

SUSTAINABLE BUSINESS DEVELOPMENT 2020



CREATING VALUE AND IMPACTS ON OUR BUSINESS

Sustainability is at the core of our projects and operations and it represents both an opportunity and a responsibility to protect and reinforce the natural and social systems in which we live. We have established our Strategic Thrusts aligned to the 7 areas of continuing improvement identified by the Chilean Chamber of Construction.

EXTERNAL CONTEXT

REGULATORY
CHANGES

GLOBALIZATION

DIGITALIZATION

URBANIZATION
AND MOBILITY

SCARCITY OF
NATURAL
RESOURCES

CLIMATE
CHANGE

OUR ASSETS

FINANCIAL
CAPITAL

OPERATING
CAPITAL

HUMAN
CAPITAL

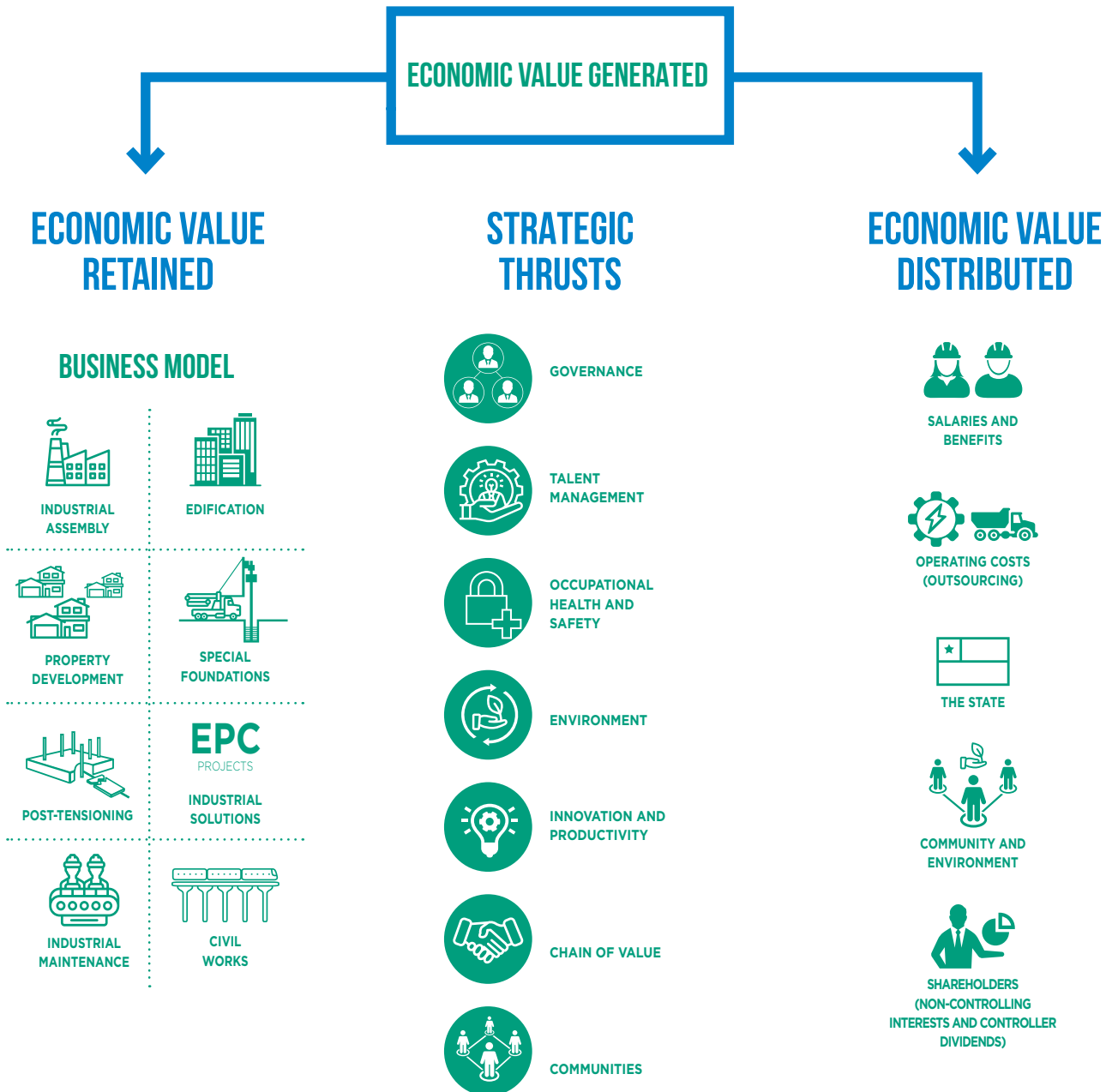
INTELLECTUAL
CAPITAL

NATURAL
CAPITAL

SOCIAL AND
RELATIONAL
CAPITAL



Echeverría Izquierdo is committed to a sustainable business development. We conceive our creation of value and impacts in an integrated fashion: our assets and capital are inputs for our operations and the strategic thrusts are facilitators in creating economic value that is either distributed to our stakeholders or reinvested.

