID Number	Currency	Country	Company	ID Number	Country	Guarantee
BNP Paribas (Cesce) (1)	0-E	Dollars	Spain	ENAP	92.604.000-6	Chile	Not guaranteed
The Bank of New York Mellon (2)	0-E	Dollars	USA	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
The Bank of Nova Scotia (3)	0-E	Dollars	Canada	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
The Bank of Nova Scotia (4)	0-E	Dollars	Canada	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
Bank of America, N.A. (5)	0-E	Dollars	USA	Enap Sipetrol Argentina S.A.	0-E	Argentina	ENAP Head office guarantee
Banco BBVA Argentina S.A.	0-E	Dollars	Argentina	Enap Sipetrol Argentina S.A.	0-E	Argentina	Not guaranteed
Banco Itaú Argentina S.A.	0-E	Argentinian pesos	Argentina	Enap Sipetrol Argentina S.A.	0-E	Argentina	Not guaranteed
Banco Itaú Argentina S.A.	0-E	Argentinian pesos	Argentina	Enap Sipetrol Argentina S.A.	0-E	Argentina	Not guaranteed
Banco Itaú Argentina S.A.	0-E	Argentinian pesos	Argentina	Enap Sipetrol Argentina S.A.	0-E	Argentina	Not guaranteed
Mizuho Bank Ltd.	0-E	Dollars	USA	ENAP	92.604.000-6	Chile	Not guaranteed
Itaú Corpbanca	97.006.000-6	Dollars	Chile	ENAP	92.604.000-6	Chile	Not guaranteed

(1) BNP PARIBAS BANK AND SOCIÉTÉ GÉNÉRALE

ENAP signed two credit agreements with the BNP Paribas and Société Générale banks in 2010, for MUS \$68,682 and MUS \$100,000 in which each has 50% of the participation, in order to build the alkylation plant at Aconcagua Refinery. Both loans function as revolving credit lines, from which partial turns are made when certain conditions are met. Annual interest rate is 4.07% and Libor + 150 basis points, with maturities for 2021 and 2017, respectively. The loan corresponding to Banco Société Générale was fully paid in October 2017, and the loan from BNP Paribas was fully amortized in March 2021.

(2) BANK OF NEW YORK MELLON

On 6 July 2016, ENAP Sipetrol Argentina S.A. signed a credit agreement with Citibank, N.A. (Citi) and Bank Bilbao Vizcaya Argentaria, S.A. (BBVA) with the Bank of New York Mellon as an administrative agent to finance the Magallanes Incremental Project (PIAM). The contract is guaranteed by ENAP. The amount amounts to US \$150 million dollars, which may be disbursed in stages upon our company's request for one year. The payment term is 5 years (with a grace period 18 months) and the agreed rate is LIBOR quarterly plus 1.85% applicable margin. This loan was fully amortized in July 2021.

(3) THE BANK OF NOVA SCOTIA

On 3 March 2017, ENAP Sipetrol Argentina S.A. signed a credit agreement with the Bank of Nova Scotia, as the second financing of the Incremental Area Project Magallanes (PIAM) for MUS \$80,000. The contract is guaranteed by ENAP. The credit has a 6 month- availability period for disbursements. The payment term is 5 years, with equal quarterly repayments from month 18. The rate agreed is quarterly LIBOR plus 1.4% applicable margin.

(4) THE BANK OF NOVA SCOTIA

On 21 September 2018, ENAP Sipetrol Argentina S.A. signed a credit agreement with the Bank of Nova Scotia for MUS \$100,000, guaranteed by ENAP. The payment term is 5 years, with amortization upon maturity. The agreed rate is quarterly LIBOR plus 1.125% applicable margin.

(5) BANK OF AMERICA, N.A.

On 26 August 2019, ENAP Sipetrol Argentina S.A. signed a credit agreement with Bank of America, N.A., for MUS \$90,000, which is guaranteed by ENAP, receiving the first disbursement for US \$77 million on 28 August, and the second disbursement for US \$13 million on 7 January 2020. The payment term is 5 years, with amortization at maturity. The agreed rate is quarterly LIBOR plus 0.85% margin per year.

iii) Detail of bonds payable

The detail and maturity obligations (bonds payable) as of 31 December 2021 and 2020, classified as current and non-current, are presented in the attached tables:

As of December 2021

Description	Country	Currency	Nominal Value (Thousands)	Nominal rate	Effective rate	Current			Non-current			
						Up to 3 months MUSS	+3months-1 year MUSS	Total MUSS	+1year to 3 years MUSS	+3 to 5 years MUSS	+5 years MUSS	Total MUSS
B-ENAP - E (a.1)	Chile	UF	4,000	3.70%	4.28%	-	1,358	1,358	-	-	142,142	142,142
Tipo 144 A (b.3)	USA	US\$	600,000	4.38%	4.56%	-	4,543	4,543	597,584	-	-	597,584
Tipo 144 A (b.4)	USA	US\$	700,000	3.75%	5.50%	10,686	-	10,686	-	635,745	-	635,745
B-ENAP - F (a.2)	Chile	UF	6,500	2.05%	2.20%	-	752	752	-	-	239,461	239,461
Tipo 144 A (b.5)	USA	US\$	600,000	4.50%	4.74%	8,221	-	8,221	-	-	578,781	578,781
Tipo 144 A (b.6)	USA	US\$	680,000	5.25%	5.38%	-	5,523	-	-	-	673,453	673,453
B-ENAP - G (a.3)	Chile	UF	5,000	0.05%	0.24%	5,523	-	-	-	182,133	-	182,133
B-ENAP - H (a.4)	Chile	UF	3,000	0.75%	1.56%	31	38	38	-	106,833	-	106,833
Tipo 144 A (b.7)	USA	US\$	560,000	3.45%	3.64%	5,689	-	5,689	-	-	551,371	551,371
Total						24,627	12,214	36,841	597,584	924,711	2,185,208	3,707,503

As of December 2020

Description	Country	Currency	Nominal Value (Thousands)	Nominal rate	Effective rate	Current			Non-current			
						Up to 3 months MUSS	+3months-1 year MUSS	Total MUSS	+1year to 3 years MUSS	+3 to 5 years MUSS	+5 years MUSS	Total MUSS
Tipo 144 A (b.2)	USA	US\$	410,281	4.75%	5.12%	-	410,605	410,605	-	-	-	-
B-ENAP - E (a.1)	Chile	UF	4,000	3.70%	4.28%	-	1,524	1,524	-	-	158,550	158,550
Tipo 144 A (b.3)	USA	US\$	600,000	4.38%	4.56%	-	4,543	4,543	-	596,730	-	596,730
Tipo 144 A (b.4)	USA	US\$	700,000	3.75%	5.50%	10,628	-	10,628	-	-	623,066	623,066
B-ENAP - F (a.2)	Chile	UF	6,500	2.05%	2.20%	-	824	824	-	-	266,944	266,944
Tipo 144 A (b.5)	USA	US\$	600,000	4.50%	4.74%	8,279	-	8,279	-	-	577,956	577,956
Tipo 144 A (b.6)	USA	US\$	680,000	5.25%	5.38%	-	5,522	5,522	-	-	672,626	672,626
B-ENAP - G (a.3)	Chile	UF	5,000	0.05%	0.24%	40	-	40	-	202,757	-	202,757
Total						18,947	423,018	441,965	-	799,487	2,299,142	3,098,629

Other information related to bonds payable as of 31 December 2021:

Creditor's name	ID Number	Type of installation	Company	Country	ID Number	Interest Payment	Capital Amortization	Due date	Guarantee
(a.1) Banco de Chile	97.004.000-5	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	01-10-2033	Not guaranteed
(b.3) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	30-10-2024	Not guaranteed
(b.4) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	05-08-2026	Not guaranteed
(a.2) Santander Corredores de Bolsa Limitada	97.036.000-K	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	08-05-2027	Not guaranteed
(b.5) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	14-09-2047	Not guaranteed
(b.6) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	Amortizable	06-11-2029	Not guaranteed
(a.3) Banco de Chile	97.004.000-5	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	01-09-2025	Not guaranteed
(a.4) Banco de Chile	97.004.000-5	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	15-06-2025	Not guaranteed
(b.7) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	16-09-2031	Not guaranteed