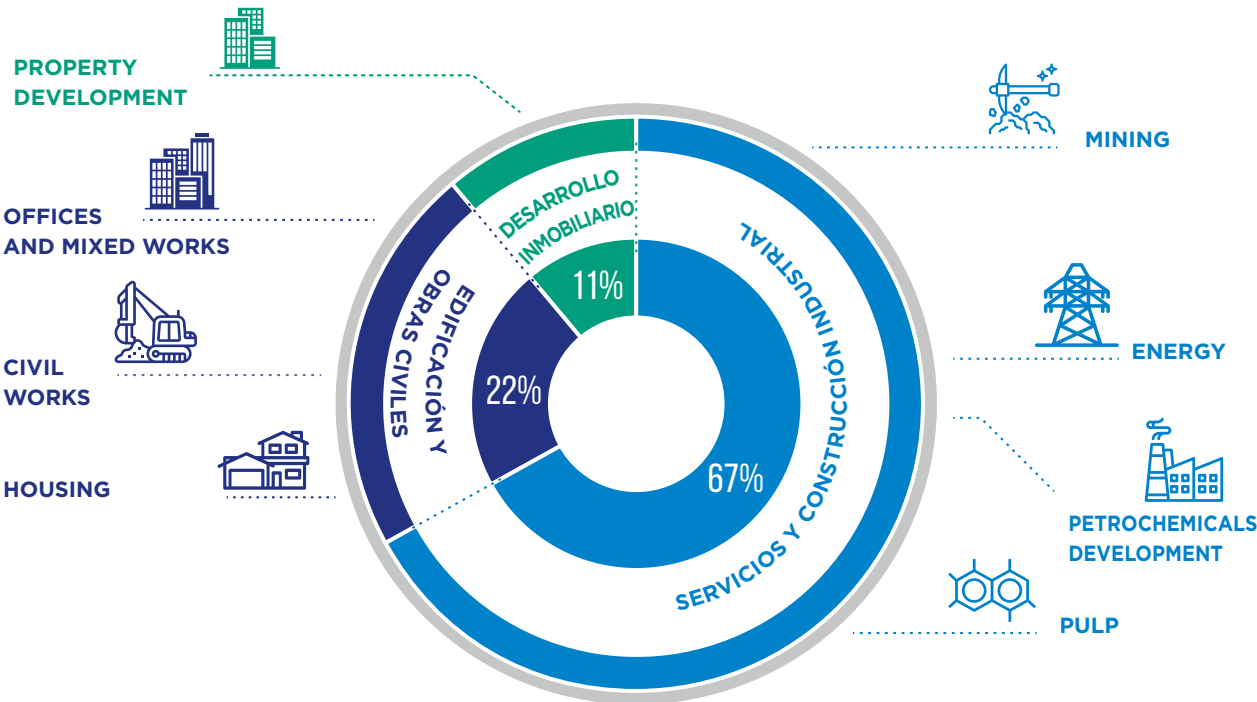


CHAIN OF VALUE: CUSTOMERS

MANAGEMENT MODEL: OUR PROMISE OF VALUE

We add value to our customers by offering innovative, integral solutions. Our efforts are oriented towards offering services of excellence in the fields of engineering and construction to deliver innovative and integral solutions that add value to our customers' projects and thus make us their best partner.

OUR CUSTOMERS



(*) Includes proportional income

OUR APPROACH

URBAN SOCIAL AND ENVIRONMENTAL IMPACT

In the Property area, we aim to improve the quality of life of individuals and the environment in general. We are concerned about the urban impact of our projects and we endeavor to innovate and promote sustainable lifestyles among our customers.

- Improvements in energy efficiency.
- Inclusion of renewable energy (solar panels)
- Electric car chargers
- Artwork on building facades

CLOSE WITH AND FOCUSED ON, THE CUSTOMER

Our commitment to the safety and wellbeing of our customers applies to all our segments and endures throughout the project cycle. In the Industrial and Edification areas, we are known for being close to our customers and for accompanying them early on in each project.

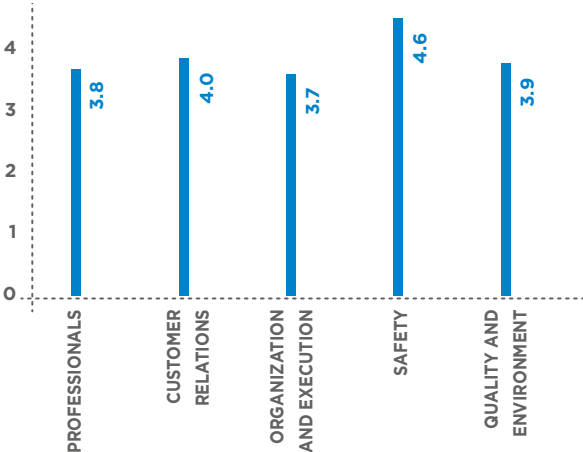
INNOVATION

We offer our customers innovative and sustainable solutions that satisfy their present and future needs thanks to the experience of our collaborators in internal and external research and development projects.

QUALITY AND LEGACY

In our more than 40 years of experience, we have consolidated by providing a durable, quality product. We deliver quality and value to our customers through high standards of design and construction in our different products and services.

CUSTOMER SATISFACTION



On a group level, our priority is the relationship with our corporate clients and users.

In the Edification area, we evaluate the satisfaction of our customers by means of a five-category survey.

CHAIN OF VALUE: SUPPLIERS

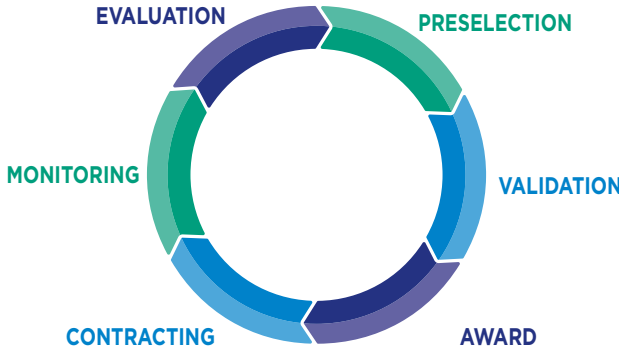
Echeverría Izquierdo promotes excellence in its chain of supply, focused on knowing who we work with, identifying their risks and managing a mutually beneficial relationship. We endeavor for our suppliers to share our principles and values concerning sustainability, innovation, respect for human rights and compliance with labor and environmental laws.

We are currently developing a corporate supplier management strategy so that we can standardize and consolidate our good practices on a group level.

MANAGEMENT MODEL

The EISA Group promotes high parameters of social and environmental works and good practices in our chain of supply. We have a Policy and Procedures Manual that sets down general guidelines, and we are designing procurement policies and supplier contract procedures.

The Edification and Construction business units are implementing a circular process and setting down criteria in a regulatory framework in the aim of generating value and assuring the supply of good and services in a fair, ethical and honest environment. The risks of entry, operation and exit are evaluated in each stage of the defined flow of the chain of supply, with an emphasis on R + d + i, operating excellence and collaborative work.



Critical suppliers supply goods and services that are important to our operations because of the high volumes, critical components or not easily substitutable goods that they provide, or because they represent a high percentage of our total procurement expense.

High sustainability risk suppliers are suppliers who are more likely to cause adverse impacts if they act improperly socially (human rights, working conditions), environmentally (waste management) or in their governance (compliance with the law).



RESPONSIBLE SUPPLIER MANAGEMENT

The EISA Group has implemented procedures to accredit suppliers and outsourcing due diligence protocols that set down the directives and guidelines to be followed by the Company's employees in relation to knowing suppliers and other outsourced providers in general before contracting or engaging with them. This is a control measure to prevent the crimes listed in Law 20,393 on the Criminal Liability of Legal Entities.

Each business unit is required to comply fully with all governing regulations and to schedule internal audits led by each functional area. This identifies economic, reputational, social, and environmental risks.

	EDIFICACION AND CIVIL WORKS	ASSEMBLY AND EDIFICACION
Fundamental worker's rights and working conditions	The Human Resource Subdivision and employees in each management center verify and control compliance with regulations to manage risks involving working conditions, compensation, freedom of association and child labor, among other factors.	By contract, suppliers and subcontractors are required to comply with all rules of law. We have the authority to request Certificates of Employer Compliance.
Occupational health and safety and standards of environmental care and protection	The Safety Division and its employees working in each management center confirm that the directives for work performance are followed in accordance with the statements in the regulations and the customer's standards.	Before being contracted, suppliers and subcontractors must fill out a form where they state whether they hold ISO occupational health and safety and environmental certification. The environmental officers check that the work is performed according to law and the customer's standards. The work under subcontracts is monitored indirectly.