Other information related to bonds payable as of 31 December 2020:

Creditor's name	ID Number	Type of installation	Company	Country	ID Number	Interest Payment	Capital Amortization	Due date	Guarantee
(b.2) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	06-12-2021	Not guaranteed
(a.1) Banco de Chile	97.004.000-5	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	01-10-2033	Not guaranteed
(b.3) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	30-10-2024	Not guaranteed
(b.4) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	05-08-2026	Not guaranteed
(a.2) Santander Corredores de Bolsa Limitada	97.036.000-K	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	08-05-2027	Not guaranteed
(b.5) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	At maturity	14-09-2047	Not guaranteed
(b.6) Bank of New York Mellon	0-E	Foreign	ENAP	Chile	92.604.000-6	Biannual	Amortizable	06-11-2029	Not guaranteed
(a.3) Banco de Chile	97.004.000-5	National	ENAP	Chile	92.604.000-6	Biannual	At maturity	01-09-2025	Not guaranteed

a) National Bonds

1. On 17 January 2013, the Company placed indexable bonds in U.F. in the local market, under No. 585 in the Securities Registry of the Commission for the Financial Market, dated 7 May 2009 for a UF 6,000,000 amount which is pending.

— E-Class Bonds: for an amount of UF 4,000,000 with a 21 year-maturity period, with a single final amortization on 1 October 2033 and semiannual interest payments. The interest rate is 3.7% per annum, and the placement rate was 4.09% per annum.

2. On 18 May 2017, the Company made a placement of indexable bonds in U.F. in the local market, under No. 823 in Securities Registry of the Commission for the Financial Market, dated 16 October 2015.

The bond placement amounted UF 6,500,000, for a 10 year-period, with a single final amortization on 8 May 2027 and semiannual interest payments. The interest rate is 2.05% per annum, and the placement rate was 1.87% per annum.

3. On 29 September 2020, the Company made a placement of bonds readjustable in U.F. in the local market, under No. 905 in the Securities Registry of the Commission for the Financial Market, dated 25 July 2018.

The bond placement was for the amount of UF 5,000,000 for a 5 year-maturity period for 1 September 2025, and semiannual interest payments. The interest rate is 0.05% per annum, and the placement rate was 0.24% per annum.

4. On July 22, 2021, the Company carried out a placement of bonds reajutable in U.F. (Unidad de Fomento), in the local market, under the line of credit registered in the Securities Registry of the Commission for the Financial Market, under No. 1058 dated December 10, 2020.

The placement of bonds was for an amount of UF 3,000,000, for a term of 4 years, maturing on June 15, 2025, with semi-annual interest payments. The coupon interest rate is 0.75% per annum and the placement rate was 1.60% per annum.

b) International Bonds:

1. On 5 August 2010, ENAP issued and placed a 144 A bond in the US market, at a 5.25% interest rate per annum for an amount of MUS \$500,000.

The maturity period is 10 years. Interest payments are on a semiannual basis and the capital amortization will be made upon maturity. On 5 August 2016, a principal prepayment for MUS\$325,589 was made and on 10 August 2020 it amortized the debt balance corresponding to MUS \$174,411.

2. On 1 December 2011, ENAP issued and placed a 144 A bond in the United States market, at a 4.75% interest rate per annum for a MUS \$ 500,000 amount.

The maturity period is 10 years. Interest payments are on a semiannual basis and the capital amortization will be made upon maturity. On 5 August 2016, a capital prepayment was made for MUS \$89,719.

On September 22, 2021, the company took a term deposit in US dollars for MUS \$410,281 as a hedge for the maturity of this bond on December 6, 2021.

3. On 27 October 2014, ENAP issued and placed a 144 A bond in the US market, at a 4.375% interest rate per annum for a MUS \$600,000 amount.

The maturity period is 10 years. Interest payments are on a semiannual basis and the capital amortization will be made upon maturity.

4. On 5 August 2016, ENAP issued and placed a 144 A bond in the United States market, at a 3.75% interest rate per annum for a MUS \$700,000 amount.

The maturity period is 10 years. Interest payments are on a semiannual basis and capital amortization will be made upon maturity.

5. On 14 September 2017, ENAP issued and placed a 144 A bond in the United States market, at a 4.50% interest rate per annum for a MUS \$600,000 amount.

The maturity term is 30 years. Interest payments are on a semiannual basis and the capital amortization will be made upon maturity.

6. On 6 November 2018, ENAP issued and placed a 144 A bond in the United States market, at a 5.25% interest rate per annum for a MUS \$680,000 amount. The interest payments are on a semiannual basis and the principal payment will be made in three equal installments in 2027, 2028 and 2029.

The maturity term is 11 years, with semiannual interest payments and capital amortization in three installments during the bonds last three years.

7. On September 16, 2021, ENAP issued and placed a 144 A bond in the US market at an annual interest rate of 3.45% for ThUS\$ 560,000. The maturity period is 10 years. Interest payments are semiannual and capital amortization will be made upon maturity.

21. COMMERCIAL ACCOUNTS PAYABLE AND OTHER ACCOUNTS PAYABLE

a) Details as of 31 December 2021 and 2020 are as follows:

	Current		Non-current	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	MUS\$	MUS\$	MUS\$	MUS\$
Billed suppliers	645,637	134,402	-	-
Provisioned suppliers	281,193	326,336	-	-
Sundry creditors	15,455	22,484	685	185
Other accounts payable	23,063	16,555	5,050	5,054
Total	965,348	499,777	5,507	5,239

b) Future maturities details:

	31.12.2021	31.12.2020
	MUS\$	MUS\$
Up to 30 days	676,026	430,837
Between 31-60 days	85,829	20,977
Between 61-90 days	201,995	46,799
Between 91-120 days	166	290
Between 121-180 days	121	72
181 and more	1,211	802
Total	965,348	499,777

c) Information on maturities of payments to suppliers as of December 31, 2021:

Suppliers with payments up to date:

Type of supplier	Up to 30 days	Amounts by payment period					Total	Average payment period (days)
	MUS\$	31-60 MUS\$	61-90 MUS\$	91-120 MUS\$	121-365 MUS\$	366 and more MUS\$		
Products	573,296	-	-	-	-	-	573,296	17
Services	25,869	162	-	-	5	16	26,204	17
Others	3,076	255	592	161	161	8	4,245	20
Totales	602,241	417	592	161	166	168	603,745	18

Suppliers with overdue deadlines:

Type of supplier	Overdue amounts						Total
	hasta 30 días MUS\$	31-60 MUS\$	61-90 MUS\$	91-120 MUS\$	121-180 MUS\$	181 y más MUS\$	
Products	628	36	286	9	52	8	1,019
Services	5,382	660	329	72	28	753	7,224
Others	31,232	1,749	99	85	41	443	33,649
Total	37,242	2,445	714	166	121	1,204	41,892

d) Confirming operations: As of 31 December 2021, ENAP Group does not maintain "confirming" operations.

22. OTHER PROVISIONS

a) Detail - The breakdown of this item as of 31 December 2021 and 2020 is as follows:

Concept	Current		Non-current	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Dismantling, restoration and rehabilitation costs	(a) -	-	152,523	146,295
Onerous costs	-	-	3,922	5,791
Other provisions	3,792	2,444	1,488	1,761
Total	3,792	2,444	157,933	153,847

a) This provision covers future costs for average remediation platforms and wells, and that will allow by the end of the concessions, to reuse the exploitation area for other purposes. This provision is calculated and accounted for at present value. The discount rate as of 31 December 2021 and 2020 is 6.4% in E&P Magallanes and 9.9 % in Sipetrol Argentina

b) Movement: The provisions movement are detailed by concept in the following table:

	Dismantling, restoration and rehabilitation costs MUS \$	Onerous contracts MUS \$	Other accruals MUS \$	Total MUS \$
Initial balance as of 1 January 2021	146,395	5,791	4,205	156,291
Additional provisions	9,835	-	2,663	12,498
Used provisions	(1,295)	-	(424)	1,719
Provision reversal	(2,303)	-	(1,100)	3,403
Other increase (decrease)	(9)	(1,869)	(64)	1,942
Final balance as of 31 December 2021	452,523	3,922	5,280	161,725

	Dismantling, restoration and rehabilitation costs MUS \$	Onerous contracts MUS \$	Other accruals MUS \$	Total MUS\$
Initial balance as of 1 January 2020	134,399	7,300	4,20	145,908
Additional provisions	14,110	-	9	14,110
Used provisions	(724)	(1,509)	-	(2,233)
Provision reversal	(1,555)	-	-	(1,555)
Increase (decrease) in the change in M/E	-	-	-	-
Other increase (decrease)	65	-	(4)	61
Final balance as of 31 December 2020	146,295	5,791	4,205	156,291

23. PROVISIONS FOR EMPLOYEE BENEFITS

The detailed provisions for employees’ benefits for the year ended 31 December 2021 and 2020 is the following:

Concept:		Current		Non-current	
		31.12.2021	31.12.2020	31.12.2021	31.12.2020
		MUS\$	MUS\$	MUS\$	MUS\$
Severance payments	(a)	7,152	7,450	49,867	60,975
Profit-sharing and BCM of the staff	(b)	20,350	11,794	-	10,410
Vacation provision		19,904	20,463	-	-
Other benefits	(c)	22,256	20,830	2,003	1,746
Total		69,662	60,537	51,870	73,131

a) It is related to years of service to all events that ENAP Group maintains with their workers,which are detailed in the current collective agreements to the date. The liability recognized in the balance sheet corresponding to defined benefit plans provided to workers is the present value of the obligations for such defined benefits (IAS) at the date of presentation of the consolidated financial statements.The IAS obligation is calculated annually based on an actuarial model prepared by an independent actuary, using the Projected Credit Unit method. The IAS obligations present value is determined by discounting the estimated future flows using the series E interest rate of the corporate bond in UF, which is denominated in the currency in which the benefits will be paid and considering the maturity of obligations.

- b) It is related to profit sharing in the Ecuador branch, which are established by law: permanence and participation bonds in the results in Aconcagua and Bío-Bío refineries,which is established in the current collective agreements and participation in profits and other established benefits in collective agreements and employment contracts according to the case.
- c) Allocations recorded in this item are related to other staff benefits to personnel such as bonds, vacation and permanence bonds etc.

● 23.1 MOVEMENT OF PROVISIONS FOR CURRENT EMPLOYEE BENEFITS -

Other provisions movement for current employee benefits is detailed as follows:

As of 31 December 2021

	Severance indemnity MUSS	Current Profit-sharing and BCM of the staff MUSS	Vacation provision MUS \$	Other provisions MUSS	Total MUSS
Initial balance as of 1 January 2021	7,450	11,794	20,463	20,830	60,537
Additional provisions	6,260	31,043	4,995	19,522	61,820
Used provision	(6,723)	(20,864)	(2,211)	(15,671)	(45,469)
Increase (decrease) in currency exchange	165	(1,623)	(3,287)	(1,846)	(6,591)
Other increase (decrease)	-	-	(56)	(579)	(635)
Final balance as of 31 December 2021	7,152	20,350	19,904	22,256	69,662

As of 31 December 2020

	Severance indemnity MUSS	Retirement program and restructuring process MUSS	Current Profit-sharing and BCM of the staff MUSS	Vacation provision MUSS	Other provisions MUSS	Total MUSS
Initial balance as of 1 January 2020	7,146	11,356	23,001	16,374	8,232	66,109
Additional provisions	5,922	2	23,884	7,973	22,886	60,667
Used provision	(5,453)	(1,763)	(35,580)	(8,775)	(11,444)	(63,015)
Provisional reversal	-	(9,223)	-	(47)	(58)	(9,328)
Increase (decrease) in currency exchange	(165)	(372)	489	4,938	1,214	6,104
Final balance as of 31 December 2020	7,450	-	11,794	20,463	20,830	60,537

Profit-sharing and Performance Bonus (BCM) - The entity recognizes the liability and an expense for bonuses and profit sharing, based on a formula that takes into account the year's result after certain adjustments. A provision is recognized when the entity is bound by the collective agreements of the personnel or contractually.

● 23.2 MOVEMENT OF INDEMNITY FOR YEARS OF SERVICE (IAS) NON-CURRENT

The provision movement to current and past service costs for associated IAS are recognized as interest immediately in Results, Losses and Actuarial gains from adjustments and changes in actuarial assumptions. These are also recognized in Equity in the year in which they are generated. The details for non-current IAS are as follows:

Indemnity for years of service LP		
Movement:	Non-current	
	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance	60,975	60,335
Service costs	1,456	285
Interest costs	3,048	3,783
Actuarial loss	1,527	(113)
Benefits paid	(7,161)	(6,657)
Increase (decrease) in currency exchange	(2,943)	3,453
Current transfer	(7,035)	(111)
Total	49,867	60,975

Termination Benefits - Termination benefits are paid when the employment relation is terminated prior the normal retirement date. These benefits are recognized by termination in accordance with current collective agreements. The benefits with 12 month-maturity exceeding after the end of the referenced year are discounted at its current value.

● 23.3 ACTUARIAL ASSUMPTIONS

The actuarial assumptions in determining the severance pay for non-current service years are as follows:

Hypothesis:	31.12.2021	31.12.2020
Discount rate Chile	5,37%	5,37%
Discount rate Ecuador	3,20%	3,20%
Expected rate for initial salary increase Chile	4,70%	4,70%
Expected rate for initial salary increase Ecuador	2,00%	2,00%
Voluntary retirement rate Chile	2,29%	2,29%
Voluntary retirement rate Ecuador	1,31%	1,31%
Turnover dismissal rate Chile	0,10%	0,10%
Turnover dismissal rate Ecuador	8,25%	8,25%
Mortality table Chile	RV-2014	RV-2014
Mortality table Ecuador	IESS2002	IESS2002
Female retirement age	60	60
Male retirement age	65	65

The Company annually conducts a review of its actuarial assumptions in accordance with IAS 19 "Employee benefits", the nominal discount rate applied to new market interest rate curves were updated by reference at the end of 2018. See sensitivity effect in Note 23.4.

The mortality assumptions were determined, according to our independent actuary advice, in accordance with the information available and representative of local conditions. Rotation assumptions arise from the internal analysis of the Company's administration.

● 23.4 SENSITIVITY ANALYSIS

The following table shows the awareness effects in the discount rate used to determine the actuarial value of the IAS provision as of 31 December 2021 and 2020:

<u>Chile</u>	<u>Book value</u>	<u>Sensitivity analysis</u>	
Actuarial value MUS\$	54,178	58,771	53,203
Discount rate	5.37%	4.37%	6.37%
Percentage sensitivity	-	-19.00%	19.00%
MUS \$ sensitivity	-	4,593	(975)
<u>Ecuador</u>	<u>Book value</u>	<u>Sensitivity analysis</u>	
Actuarialvalue MUS\$	3,342	3,516	3,155
Discount rate	4.21%	3.71%	4.71%
Percentage sensitivity	-	-12.00%	12.00%
MUS \$ sensitivity	-	174	(187)

24. EQUITY

a) Cambios en el patrimonio:

Capital increase—As of 31 December 2021 and 2020 there has been no increase in capital.

Dividend distribution policy - ENAP's profit distribution policy established by Resolution No. 25 of the Ministry of Finance on 11 August 2005 established that ENAP must transfer a minimum of resources to the Treasury, either as income tax (40%) and/or as profit advance,corresponding to a 14% return on equity, with retained earnings from previous years.

On 15 September 2012, by Official Ord. 1292, the Ministry of Finance resolved the authorization of a profit distribution policy in order to contribute to the Company's

stability and recomposition, to maintain its financial situation review, to decide the authorization profit capitalization of the subsidiaries and the parent company, as the tax loss situation is on. Since its enactment, the review is carried out annually on a consistent basis.

b) Issued capital

Details of paid and issued capital as of 31 December 2021 and 2020 is as follows:

	<u>31.12.2021</u>	<u>31.12.2020</u>
	<u>MUS\$</u>	<u>MUS\$</u>
Paid capital	1,632,332	1,632,332
Total	<u>1,632,332</u>	<u>1,632,332</u>

ENAP is a 100% owned by the State of Chile company and its capital is not divided into shares.