BEST PAYER RECOGNITION:

Echeverría Izquierdo Construcciones was the best payer in the construction sector and one of the best in the industry as a whole, according to the ranking prepared by the Product Exchange and ASECH (Chilean Entrepreneurs Association). The study looks at the payment of invoices to SMBs and reveals the ongoing effort of the company to improve the terms of payment to our suppliers.

Best payers in the fourth quarter (published by El Mercurio Newspaper)

INDUSTRY	COMPANY	AVERAGE SECTOR GRADE (SCORE)	PAYER'S SCORE
FOOD	Agrícola Super	74.4	86
CONSTRUCTION	Echeverría Izquierdo Construcciones	68.1	91
ENERGY	Inversiones Hormitos	75.6	82
GOVERNMENT	Astilleros y Maestranzas de la Armada	77.5	87
MINING	Compañía Minera del Pacífico	77.6	97
SALMON FARMING	Exportadora Los Fiordos	69.2	86
SANITARY	Aguas Araucanía	78.5	81.5

CHAIN OF VALUE: SUPPLIERS

Integrating Sustainability into our supply chain

CHALLENGES

As a group, we promote the development of our suppliers and we make an effort to extend our goods sustainability practices to them. This represents several challenges, such as:

MONITORING THE CAPACITY OF OUR STRATEGIC AND CRITICAL SUPPLIERS TO PROVIDE SERVICES	ENCOURAGING THE CONTRACTING OF LOCAL SUPPLIERS AND WORKERS	ENSURING THAT ALL SUPPLIERS ARE TREATED WITH DIGNITY	DEVELOPING SUPPLIERS THROUGH LONG-TERM AGREEMENTS
--------------------------------------------------------------------------------------------	-------------------------------------------------------------------	-------------------------------------------------------------	----------------------------------------------------------

OUTSTANDING INITIATIVES

SUPPORTING SMBs

Our business units have taken several initiatives to offer favorable conditions to small and mid-sized businesses (SMBs), such as:

A MONITORING PLAN AND INDICATORS TO ANALYZE INVOICING AND PAYMENT TERMS	AUTOMATIC RECONCILIATION OF INVOICES TO ENSURE AN EXPEDITIOUS PAYMENT FLOW	ENCOURAGING REVERSE FACTORING AT PREFERENTIAL RATES FOR OUR PREMIUM SMB SUPPLIERS
--------------------------------------------------------------------------------	-----------------------------------------------------------------------------------	------------------------------------------------------------------------------------------

PUSHING FOR INDUSTRIALIZATION AND CONTINUING IMPROVEMENT

Our business units have taken several initiatives to stabilize, and then optimize, production processes so as to reduce execution times and risk exposure and increase the quality of the product under the continuing improvement philosophy.

In Edification and Constructions, these initiatives are aligned to the Industry 4.0 framework, greatly motivated by industrialization. The risks to which they are exposed are detailed in the HIRA Matrix according to the OHS Management System. We also use a constructability index to evaluate the design and construction processes associated with the impact of skilled and unskilled labor.

2020 CCHC SUSTAINABLE COMPANY AWARD, LARGE CONSTRUCTION COMPANY CATEGORY: ECHEVERRÍA IZQUIERDO EDIFICACIONES

This award is given by the Chilean Chamber of Construction (CCHC) to companies committed to socially responsible and good sustainability practices. It is given to one company per year and is one of the most outstanding awards from the CCHC annually. Echeverría Izquierdo Edificaciones was the recipient in 2020.

The following pillars of companies are analyzed for this award: Governance, human capital, safety, customers, the production chain, environment, community, innovation and productivity.

The company applied for this award in 2019, a year when it had several initiatives under development that included:

- Alcohol and drug policy;
- The incorporation of industrialization and digitalization to our processes: A Builder platform (integrating HR, assistance, planning and costs) and our Knowledge Portal Platform to develop talent and capitalize know-how;
- The Foreman Plan in alliance with DUOC for our foremen to receive a construction technician degree;
- Work on a culture of safety excellence;
- A management system via KPIs by area for implementation and tracking of strategic planning;
- The survey system and customer satisfaction measurement, to name a few.

This award is a source of great pride for our entire team and becomes more valuable than ever in the context of the pandemic now prevailing in our country. We are convinced that we are on the right road and we reassert our commitment: to our employees, to all our chain of value and to the community. We will continue to persevere and improve on this road to move the borders of the construction business, which is our purpose and inspiration.

MAIN CHALLENGES



During 2020, the Echeverría Izquierdo Group implemented a supplier and subcontractor Portal called IConstruye (I Build, in English) in order to be able to trace invoicing and the respective payments.

THE EDIFICATION AND CONSTRUCTION BUSINESS UNITS HAVE REINFORCED AND IMPROVED THE PREQUALIFICATION STANDARD THROUGH THE LINK BILD PLATFORM, TO IMPROVE THE CRIME PREVENTION EFFORTS USING NEITCOM. A COMMITTEE WAS SET UP TO DRAFT FORM CONTRACTS, AND ALL PROCEDURES OF THE LOGISTICS, PROCUREMENT AND SUBCONTRACTS SUBDIVISION WERE UPDATED AND IMPLEMENTED IN EARLY 2020.

NEXXO IMPLEMENTED THE ERP DYNAMIC AX IN THE PROCUREMENT AND WAREHOUSING MODULES AT THE END OF 2019. THE BEST PRACTICES IN FUNCTIONALITIES THAT USE THIS SYSTEM ARE EXPECTED TO BE CONSOLIDATED DURING 2020, WHICH WILL IMPROVE RELATIONS WITH SUPPLIERS AND HELP INCREASE QUALITY, TIMING AND COST EFFICIENCIES.

MANAGEMENT SYSTEM

INTEGRATED MANAGEMENT SYSTEM

















An Occupational Health, Safety and Environmental Management System (SSTMA) has been implemented. Its main purpose is to ensure compliance with the requirements of stakeholders, external and internal customers as the life of our employees and environmental care are important.

AUDITING AND CERTIFICATION

Echeverría Izquierdo and its business units hold national and international certifications that warrant high standards in their quality systems and they foster an integrated management of their operations and processes. These certifications are constantly reviewed and updated.

To confirm its regulatory compliance with certifications, the Company has established a documented procedure to conduct internal audits every year. These audits address the requirements of the SSTMA System and the applicable legal requirements, and are made of all the work centers.

Echeverría Izquierdo has been externally audited according to OHSAS 18001, under which we hold certification since 2010. The Echeverría Izquierdo health and safety system has also been audited and certified each year by Bureau Veritas and by the Mutual Safety Association. All processes are audited, and some representative work centers are selected to verify compliance with the standard and internal requirements.

ISO 9001 QUALITY MANAGEMENT SYSTEM	ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM	OHSAS 18001 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM	ASME S STAMP AMERICAN SOCIETY OF MECHANICAL ENGINEERS
     	  	     	

HONOR ROLL

During 2020, the Chilean Chamber of Construction (CChC) and the Mutual Safety Association held the awards ceremony for the "Honor Roll in Occupational, Health and Safety of the CChC," which recognizes the companies that stood out in occupational health and safety during 2019.

Echeverría Izquierdo has been a part of this Honor Roll on several occasions, and this year was no exception. El Construcciones, El Edificaciones and Nexxo were honored with 4 stars, which means they have an accident ratio less than or equal to 2.50%, and no fatal accidents, among other criteria.

Lastly, El Montajes Industriales received 6 stars for suffering no fatal accidents in the last 2 years evaluated (2018-2019), for having earned 5 stars at least three times in the last 5 years, one of which must have been the year being awarded, and for having a CChC safety ratio of excellence in the last 5 years.

Pablo Ivelic, Corporate Chief Executive Officer, remarked that "this is a recognition of occupational health management by companies in the Echeverría Izquierdo group as it means having standards and results of excellence in safety. The fact that 6 of our business units are on the Honor Roll is recognition of serious, responsible work, and simultaneously encourages us to continue working on what is, for us, a corporate value, namely the safety and life of those who work with us. Our ultimate goal is for employees to return safe and sound to their homes."



The Chilean Chamber of Construction does certify that **ECHEVERRÍA IZQUIERDO MONTAJES INDUSTRIALES S.A.** is a member of the Honor Roll in the "Six Star" category because of its excellent occupational health and safety ratios in the period from January to December 2019, according to the terms and conditions stipulated to receive this honor.



VALIDITY DECEMBER 2020

Contar con Sistema de Gestión de Seguridad y Salud en el Trabajo

- Qualified for the 5-star category at least 3 times in the last 5 years, one of the years being the year of award.
- No fatal accidents in the last 2 years (2018 and 2019).
- An average number of workers greater than or equal to 50.
- Having a CChC safety ratio less than or equal to 24.0 in the last 5 years.
- Having a Certified Occupational Health and Safety Management System.


Antonio Errázuriz
Chairman
Chilean Chamber
of Construction

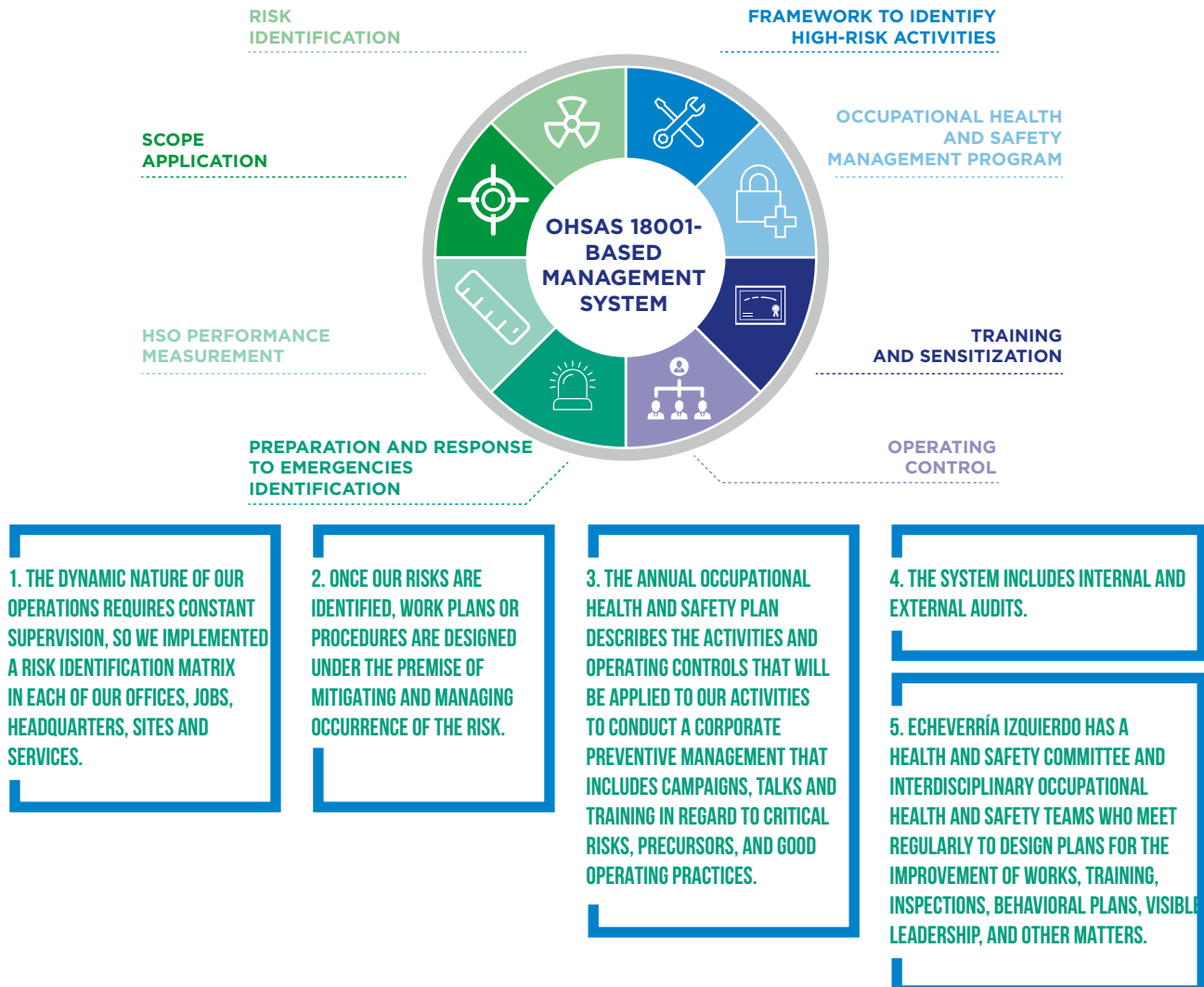
HEALTH AND SAFETY

OUR COMMITMENT

We are developing a culture of care that promotes the safety and wellbeing of our employees, contractors, and business partners. This culture facilitates a safe work environment, including all measures necessary to safeguard our people, projects and reputation and ensure that everyone goes home to their families in the same condition in which they came to work.

MANAGEMENT MODEL

We have established the highest standards in our tasks and facilities in the objective of creating risk-free environments for our employees and clients. Our system is based on the OHSAS 18001, the recognized standard on this subject, which encompasses the following aspects:



MANAGEMENT AND CONTROL OF THE “SAFE RETURN PLAN” FOR THE PANDEMIC

One of the greatest challenges we have faced is the Covid-19 pandemic. It led us to rethink the way in which we do things and create cultural changes and changes in the construction process at our work centers.