Capital management

Referred to as the administration of the Company's equity, the capital management's main objective is the ENAP Group's capital management, in accordance with the following details:

- Referred to as the administration of the Company's equity, the capital management's main objective is the ENAP Group's capital management, in accordance with the following details:
- Securing new investments financing in order to maintain growth sustained over time and full compliance with fuel specifications authorized in Chile.
- Maintaining an adequate capital structure according to the economic cycles that impact the business and the very nature of the industry.

For these purposes, and taking into consideration the current situation of the Company's equity strengthening, its value and evolution are monitored and reported to the Company's Board of Directors on a monthly basis. This instance determines in each case the steps to be taken, the communication with the Ministry of Finance, and the potential management of the Company's assets.

Other reserves

The composition of this item as of 31 December 2021 and 2020 is as follows:

	31.12.2021 MUS\$	31.12.2020 MUS\$
Conversion exchange difference (i)	(81,801)	(79,041)
Cash flow hedges (ii)	(37,301)	6,157
Actuarial reserves in defined benefit plans	(9,860)	(9,201)
Other reserves (iii)	9,613	7,016
Total	(119,349)	(75,069)

i) Conversion exchange difference

	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance	(79,041)	(80,098)
Results for changes in subsidiaries and associates	(2,760)	1,057
Total	(81,801)	(79,041)

ii) Cash flow hedges

	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance sundry reserves	7,016	4,419
Changes in reserves GNL Quintero S.A.	2,597	2,597
Total	9,613	7,016

iii) Other sundry reserves

	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance sundry reserves	7,016	4,419
Changes in reserves GNL Quintero S.A.	2,597	2,597
Total	9,613	7,016

c) Accumulated (loss) profits

The item's composition as of 31 December 2021 and 2020 is as follows:

	31.12.2021 MUS\$	31.12.2020 MUS\$
Initial balance of the year	(632,550)	(539,281)
Result of the year	141,785	(89,986)
Other variations on accumulated results	(5,827)	(3,283)
Total	(496,592)	(632,550)

25. NON-CONTROLLING INTERESTS

The effects originated by the participation of third parties in the equity as of 31 December 2021 and 2020, and the Group's consolidated results are detailed below:

Entity	Equity's non-controlling interests		Profit (loss) attributable to non-controlling interests	
	31.12.2021 MUS\$	31.12.2020 MUS\$	31.12.2021 MUS\$	31.12.2020 MUS\$
Vientos Patagónicos S.p.A.	2,169	2,504	(345)	(98)
Enap Refinerías S.A.	115	103	16	(22)
Total	2,284	2,607	(329)	(120)

26. BUSINESS SEGMENTS

Segmentation criteria

The ENAP Group's segmentation structure defined by the Board of Directors, and according to IFRS 8, it is first based on the different business lines and secondly, according to their geographical distribution.

Main business segments of the consolidated group:

— Exploration and Production, includes hydrocarbon exploration operations (petroleum and natural gas) and geothermal energy, as well as its development, hydrocarbons production and marketing in Chile and abroad, in four countries: Chile, Argentina, Ecuador and Egypt. ENAP operates abroad through the ENAP Sipetrol S.A. subsidiary and in Chile, through ENAP in Magallanes which manages hydrocarbon exploration and production assets in the XII region. Additionally, it carries out gas exploration activities through the Special Oil Operation Contracts (CEOP) modality in the Coirón blocks, Lenga, Dorado-Riquelme, Brótula, Caupolicán, Flamenco, Isla Norte and Campanario, in alliance with ConocoPhillips (Coirón) and Methanex (Lenga and Dorado Riquelme), PetroMagallanes (Brótula and Caupolicán), Geopark TDF (Flamenco, Isla Norte and Campanario) companies respectively, all located in the Magallanes region.

— Refining and Marketing includes the Refining, Optimization, Logistics, Trading, Market Development and Sales activities and processes. The refining and marketing activities in ENAP are managed by its subsidiary ENAP Refinerías S.A. Its business consists mainly in the crude oil purchase in the international market for the refining and the subsequent commercialization of its finished products.

ENAP Refinerías' crude oil supply is mainly obtained in South America. ENAP Refinerías S.A. is the only company to refine oil in Chile and the Pacific coast of Central and South America's most important one for its refining capacity. The refining takes place in three refineries:

Aconcagua Refinery, located in the Valparaíso Region; Bío Bío Refinery in the Biobío region, and Refinería Gregorio, in the Magallanes region. The refineries have the necessary facilities for the reception and storage of raw materials, including five marine terminals, located in Quintero, San Vicente, Easter Island, Cabo Negro and Gregorio, the latter two in the Magallanes region.

Fuel storage and transportation and fuel wholesale and export are part of the Storage and Oil Pipeline Management (DAO), which is in charge of the logistics infrastructure.

Gas and Energy, which until that date constituted a third line of business of ENAP, is part of the Refining and Marketing line, as of January 1, 2021, a measure taken by the Administration in July 2014 to support the implementation of the Government's Energy Agenda. Its mission is to promote the use of Liquefied Natural Gas (LNG) in the national energy matrix, together with the incorporation of new electricity generation capacity. Includes activities and gas commercialization processes via gas pipelines, virtual gas pipeline and Mobile LNG, and new electric power projects management.

As of 31 December 2021

	E&P MUS\$	R&C MUS\$	Consolidation adjustments MUS\$ (a)	Total MUS\$
Regular activities income	599,174	7,055,759	-	7,654,933
Regular activities income, interline	82,069	189,394	(271,463)	-
Selling costs	(393,272)	(6,616,539)	(8,447)	(7,018,258)
Selling costs, interline	(18,745)	(252,718)	271,463	-
Gross profit (loss)	269,226	375,896	(8,447)	636,675
Other income by task	2,77	18,402	13,290	33,769
Distribution expenses	(23,472)	(140,743)	-	(164,215)
Management expenses	(24,368)	(26,185)	(24,358)	(74,911)
Other expenses by task	(37,766)	(1,116)	(411)	(39,293)
Operational activities income (loss)	185,697	226,254	(19,926)	392,025
Financial income	20,120	604	(12,746)	7,978
Financial expenses	(18,710)	(109,795)	(93,251)	(221,756)
Profit sharing (loss) for associates using the equity method	6	2,693	25,582	28,281
Exchange differences	(3,064)	24,168	(10,115)	10,989
Income tax benefit (expense)	184,049	143,924	(110,456)	217,517
Income tax benefit (expense)	(65,467)	(40,584)	29,990	(76,061)
Profit (loss)	118,582	103,340	(80,466)	141,456

As of 31 December 2020
According to new segmentation criteria

	E&P MUS\$	R&C MUS\$	Consolidation adjustments MUS\$ (a)	Total MUS\$
Regular activities income	492,269	4,399,156	-	4,891,425
Regular activities income, interline	54,033	331,002	(385,035)	-
Selling costs	(359,776)	(4,281,140)	(8,470)	(4,649,386)
Selling costs, interline	(35,683)	(349,352)	385,035	-
Gross profit (loss)	150,843	99,666	(8,470)	242,039
Other income by task	1,926	15,589	9,293	26,808
Distribution expenses	(25,832)	(138,081)	-	(163,913)
Management expenses	(21,816)	(23,214)	(22,097)	(67,127)
Other expenses by task	(12,890)	(2,806)	(862)	(16,558)
Operational activities income (loss)	92,231	(48,846)	(22,136)	21,249
Other income (loss)	-	-	-	-
Financial income	11,905	612	(10,020)	2,497
Financial expenses	(22,768)	(99,362)	(108,766)	(230,896)
Profit sharing (loss) for associates using the equity method	(10)	1,459	20,454	21,903
Exchange differences	(1,630)	7,973	11,545	17,888
Income tax benefit (expense)	79,728	(138,164)	(108,923)	(167,359)
Income tax benefit (expense)	(21,606)	33,699	65,160	77,253
Profit (loss)	58,122	(104,465)	(43,763)	(90,106)

a) This column presents ENAP Group's consolidation adjustments, where the most significant items are income transactions and costs for the products and supplies purchase/sale among the Group's companies and non-distributed items to the segments, such as administrative corporate costs, associates results, and mainly financial income and costs.

Details for sales income according to product and geographic area, as of 31 December 2021 and 2020 are listed below:

Product sale	As of 31 December 2021			As of 31 December 2020		
	E&P	R&C	Total	E&P	R&C	Total
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Crude	15,582	-	158,582	110,533	-	110,533
Natural Gas	216,205	377,845	594,050	186,881	222,890	409,771
LPG	-	286,212	286,212	-	108,374	108,374
Gasolines	-	2,787,400	2,787,400	-	1,491,910	1,491,910
Kerosene	-	352,067	352,067	-	375,206	375,206
Diesel	-	2,605,358	2,605,358	-	1,739,427	1,739,27
Fuel oil	-	235,331	235,331	-	142,835	142,835
Petrochemicals	-	156,528	156,528	-	50,127	50,127
Other products and exports	-	242,637	242,637	411	257,671	258,082
Service sale	214,992	128	215,120	187,043	-	187,043
Other income	9,395	12,253	21,648	7,401	10,716	18,117
Total	599,174	7,055,759	7,654,933	492,269	4,388,440	4,891,425

Sales by geographic area	As of 31 December 2021			As of 31 December 2020		
	E&P	R&C	Total	E&P	R&C	Total
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Local	475,254	7,036,309	7,511,563	243,338	4,349,075	4,592,413
Foreign	123,920	19,450	143,370	248,931	50,081	299,012
Total	599,174	7,055,759	7,654,933	492,269	4,399,156	4,891,425

The commercialization of ENAP Refinerías S.A subsidiary refined products is channeled through the wholesale fuels and other derivatives distribution companies. ENAP Refinerías S.A. subsidiary maintains supply contracts with its main clients, by ensuring the adequate fuel supply throughout the country. ENAP Group main clients are Copec, Esmac, Enex, Lipigas, Abastecedora de Combustibles and Methanex.

Operating Segments Assets and Liabilities

Currently, ENAP Group does not maintain control and record of assets by the reportable segments in their internal reporting systems and neither is this information used by the Board of Directors as a business decision-making strategy and resource allocation process. ENAP Group's financial liabilities are centralized and controlled at the corporate level and not presented by reportable segments. The consolidated information of the balance sheets, the assets and liabilities which are not presented by business lines, therefore, the requirements to detail the information of assets, liabilities and cash flow by segment are not met, according to IFRS 8, the highest authority for decision-making.

27. INCOME FROM ORDINARY ACTIVITIES

Details for the years ended 31 December 2021 and 2020 are the following:

Details	01.01.2021	01.01.2020
	31.12.2021	31.12.2020
	MUS\$	MUS\$
Crude sales	158,582	110,533
Natural gas sales	520,889	336,270
Gas compensation income (1)	73,161	73,501
Refined products sales	6,665,533	4,165,961
Oilfield services sales	215,120	187,043
Other operation income	21,648	18,117
Total	7,654,933	4,891,425

(1) The Ministry of Energy is empowered to compensate ENAP for a maximum amount of M\$55,232,485 for 2021, and M\$58,521,878 for 2020 in accordance with the Public Sector Budget Law approved by the National Congress.

28. SALES COSTS

The sales cost breakdown for the years ended 31 December 2021 and 2020 is the following:

Details	01.01.2021	01.01.2020
	31.12.2021	31.12.2020
	MUS\$	MUS\$
Crude and oil cost	485,377	355,192
Refined products cost (1)	6,004,611	3,755,750
Service sales cost	115,420	98,538
Other operational costs	412,850	439,906
Total	<u>7,018,258</u>	<u>4,649,386</u>

As of 31 December 2021, the refined products cost presents a MUS\$ 35.752 credit (MUS\$ 11,767 As of 31 December 2020) as a result of the adjustment determination to inventories by net realizable value (VNR), which was offset by fair value hedges for Time Spread Swap instruments. Its objective is to financially shift the price-taking window for crude oil shipments and adjust it to the dates when refined products take a price, mitigating the "time spread" exposure to which the Company is naturally exposed.

29. OTHER INCOME

The breakdown of other income for the years ended December 31, 2021 and 2020 is as follows:

	01.01.2021	01.01.2020
	31.12.2021	31.12.2020
	MUS\$	MUS\$
Insurance recovery and demurrage	1,944	4,136
Sales of services and materials	8,762	10,521
Tax recovery (PPUA)	14,779	4,312
Dividends received	3,319	3,228
Other income	4,965	4,611
Totals	<u>33,769</u>	<u>26,808</u>

30. DISTRIBUTION COSTS

The breakdown of distribution costs for the years ended 31 December 2021 and 2020 is the following:

	01.01.2021	01.01.2020
	31.12.2021	31.12.2020
	MUS\$	MUS\$
Logistics services	8,473	8,732
Oil pipeline transport	30,183	26,958
Maritime transport	61,300	63,275
Land transport	12,237	11,907
Staff expenses	18,719	18,513
Others	33,303	34,528
Total	<u>164,215</u>	<u>163,913</u>

31. OTHER EXPENSES BY TASK

The breakdown of other expenses by task for the years ended as of 31 December 2021 and 2020 is the following:

	01.01.2021 31.12.2021 MUSS	01.01.2020 31.12.2020 MUSS
Exploratory campaign costs	13,088	7,693
Dry wells exploration and abandonment	15,430	-
Property, plant and equipment discharge	702	2,804
Exploration costs and others	10,073	6,061
Total	39,293	16,558

32. FINANCIAL COSTS

The breakdown of financial costs for the years ended as of 31 December 2021 and 2020 is as follows:

Concepts	01.01.2021 31.12.2021 MUSS	01.01.2020 31.12.2020 MUSS
Overdraft and bank loans interests	15,175	25,225
Bonds payable interests	173,241	171,952
Lease obligations interests	7,095	7,771
Accounts payable interests and other non-financial liabilities	14,273	16,120
Other disbursements related to interests	45	400
Total interests cost	209,829	221,468
Derivative liquidations (swap)	10,108	6,658
Derivative accrued interest (swap)	1,819	2,770
Total financial costs	221,756	230,896

33. STAFF EXPENSES

The composition of this item for the years ended as of 31 December 2021 and 2020 is the following:

	01.01.2021 31.12.2021 MUSS	01.01.2020 31.12.2020 MUSS
Salaries	144,621	135,610
Short-term benefits for employees	135,226	100,288
Other staff expenses	5,972	5,489
Other benefits	15,377	17,086
Total	301,196	258,473

34. EXCHANGE DIFFERENCES

The asset and liability items details that give rise to exchange differences that are (debited)credited to income for the years ended as of 31 December 2021 and 2020 are the following:

Concepts	01.01.2021 31.12.2021 MUSS	01.01.2020 31.12.2020 MUSS
Cash and cash equivalents	(8,355)	(14)
Trade debtors and other accounts receivable	(82,098)	2,185
Forward hedging result	70,498	16,903
Accounts receivable to related entities	(933)	(1,113)
Accounts receivable and payable by taxes	4,222	1,660
Other non-financial non-current assets	(1,887)	913
Trade accounts payable and other accounts payable	9,543	(2,637)
Current provisions	7,150	556
Non-current provisions	11,693	(3,977)
Other financial and non-financial liabilities	90,186	(50,331)
Hedging current and non-current financial liabilities results	(89,150)	53,801
Other	120	(58)
Total	10,989	17,888

35. MFOREIGN CURRENCY

Assets	Foreign currency	Local currency	31.12.2021 MUS\$	31.12.2020 MUS\$
Cash and cash equivalents	\$ Non-adjustable	Dollar	11,159	32,734
	\$ Argentinian	Dollar	43,102	3,492
	£ Egyptian pound	Dollar	10,528	15,282
Other non-financial assets, current	\$ Non-adjustable	Dollar	10,231	7,697
Trade debtors and other accounts receivable, current	\$ Non-adjustable	Dollar	514,252	467,320
	\$ Resettable	Dollar	175	358
	\$ Argentinian	Dollar	4,152	8,716
Current tax assets	\$ Non-adjustable	Dollar	38,105	63,985
	\$ Resettable	Dollar	28,021	2,609
	\$ Argentinian	Dollar	2,495	2,146
Other non-current financial assets	\$ Resettable	Dollar	-	27,194
	\$ Resettable	Dollar	7,477	9,471
Total			<u>669,697</u>	<u>641,004</u>