As a result, we designed the Safe Return Plan, an integral plan that contains several initiatives grouped into 5 lines of work, each complementary to the other, to prevent and control infection by coronavirus inside the company.

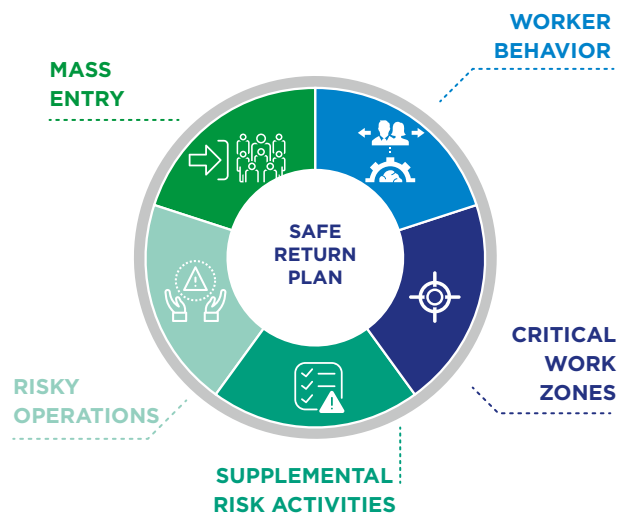
1. Mass Entry: This line of action sought to put the health of our employees first and conduct a first filter of immune and uninfected workers entering sites to care for the health of our probably infected workers and those that could become infected. To do this we conducted massive immune and PCR tests, one and the other depending on the outcome of a characterization survey of the population at risk. This mass control of employee entry was done in a scheduled, gradual and deferred manner and symptom triage was also performed. We have an outbreak management procedure for phases of action when any case of infection is found, depending on the scope, starting with the first case of infection at the center.

2. Worker behavior: We also took care to provide the physical conditions required to prevent infection by Covid-19. We focused our work on sensitization and education of our workers about the right way to prevent infection. We conducted a communication campaign by sending GIFs and videos through a WhatsApp number in order to stay connected and communicated. This is how we promoted care among everyone. And we gave a Covid-19 family kit to workers to care for themselves and their loved ones.

3. Critical work zones: This line of action involved reconditioning measures to enter project works, dining halls, dressing rooms, showers, bathrooms, and offices, as well as an advance inspection team and the issuance of a Manual on living with Covid-19.

4. Supplemental Risk Activities: This line of work addressed the risks of infection in activities necessary and complementary to construction such as: Induction – Covid-19 DNA Plan; Builder: Digitalization and OHS document manager: JSA / Daily Talks on the construction process, operating meeting guideline, the redesign of PPE, Sanitization Program and design; Builder: A remote survey of symptoms linked to attendance control and red alerts.

5. Risky operations: This initiative changed the traditional way we addressed the risks inherent to construction. The risk of Covid-19 was added to operations. We have had to rethink how we work in order to design our sites taking into account the social distancing variable through an integrated planning that includes the Covid-19 risk, the design of limited functional crews and an appropriate communication and dissemination of work procedures and preventive measures.




HEALTH AND SAFETY

AWARDS – GOOD PRACTICES

During 2020, the Chilean Chamber of Construction held a good occupational health and safety work practice contest focused on initiatives undertaken by companies to handle the pandemic and care for the health of employees in workplaces. This year we were again awarded two firsts and one outstanding practice, acknowledgement of a robust action plan put in effect by our company to combat Covid-19 at our projects.

The recognized Good Practices are:

SAFE RETURN PLAN, IN THE CATEGORY OF “DEFINE GOALS, DEVELOP PROGRAMS” (GOLDEN RULE NO. 3)



WINNING PRACTICE (1ST PRIZE)

BUILDER-DIGITALIZATION AND OHS DOCUMENT MANAGEMENT: JSA / DAILY TALKS ON THE CONSTRUCTION PROCESS, IN THE CATEGORY OF “IMPROVING QUALIFICATIONS, DEVELOPING COMPETENCIES” (GOLDEN RULE NO. 6)



WINNING PRACTICE (1ST PRIZE)

RISKY OPERATIONS: PLANNING INTEGRATING THE COVID-19 RISK, IN THE CATEGORY OF “IDENTIFYING HAZARDS AND EVALUATING RISKS” (GOLDEN RULE NO. 2)

OUTSTANDING PRACTICE

ADAPTATION OF PROCESSES, AUTOMATION OF BUILDER DIGITALIZATION

- **OHS document management and digitalization: JSA / Daily talks on the construction process.**

Este desarrollo consiste en llevar a cabo los procesos antes mencionados de forma completamente digital, lo que nos permite tener un registro en tiempo real del cumplimiento de estas actividades al interior de nuestros centros de trabajo, disminuir los tiempos asociados y reducir el uso de papel. A través de la aplicación de Builder en smartphones o tablets, los capataces pueden realizar estas actividades registrando de forma inmediata en el caso de las AST las tareas asociadas a sus cuadrillas de trabajo, riesgos asociados y medidas de control que aplican, en el caso de las Charlas Diarias la aplicación permite al capataz ver un set de charlas disponibles para que pueda seleccionar y entregar los contenidos a sus trabajadores. Por último, la aplicación permite registrar la firma y fotografía de los trabajadores.



- **Remote physical symptoms survey linked to attendance control and red alerts.**

In order to avoid the spread of Covid-19 at workplaces, a system was implemented to take a digital Covid-19 symptoms survey remotely that was linked to the electronic attendance control and record. This allowed us to identify in real time collaborators who presented symptoms or had come in close contact with people testing positive for Covid-19 before they reached the project. Workers probably infected were thus kept from entering places at the work site, like dressing rooms or the site installation, which reduced the risk of contagion and exposure of other collaborators.



Covid-19 health survey

PERFORMANCE INDICATORS

ACCIDENT RATIO	2016	2017	2018	2019	2020
El Montajes Industriales	0.35	0.25	0.16	0.07	0.41
El Soluciones Industriales	0.00	0.00	0.00	0.00	0.00
Nexxo	0.41	0.43	0.33	0.20	0.15
El Edificaciones	2.58	1.15	1.01	1.33	1.42
El Construcciones	0.00	0.00	0.94	1.13	1.99
El Ingeniería y Construcción	6.72	2.82	0.00	1.45	0.00
Pilotes Terratest Chile	3.20	2.39	2.81	2.09	0.43
VSL	4.87	0.61	2.08	2.38	2.61
Consolidated	1.60	0.74	0.54	0.59	0.53

FREQUENCY RATIO	2016	2017	2018	2019	2020
El Montajes Industriales	1.39	0.97	0.63	0.26	1.62
El Soluciones Industriales	0.00	0.00	0.00	0.00	0.00
Nexxo	1.64	1.72	1.29	0.81	0.60
El Edificaciones	10.25	4.56	4.02	5.30	5.63
El Construcciones	0.00	0.00	3.71	4.47	7.90
El Ingeniería y Construcción	26.69	11.19	0.00	5.74	0.00
Pilotes Terratest Chile	12.70	9.49	11.17	8.29	1.70
VSL	19.32	2.44	8.27	9.43	10.36
Consolidated	6.36	2.95	2.14	2.33	2.12