The foreign currency breakdown for assets as of 31 December 2021 and 2020 is as follows:

Liabilities	Foreign currency	Functional currency	31.12.2021				31.12.2020			
			90 days MUS\$	up to 1 year MUS\$	up to 5 years MUS\$	5 years MUS\$	90 day MUS\$	up to 1 year MUS\$	up to 5 years MUS\$	5 years MUS\$
Other current financial liabilities	\$ Resettable	Dollar	13,910	4,580	-	-	40	2,348	-	-
Trade accounts payable and other accounts payable	\$ Non-adjustable	Dollar	134,906	-	-	-	112,337	-	-	-
	\$ Resettable	Dollar	1,064	-	-	-	736	-	-	-
	Pound sterling	Dollar	2	-	-	-	6	-	-	-
	\$ Argentinian	Dollar	14,824	-	-	-	12,387	-	-	-
	Euro	Dollar	438	-	-	-	310	-	-	-
Current tax liabilities	\$ Non-adjustable	Dollar	31,781	-	-	-	83,282	-	-	-
	\$ Resettable	Dollar	5,515	-	-	-	6,491	-	-	-
	\$ Argentinian	Dollar	2,364	-	-	-	1,857	-	-	-
Current provisions for benefits for employees	\$ Non-adjustable	Dollar	61,867	-	-	-	53,211	-	-	-
	\$ Resettable	Dollar	-	-	-	-	-	-	-	-
	\$ Argentinian	Dollar	2,654	-	-	-	994	-	-	-
Other non-financial current liabilities	\$ Argentinian	Dollar	-	-	-	-	9	-	-	-
Other financial non-current liabilities	\$ Resettable	Dollar	-	-	704,417	1,130,152	-	-	799,487	425,494
Other long-term provisions	\$ Argentinian	Dollar	-	-	33,981	-	-	-	1,272	-
Deferred taxes liabilities	\$ Argentinian	Dollar	-	-	66,675	-	-	-	35,779	-
Non-current provisions for benefits for employees	\$ Non-adjustable	Dollar	-	-	13,737	33,904	-	-	21,187	48,957
	\$ Resettable	Dollar	-	-	-	-	-	-	-	-
Other non-financial non-current liabilities	\$ Argentinian	Dollar	-	-	5,005	-	-	-	4,803	-
Total			269,325	4,580	823,815	1,164,056	271,660	2,348	862,528	474,451

36. INFORMACIÓN SOBRE MEDIO AMBIENTE

Here is a brief description of the projects related to productive processes, verification and compliance control of ordinances and laws related to industrial processes and facilities and any other that may directly or indirectly affect the protection of the environment:

ENAP Ecuador, allocates values for investments within its Annual Management Plan (PAG) that enhances compliance initiatives and good environmental practices with the aim of having a responsible and sustainable environmental operation which will allow Carbon Neutral certification continuity. The focus is on constantly performing environmental, physical or abiotic components (Air, Water and land) and biotics controls associated with the preservation of flora and fauna. These activities are part of the Environmental Management Plan (PMA) in MDC and PBHI. These environmental projects and initiatives amount to MUSD 980 from 1 January to 31 December 2020.

The resources allocated at ENAP Sipetrol Argentina for environmental projects and initiatives are related to new projects current operation and management. These aspects mainly include the waste transport and treatment, liquid effluents treatment, environmental monitoring performance and the permit processing and maintenance before authorities. This also includes expenses required to keep the contingency plan against spills active, including specialized consulting for the preparation and agreements with companies specialized in responding to eventual spills. The management of new projects, including conducting environmental studies (impact assessments and monitoring campaigns) and the associated fees for obtaining new environmental permits are also included.

ENAP Magallanes carries out activities associated with hydrocarbons exploration and production of deposits through the E&P line and activities related to refining, logistics and commercialization that are associated with the exploitation of refining assets and

maritime terminals through the R&C line. The development of these activities requires executing different initiatives to comply with commitments established in the environmental procedures of our Projects and the environmental regulations that apply to our activity. The amount used for ENAP's environmental projects and initiatives in Magallanes during the period from 1 January to 31 December 2021 amount to MUSD 2,677.

The environmental projects and initiatives established for 2021 are part of a long-term work plan in the Aconcagua Refinery. These are activity-oriented and will allow the identification and implementation of improvements in relation to noise emissions, the monitoring of atmospheric emissions, the execution of the Compliance Plan presented to the Superintendency of the Environment and Projects associated with the Prevention Plan and Atmospheric Decontamination of Concón, Quintero and Puchuncaví. The amount used for the Aconcagua Refinery environmental projects in the period from 1 January to 31 December 2021 amounts MUSD 16,086.

The focus and resources allocated to Bío Bío environmental projects and initiatives activities are mainly related to the execution of a series of commitments acquired with the Illustrious Court of Appeals of Concepción (ICA). The projects and initiatives concerning the Concepción Court of Appeals are related to an odor mitigation program, whose main objective is the management odors produced as a result of oil refining activity in neighboring communities, and to comply with the Metropolitan Concepción Atmospheric Prevention and Decontamination Plan. The amount used for the Refinery's environmental projects in Bío Bío Refinery as of 31 December 2021 is MUSD 44,143.

37. TRIALS AND COMMERCIAL COMMITMENTS

a) Lawsuits

Details in the main current lawsuits that could have a material adverse effect for the Company are detailed below.

In Chile:

Parties: Francisco Acevedo and Others with Owners of the LR Mimosa Motor Ship, and Others.

Case No: 17-2014

Court: Minister of the Court of Appeals of Valparaíso.

Subject: Compensation for damages according to the Navigation Law.

Amount: MUS\$ 112,152.-

Brief list of facts: Civil claim for compensation for damages regulated by the Article 153 of the Navigation Law.

Current status: The processing of the oldest cases was suspended until the case 17-2014 Volume XVI (ex 10-2018), the accumulation of which is pending the claim to be considered settled after partially accepting the dilatory exceptions filed by the defendants, is in the same procedural status. On November 19, a conciliation hearing was held without agreement between the parties.

Parties: Union of independent workers, artisanal fishermen, shellfish divers and similar branches of Caleta Horcón and others with Aes Gener S.A. and others.

Case number: D-30-2016.

Court: Second Environmental Court.

Subject: Action for declaration and repair of environmental damage.

Amount: Undetermined.

Brief list of facts: On 1 July 2016, the actors filed a lawsuit for environmental damage generated by companies located in the Ventanas area, Region V, (one of the defendants, the subsidiary ENAP Refinerías S.A.)

Current status: The case is currently in the conciliation stage, with the parties reviewing the Conciliation Bases proposed by the Tribunal.

Parties: Sanctioning procedure of the Superintendency of the Environment with ERSA Aconcagua.

Case: F-30-2018

Court: Superintendency of the Environment

Subject: Sanctioning procedure

Amount: 12,000 UTA (MUS\$ 9,235).

Brief list of facts: Through exempt resolution N° 1 / F-30-2018, the Superintendency of the Environment resolves to initiate a sanctioning procedure for 3 facts, one of them being a possible very serious infraction and the other two possible infractions slight to environmental regulations.

Current status: The investigation was reopened and extended. The Company filed a complaint and challenged the resolution that reopened the investigation before the Environmental Court.

Parties: Figueroa y otros con Enap Refinerías S.A.

Case No: 6-2020.

Court: Minister of the Court of Appeals María Cruz Fierro Reyes

Subject: Indemnification of damages by the Navigation Law.

Amount: CLP M\$10,700,000 (MUS\$12,667).

Brief list of facts: 246 fishermen from Quintero filed a lawsuit for sustained charges under navigation law in the reformulation made by the Superintendency of the Environment in the administrative sanctioning procedure due to the events that occurred in August, 2018. Specifically, they base the demand on the dumping of RILE's that exceeded the Volatile Hydrocarbons parameter indicated by the Superintendency of the Environment regarding reports for the year 2017.

Current status: Notification of the lawsuit to ENAP Refinerías S.A. is pending.