OCCUPATIONAL DISEASE RATIO	2016	2017	2018	2019	2020
El Montajes Industriales	0.00	3.48	0.73	0.00	0.39
El Soluciones Industriales	5.94	0.00	0.00	0.00	0.00
Nexxo	0.00	0.00	0.00	0.00	0.00
El Edificaciones	0.26	0.00	0.00	0.71	0.00
El Construcciones	0.00	0.00	0.00	0.00	0.00
El Ingeniería y Construcción	0.00	0.00	0.00	0.00	0.00
Pilotes Terratest Chile	0.00	0.00	1.24	0.00	0.00
VSL	9.66	4.87	3.31	1.35	2.59
Consolidated	0.41	1.28	0.50	0.16	0.32

ENVIRONMENT

EISA has a continuing commitment to improvement

ENVIRONMENTAL MANAGEMENT SYSTEM

We manage our environmental impacts optimally.

We manage and assume responsibility for our environmental impact.

EISA is aware that its core business sectors (construction of buildings and infrastructure) have an impact on the natural resources of Earth, namely material, soil, water, air, and biodiversity.

We assign special importance to compliance with regulations and the requirements in the certifications we hold, like ISO 14001 that addresses the environmental management system.

In line with the environmental challenges in the Metropolitan region, we apply programs to mitigate our impact that focus on the sustainable management of resources and the use of energy. As a leading contractor, we are also increasingly concentrating on the principles of sustainable construction and we have a solid record in executing ecologically constructed projects.

MANAGEMENT PROCESS

Echeverría Izquierdo Montajes Industriales manages environmental matters through an environment department that applies a management system based on studying each of the projects and their scopes to comply with governing regulations and ensure the commitment of each employee to the environmental aspects in which they are involved, and to environmental protection and the prevention of environmental contamination.

The main environmental issues in the organization are the processing of Environmental and Sectorial Permits for each of our projects and/or works to be performed.

The company has an Integrated Management Policy that addresses occupational health and safety, the environment and quality.

Corporate: Environmental matters are managed through the project risk prevention departments. Their objective is to implement work plans for the management of any waste, and to prioritize prevention, reduction, reutilization, recycling and disposal (removal by authorized companies that dispose of waste in accredited locations).

The environmental aspects are evaluated in a matrix that follows the guidelines in a procedure to identify environmental considerations and assess environmental impacts. The matrix is designed and adjusted for each project.

The environmental objectives are communicated to the actors involved, are reviewed at management meetings, and training is conducted throughout the year.

INNOVATION MANAGEMENT

In 2020, campaigns were held on reducing hazardous and non-hazardous industrial waste and household waste by encouraging recycling and an awareness of the consumption of resources.

We also intend to propose technological measures to reduce and optimize the consumption of industrial water used in our productive activities.

No substantial fines for environmental violations have been imposed upon Echeverría Izquierdo in the last 4 years.



ENVIRONMENT

IMPACT MANAGEMENT

We are focused mainly on:

IDENTIFYING ENVIRONMENTAL CONSIDERATIONS AND IMPACTS CAUSED BY OUR ACTIVITIES BY MEANS OF IDENTIFICATION MATRIXES FOR EACH OF OUR TASKS, BOTH AT OUR HOME OFFICE AS WELL AS IN OUR HEADQUARTERS, CONTRACTS, SITES, AND SERVICES.

OPERATING CONTROLS: AFTER IDENTIFYING OUR SIGNIFICANT ENVIRONMENTAL CONSIDERATIONS, WORK PLANS OR PROCEDURES ARE DESIGNED TO MINIMIZE THEIR IMPACT ON THE ENVIRONMENT.

ANNUAL ENVIRONMENTAL PROTECTION PLAN: THIS PLAN DESCRIBES THE ACTIVITIES AND OPERATING CONTROLS THAT WILL BE APPLIED TO OUR ACTIVITIES TO CONDUCT A CORPORATE ENVIRONMENTAL MANAGEMENT THAT INCLUDES CAMPAIGNS, TALKS AND TRAINING IN REGARD TO IMPACTS AND THE COMPANY'S ENVIRONMENTAL REQUIREMENTS.

THE PLAN INCLUDES, FOR CONTRACTS, WORK SITES AND SERVICES, THE REQUIREMENTS OF EACH CLIENT.

COMPLIANCE WITH THE LAW: THE APPLICABLE LEGAL REQUIREMENTS ARE IDENTIFIED THROUGH THE LEGAL MATRIX TOGETHER WITH IMPLEMENTATION AND VERIFICATION MEASURES.

MAIN GOALS

MAINTAINING CERTIFICATION/AUDITS: ENVIRONMENTAL AUDITS WERE MADE PERIODICALLY THROUGHOUT 2020 OF ALL WORK CENTERS.

HAVING ZERO ENVIRONMENTAL FINES.

EFFICIENCY IN THE USE OF PAPER, WATER, AND ELECTRICITY.

REDUCING THE QUANTITY OF WASTE GENERATED (HOUSEHOLD, NON-HAZARDOUS AND HAZARDOUS): THE ENVIRONMENTAL CAMPAIGN HELD IN 2020 WAS FOCUSED ON MANAGING SOLID HOUSEHOLD WASTE. A CAMPAIGN WAS CONDUCTED AS PART OF THE WORLD ENVIRONMENT DAY THAT WAS REPLICATED IN ALL BRANCHES, CONTRACTS, AND SITES THROUGHOUT THE NATION. A SAFETY CAMPAIGN WAS IMPLEMENTED TO REINFORCE COMPLIANCE WITH WASTE MANAGEMENT AND RECYCLING (BY HOLDING PRACTICAL WORKSHOPS FOR EMPLOYEES), AND ROLES WERE DEFINED WITHIN EACH PROJECT TEAM TO CONTROL WASTE MANAGEMENT.

DISPOSAL OF HAZARDOUS WASTE ACCORDING TO NATIONAL REGULATIONS.

COMPLETING THE LEGAL MATRIX ASSOCIATED WITH EACH OF OUR PROJECTS AND THEIR ENVIRONMENTAL APPROVAL (RCA)

A PROGRAM WITH RECYLINK. EFFICIENT WASTE MANAGEMENT PROGRAMS WERE IMPLEMENTED AT WORK SITES.

CONSENTIDO PROGRAM (WITH MEANING PROGRAM). 7 WORK CENTERS BEGAN TO PARTICIPATE IN A PROGRAM OF THE CHILEAN CHAMBER OF CONSTRUCTION CALLED WITH MEANING, WHICH AIMS TO REINFORCE WASTE MANAGEMENT IN THE COMPANY'S DIFFERENT PROJECTS.

OPERATING ECOEFFICIENCY

TOTAL WASTE GENERATED	2016	2017	2018	2019	2020
NEXXO	87.16 TONS	158.1 TONS	62.46 TONS	71.12 TONS	41.806 TONS
VSL	Non-hazardous: 30,460 kg Hazardous: No information	Non-hazardous: 26,920 kg Hazardous: 16,650 kg	Non-hazardous: 32,590 kg Hazardous: 963 kg	Non-hazardous: 34,260 kg Hazardous: 1,888 kg	Non-hazardous: 9,130 kg Hazardous: 591.5 kg
INMOBILIARIA	N/I	N/I	N/I	3,942 KG	PENDING
MONTAJES	Household: 7,384 kg Industrial: 69,141 kg Hazardous: 8,479 kg	Household: 120,045 kg Industrial: 141,256 kg Hazardous: 20,612 kg	Household: Industrial: 3,132,367 kg Hazardous: 8,479 kg	Household: 26,911 kg Industrial: 291,060 kg Hazardous: 16,750 kg	PENDING

WATER CONSUMPTION (MILLIONS OF CUBIC METERS)	2016	2017	2018	2019	2020
NEXXO	1.552 X10-6	2.389 X10-6	2.427 X10-6	2.808 X10-6	2.698 X10-6
INMOBILIARIA	N/I	N/I	N/I	934 M3	PENDING
MONTAJES	N/I	33,706 m3	37,442 m ³	37,723 m ³	PENDING

HUMAN CAPITAL

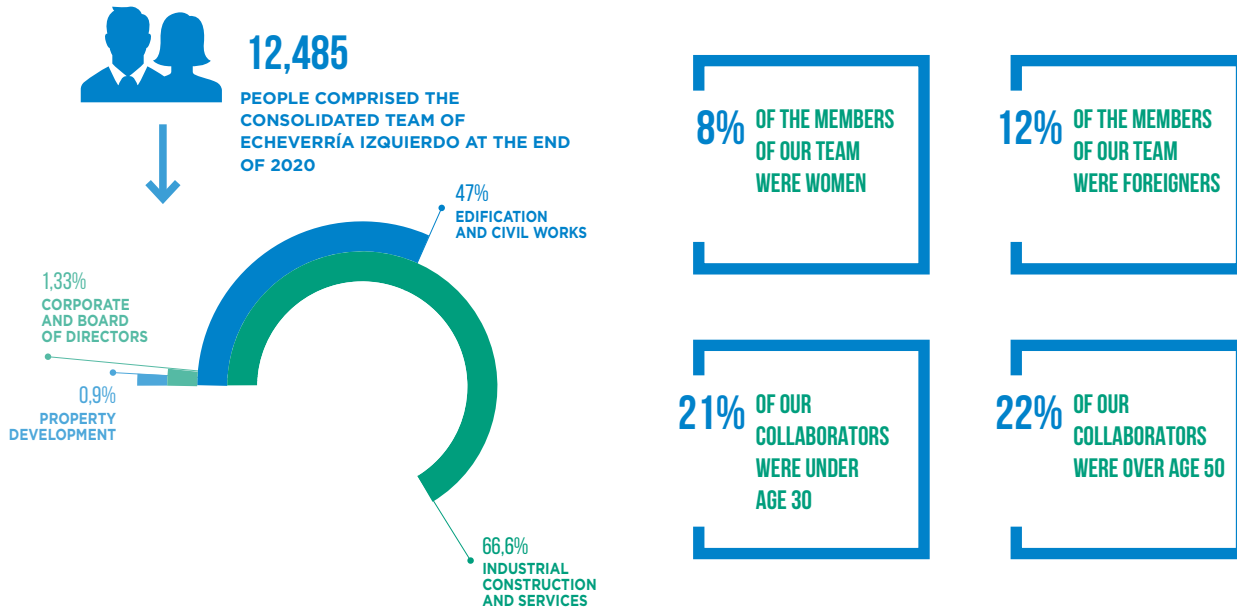
6.5% of all women working in Chile work in the construction sector

OUR APPROACH

We are committed to equal opportunity, diversity, and inclusion, and to promoting a discrimination-free culture.

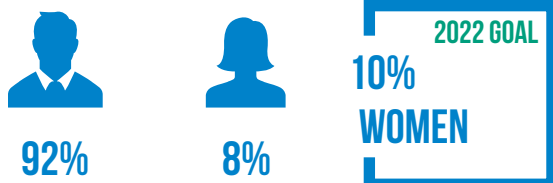
We are focusing our efforts on hiring the disabled, young women, senior citizens, and immigrants. Apart from diversity and inclusion, our focus in 2020 was mainly people development.

DIVERSE TEAM



GENDER DIVERSITY AMONG TOTAL NUMBER OF EMPLOYEES

We are concerned that women be on the different teams so that our percentage is above the business average. We have made strategic alliances with foundations that work with women released from prison under which the company offers them jobs and monitors them.



Percentage of women in managerial positions

	%
Junior managerial positions	21
Senior managerial positions	17
Income-generating managerial positions	12

DIVERSITY AND INCLUSION

We have made a commitment to diversity and inclusion of all types, such as hiring women, the disabled and foreigners.

Our diversity effort is not only to comply with the law but also in the positive understanding that it is an opportunity and not a problem, so we base our efforts mainly on the following commitments:

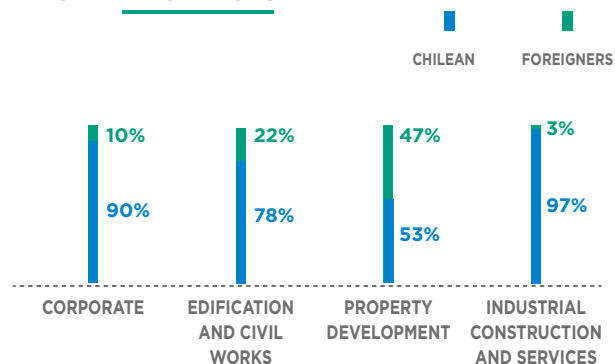
ANY VACANCY TO BE FILLED IS NOT PREVIOUSLY RESTRICTED BY GENDER IN DEFINING THE POSITION PROFILE. IT IS MADE EXPLICIT THAT THE CANDIDATE, WHETHER MALE OR FEMALE, MUST MEET THE TECHNICAL PROFILE.

WE PROMOTE DIVERSITY ON OUR TEAMS THROUGH THE INTEGRATION OF FOREIGNERS. ECHEVERRÍA IZQUIERDO EDIFICACIONES IS PART OF THE COMMITTEE OF INTERCULTURAL COMPANIES OF THE JESUIT MIGRANT SERVICE WITH WHOM MEASURES TO INCLUDE MIGRANTS IN THE WORKING ENVIRONMENT ARE REVIEWED AND IMPLEMENTED, SUCH AS TEACHING SPANISH TO HAITIAN PROJECT WORKERS.