Parties: Illustrious Municipality of Quintero with ENAP Refinerías S.A. and other.

Case number:D-13-2014.

Court: Second Environmental Court of Santiago.

Subject: Action to declare and repair environmental damage.

Amount Undetermined.

Brief list of facts: As a consequence of the hydrocarbon spill in Quintero bay caused by the B/T Mimosa, at a time when it was tracked by a high-seas tugboat on 24 September 2014 at the ENAP Monobuoy Maritime Terminal, it may have caused environmental damage.

Current state: In compliance with measures ordered by the Supreme Court.

Parties: Superintendency of the Environment with ERSA Aconcagua..

Case: F-085-2021 Court: Superintendency of the Environment

Subject: Infringement to the Environmental Prevention and/or Decontamination Plan Concón -Quintero - Puchuncaví (D.S. N° 105/2018 Ministry of Environment).

Amount: Undertermined.

Brief list of facts:After several fiscalations to Refinería Aconcagua to comply with the Environmental Prevention and/or Decontamination Plan of Concón, Quintero and Puchuncaví, formulates to Enap Refinerías S.A. the amount of eight charges for non-compliance with different provisions of the D.S. N° 105/2018 of the Ministry of Environment.

Current status: Filing of a statement of objections by Enap Refinerías S.A.

Parties: Cosemar with Enap Refinerías S.A.

Case No.: C.1386-2021-2020 Court:2nd Civil Court of Viña del Mar.

Subject: Appointment of arbitrator and claim for damages for contractual liability.

Amount: Undetermined.

Brief list of facts:Enap Refinerías S.A. terminated the Commercial Contract for the removal, transportation and disposal of spent soda due to serious breach of obligations by Cosemar.

Current status:The first subpoena was held between the parties and the arbitrator, establishing the basis of the procedure.

Parties: Public Ministry against those who are responsible.

Case: O-7326-2018.

Court: Warranty Court of Talcahuano.

Subject: Infringement art. 291 Penal Code.

Amount: Undetermined.

Brief list of facts: The Public Ministry (Quintero Prosecutor's Office) initiated a criminal investigation investigation added to the investigation initiated by the Concepción Prosecutor's Office for events occurred at the Talcahuano bay in the maneuvering and draining of water from treated crude oil that may have caused poisoning to people located in the cities of Talcahuano and Quintero.

Current status: Closing of the investigation on November 27, 2021. On December 27, 2021, the investigation was reopened for 30 days.

Parties: Carte with Enap Refinerías S.A. and others.

Case: C-1999-2014.

Court: 1st Civil Court of Talcahuano.

Subject: Precautionary prejudicial measure and civil lawsuit.

Amount: CLP M\$ 23,590,000 (MUS\$ 27,927)

Brief list of facts: Biobío Refinery's neighbors claim for compensation for damages against ENAP Refinerías S.A due to odor incidents which occurred in 2014.

Current status: As of 31 December 2021, the opening of the probationary period is pending

Parties: FICA y Otros con Enap Refinerías S.A.

Case: C-3341-2018

Court:2nd Civil Court of Talcahuano.

Subject: Lawsuit for compensation for damages.

Amount: CLP M\$4,795,000, 137 claimants, CLP M\$35,000 each (MUS\$ 5,677)

Brief list of facts: Neighbors of Biobío Refinery file claim for compensation of damages against ENAP Refinerías S.A due to odor incidents that occurred in 2014.

Current status: As of 31 December 2021, the case continues in accumulation. See ROL C-1999-2014 of the First Talcahuano Civil Court.

Parties: Duro Felguera S.A. (España), Duro Felguera Chile S.A. v/s ENAP Refinerías S.A.

Case No.: ICC Case N° 25321/JPA Court: ICC International Arbitration.

Subject: Indemnity for damages for breach of contract.

Amount: Total MUS\$ 166,867: 1) Main Claim (Duro Felguera): MUS\$ 29,784; 2) Counterclaim (ERSA) MUS \$137,083.-

Brief list of facts: International Arbitration initiated by DF for alleged breach of contract of the EPC Construction Contract for the Cogeneradora Aconcagua Project, in which ERSA filed a counterclaim.

Current status: In the course of the year 2021, the claim of DF was filed, which was answered by ERSA, also filing a counterclaim, which was later answered by DF. In January 2022 both parties filed their reply briefs, and are awaiting the rejoinder and hearing stage.

In Ecuador:

Parties: Candelario Alvarado Celso Primitivo, Merizalde Campoverde Santos Martín, Ortiz Prias Jessica Dolores, Romero Villagrán Eufemia Rosa, Tanguila Grefa Rosita Elvira, Yumbo Tanguila Jefferson Benjamín. Vs. Empresa ENAP SIPEC.

Case No.: 22252-2021-00253.

Court: Provincial Court of Appeals of Orellana

Subject: Alleged damages derived from the oil operation.

Amount: Undetermined.

Brief list of facts: On August 25, 2021, ENAP receives an email from the Judicial Function of Orellana notifying the existence of a protection action against its represented ENAP Sipetrol S.A. The competence lies in the Criminal Multicompetent Judicial Unit with headquarters in La Joya de Los Sachas Canton. The protection action deals with alleged violations of the rights to the environment and good living due to noise from MDC, contamination caused by burners and contamination of the composting area.

Current state: On September 13, 2021, the Multicompetent Criminal Judicial Unit with headquarters in La Joya de Los Sachas Canton issued a sentence and ordered 9 reparatory measures. An appeal was filed and is currently in the Provincial Court of Orellana awaiting resolution.

In addition to the above, the ENAP Group filed the following lawsuits:

Parties: "Empresa Nacional Del Petróleo with Others"

Case: RUC N° 1910056844-9 Court: Fourth Guarantee Court of Santiago

Amount: Undetermined (in favor of ENAP)

Subject: Complaint associated with events related to the ENAP subsidiary Sipetrol Argentina S.A. PIAM project, against those who are responsible, for the alleged crimes of: (i) embezzlement of public funds and, (ii) fraud against the Treasury and State agencies.

Current state: Currently under investigation.

Parties: Enap Refinerías S.A. with Petroquim S.A.

Case CAM: 4009-2019

Court: National arbitration, Arbitrator Arturo Yrarrázaval Covarrubias

Subject: Execution of the "Propylene and ethylene supply contract between Petrox S.A. Refinería de Petróleo and Petroquim S.A." signed on June 25, 1997.

Amount: undetermined

Current state: Conciliation stage

Parties: Enap Refinerías S.A. with Petroquim S.A.

Case CAM: 4335-2020

Court: National arbitration, Arbitrator Arturo Yrarrázaval Covarrubias

Subject: Validity of the "Supply and Services Agreement" signed between Petrox S.A. Refinería de Petróleo and Petroquim S.A., dated September 11, 1997.

Amount: undetermined

Current state: Conciliation stage

b) Commercial Commitments

GNL CHILE S.A.

ENAP Refinerías S.A. maintains a natural gas supply contract (Gas Sales Agreement) with the company GNL Chile S.A. with a 17 year-term, from 25 July 2013. The current commercial conditions establish a take or pay clause for 29,693,766 MMbtu's per year.

LINDE GAS S.A.

ENAP Refinerías S.A. maintains a contract with Linde for the operation and supervision of hydrogen plants, for a period of 20 years starting in 2018. The commercial conditions establish a MUS \$1,150 monthly fixed rate that can be readjusted.

TERMINAL GNL MEJILLONES

ENAP Refinerías S.A. maintains a use capacity contract with the LNG terminal Mejillones - II Region. The contract has a 23-year term, starting 2019. The current commercial conditions establish a take or pay clause for the contracting of 2.90 TBTU annual capacity.

Restrictions:

ENAP -As of 31 December 2021 and 2020, the Company has no restrictions and compliance with financial covenants with its creditor banks and bonds payable.

ENAP Sipetrol Argentina S.A.- The applicable legislation to this Company requires that 5% of the year's profits must be destined to the constitution of a legal reserve, a net worth integral account, until the reserve reaches 20% of the adjusted paid-in capital.

c) Third parties-obtained guarantees

As of 31 December 2021 and 2020, ENAP Group has not received guarantees from third parties.

38. GUARANTEES UNDERTAKEN WITH THIRD PARTIES

Direct guarantees

Collateral creditor	Description	Type of guarantee	MUSS
Bank of Nova Scotia	Guarantee Financial Loan (guarantee granted by ENAP to the subsidiary ENAP Sipetrol Argentina S.A.)	Letter of endorsement	100,000
Bank of America, N.A.	Guarantee Financial Loan (guarantee granted by ENAP to the subsidiary ENAP Sipetrol Argentina S.A.)	Letter of endorsement	90,000
Bank of Nova Scotia	Guarantee Financial Loan (guarantee granted by ENAP to the subsidiary ENAP Sipetrol Argentina S.A.)	Letter of endorsement	5,333
SHELL GLOBAL LNG LIMITED	Guarantee full compliance with the sales contract of LNG, valid until 30-01-2022	Letter of credit	1,500
SHELL GLOBAL LNG LIMITED	Guarantee full compliance with the sales contract of LNG, valid until 30-01-2022	Letter of credit	35,060
SHELL GLOBAL LNG LIMITED	Guarantee full compliance with the sales contract of LNG, valid until 30-11-2022	Letter of credit	1,500
Ministry of Energy	Garantizar el fiel cumplimiento de las inversiones y trabajos comprometidos del CEOP Bloque Coirón, válida hasta el 17.11.2022.	Bank guarantee	3,131
Ministry of Energy	Guarantee of faithful performance of investment and exploration work committed to CEOP Coirón Block valid until 17-02-2022	Bank guarantee	946
Ministry of Energy	Guarantees the abandonment of wells, according to article 19.3 of the CEOP Caupolicán Block. Valid until 03.06.2022.	Bank guarantee	1,651
Ministry of Energy	Guarantee the faithful fulfillment of the investments and committed works of CEOP Dorado Riquelme Block, valid until 28.09.2022.	Bank guarantee	535
Axens North America Inc	Guarantees the obligation of the platinum lease contract for work at ERSA's plant, valid until 11.05.2022.	Letter of credit	8,074
Ministry of Energy and Non-Renewable Natural Resources of the Republic of Ecuador	Issuer: EOP Operaciones Petroleras S.A. Beneficiary: Secretariat of Hydrocarbons of Ecuador. Guarantees 20% of Phase I minimum investments of Exploration of the Contract for the Provision of Services for Hydrocarbon Exploration and Exploitation in Block 28, Ecuador, expiration on 13.05.2022.	Standby Letter of Credit as counter-guarantee for guarantee issuance abroad	2,975
Ministry of Environment (Ec)	Faithful compliance of environmental management contract plan (PBH, MDC, Jambelí). Date due: 31.01.2022 and 31.12.2022	Insurance policy	4,803

39. CONSOLIDATION SCOPE

a) The details of participation percentages in companies included in the consolidation scope is as follows:

Company	Country	Functional currency	Participation percentage		Voting right percentage		Relation with head office
			31.12.2021	31.12.2020	31.12.2021	31.12.2020	
Enap Refinerías S.A.	Chile	Dollars	99.98%	99.98%	99.98%	99.98%	Direct subsidiary
Enap Sipetrol S.A.	Chile	Dollars	100%	100%	100%	100%	Direct subsidiary
Petro Servicios Corp. S.A.	Argentina	Dollars	100%	100%	100%	100%	Indirect subsidiary
Gas de Chile S.A.	Chile	Pesos	100%	100%	100%	100%	Direct subsidiary
Energía Concón S.A.	Chile	Dollars	100%	100%	100%	100%	Indirect subsidiary
Enap Sipetrol Argentina S.A.	Argentina	Dollars	100%	100%	100%	100%	Direct subsidiary
Sipetrol International S.A.	Uruguay	Dollars	100%	100%	100%	100%	Indirect subsidiary
EOP Operaciones Petroleras S.A.	Ecuador	Dollars	100%	100%	100%	100%	Indirect subsidiary
Vientos Patagónicos SpA	Chile	Dollars	66%	66%	66%	66%	Direct subsidiary

b) Activity of companies included in the consolidation scope:

Company	Activity
Enap Refinerías S.A.	Purchase and refining of crude oil and by-products.
Enap Sipetrol S.A.	Exploration, production and marketing of hydrocarbons. It also renders advisory services in Chile and abroad.
Petro Servicios Corp. S.A.	Petroleum services.
Gas de Chile S.A.	Import, export and operation of all kinds of fuels and by-products, especially natural gas in any phase.
Energía Concón S.A.	Construction, implementation, operation and exploitation of the Cocker Plant.
Enap Sipetrol Argentina S.A.	Generation of UTE, collaboration groups, joint ventures, consortiums and other type of associations for hydrocarbons exploration, exploitation and transport.
Sipetrol International S.A.	Make and manage investments. One or more of the activities of exploration, exploitation or benefit of fieldscontaining hydrocarbons.
EOP Operaciones Petroleras S.A.	Surface geological studies and drilling of exploratory wells.
Vientos Patagónicos SpA	Design, construction, operation and maintenance of the wind power generation project "Nuevo Parque Eólico Cabo Negro".

c) Summary subsidiaries financial information:

As of 31 December 2021

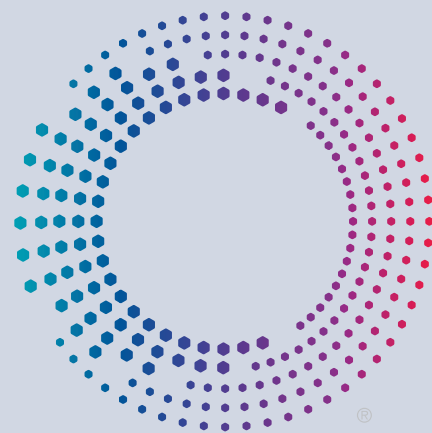
Company	Assets		Liabilities		Ordinary income	Ordinary expenses	Year's result
	Current MUSS	Non-current MUSS	Current MUSS	Non-current MUSS			
Enap Refinerías S.A.	1,711,562	2,197,459	3,176,703	145,072	6,884,180	(6,541,455)	82,987
Enap Sipetrol S.A.	674,116	325,522	54,583	8,775	304,322	(161,234)	97,358
Petro Servicios Corp. S.A.	228	-	114	-	-	-	(58)
Gas de Chile S.A.	601	3,349	53	-	-	-	33
Energía Concón S.A.	40,688	47,383	7,554	-	(5,381)	-	(4,063)
Enap Sipetrol Argentina S.A.	73,034	336,174	70,529	300,573	113,781	(72,241)	(12,148)
Sipetrol International S.A.	195,083	35,320	8,334	678	56,915	(20,115)	36,034
EOP Operaciones Petroleras S.A.	1,901	-	174	-	-	(1,717)	(1,717)
Vientos Patagónicos SpA	3,243	19,182	1,177	14,869	1,649	(2,277)	(1,017)

As of 31 December 2020:

Company	Assets		Liabilities		Ordinary income	Ordinary expenses	Year's result
	Current MUSS	Non-current MUSS	Current MUSS	Non-current MUSS			
Enap Refinerías S.A.	1,146,774	2,245,235	2,694,009	170,836	4,354,142	(4,263,420)	(108,102)
Enap Sipetrol S.A.	619,917	648,601	152,114	284,197	345,673	(214,400)	73,336
Petro Servicios Corp. S.A.	252	-	80	-	-	-	(32)
Gas de Chile S.A.	668	4,029	57	-	-	-	(58)
Energía Concón S.A.	23,955	75,781	1,801	21,481	(4,441)	-	(2,892)
Enap Sipetrol Argentina S.A.	30,377	366,659	121,233	245,022	110,926	(111,064)	(23,752)
Sipetrol International S.A.	57,821	135,381	7,845	-	44,722	(21,448)	21,919
EOP Operaciones Petroleras S.A.	1,803	1,243	202	-	-	(2)	(487)
Vientos Patagónicos SpA	2,616	21,233	382	16,103	414	(712)	(290)

40. SUBSEQUENT EVENTS

Between 1 January 2022 and the date of issuance of these consolidated financial statements, there have been no subsequent events that could significantly affect their reasonableness.



ENAP