WE HAVE A VISION OF INCLUSION IN OUR ORGANIZATION, UNDERSTOOD TO BE AN OPPORTUNITY TO CREATE BETTER WORKSPACES WHERE UNDERSTANDING AND NON-DISCRIMINATION PREVAIL AND WHERE FAIR, ACROSS-THE-BOARD OPPORTUNITIES ARE MADE AVAILABLE TO ALL MEMBERS OF OUR COMMUNITY. ECHEVERRÍA IZQUIERDO MONTAJES INDUSTRIALES STARTED UP A PILOT SIGN LANGUAGE EDUCATION PLAN DURING 2019 TO FOSTER THE INCLUSION OF THE HEARING-DISABLED. WORKSHOPS AND INTEGRAL TALKS WERE HELD ON SITE AND AT OFFICES TO PROMOTE ALL ASPECTS OF INCLUSION.

	2017	2018	2019	2020
Average number of workers	13,015	12,259	11,014	12,485
Female directors and executive committee members	8%	12%	13%	20%
Female managers	11%	14%	15%	16%
Disabled employees	22	41	48	75
Unionized employees	3,476	3,538	2,972	8,750

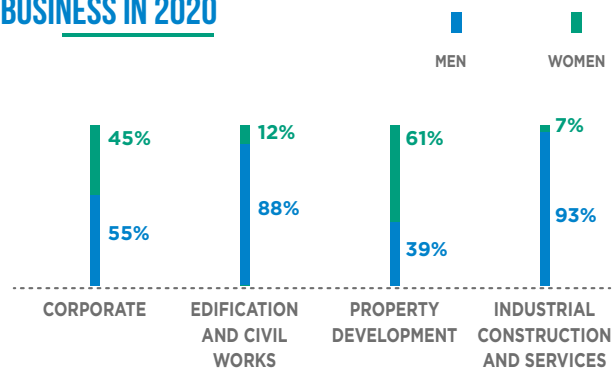
NATIONALITIES IN 2020



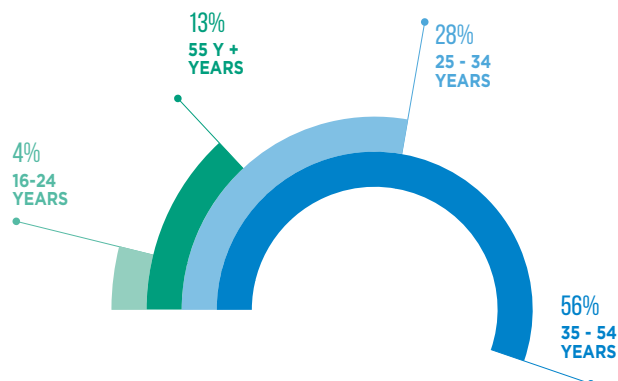
Nationalities of managerial positions

NATIONALITY	JUNIOR MANAGERIAL POSITION	SENIOR MANAGERIAL POSITION
Argentine	2%	7%
Brazilian	1%	0%
Chilean	95%	93%
Peruvian	1%	0%
Uruguayan	1%	0%

GENDER DIVERSITY BY BUSINESS IN 2020



EMPLOYEES BY AGE RANGE











HUMAN CAPITAL





NON-DISCRIMINATION – PAY GAP





One of the most important aspects in matters relating to gender diversity is guaranteeing compliance with the principle of equal pay among men and women who perform one same job. Differences may exist only on the basis of objective and non-arbitrary criteria. So, companies like Echeverría Izquierdo Edificaciones have salary collars by position that are constructed on market information and internal consistency in which the gender variable has no place.

That is the company's method, and if there are situations where male or female employees believe that there may be an arbitrary difference, the Company has a complaint channel that will trigger an investigation of the situation. We have been actively working to close the gender pay gap. We can emphasize the following results in 2020:

CORPORATE	2019  v/s 	2020  v/s 
Managers and Executives	-3.8%	-2.3%
Professionals	-1.6%	-1.2%
Technicians	6.9%	3.9%
Field personnel	N/A	N/A

INDUSTRIAL CONSTRUCTION AND SERVICES	2019  v/s 	2020  v/s 
Managers and Executives	-5.1%	-4.2%
Professionals	-6.5%	-3.3%
Technicians	-9.5%	-3.5%
Field personnel	-9.3%	-3.3%

EDIFICACION AND CIVIL WORKS	2019  v/s 	2020  v/s 
Managers and Executives	-4.2%	-3.2%
Professionals	-7.9%	-3.5%
Technicians	-1.5%	-1.2%
Field personnel	1.2%	1.1%

PROPERTY DEVELOPMENT	2019  v/s 	2020  v/s 
Managers and Executives	-15.1%	-4.4%
Professionals	-9.4%	-2.5%
Technicians	-7.1	3.1%
Field personnel	N/A	N/A

LABOR RELATIONS

Echeverría Izquierdo is focused on maintaining a work climate of respect and trust while always strengthening relations between employees, union leaders and the company. During 2020, we worked on maintaining a direct, fluid communication throughout the hierarchy. For example, releases were issued on contract awards and changes in the organization, internal newsletters were posted, an intranet section displayed the recognition of collaborators, emphasizing merits such as support and collaboration, exceeded my expectations and an amiable and courteous attitude. There were also strategic planning meetings and workplace camaraderie gatherings, among other activities.

The Human Resources area works on the basis of 8 fundamental pillars to strengthen labor relations. Those pillars are:



BUILDING TALENT

We are part of an industry where an adequate formation and knowledge of our teams are indispensable to maintaining a high level of professionalism. Moreover, the world of technology development and the digital transformation require having unique competencies and talents. The ongoing proactive search to drive the business and to establish innovative collaboration and interaction dynamics is key to fostering an environment where people have the possibility of developing professionally. As important as attracting new talent and visions is working together with people on developing their transforming potential to the utmost.

Although we always wish to attract the most innovative talent, developing internal capacities in Echeverría Izquierdo and motivating the members of our team to take on new challenges and to make up for existing gaps is even more important. So, each year we review the

training needs on a national level. At the same time, we conduct an analysis of the organization and its annual goals to design a Training Plan that guarantees that all employees receive the necessary instruction. In parallel, there is an option for collaborators to present a course that they would like to take, which is authorized by arranging for the course with the provider and verifying with the collaborator's superiors that it bears a relation to the employee's functions and/or career development.

In 2020, training was imparted to all segments of employees, emphasizing project workers. They received mostly technical training in construction processes and specialized machinery operation, design and quantification for the engineering team and ongoing instruction in matters related to risk prevention. The training was mostly imparted in classrooms, and in specific cases, by E-Learning.

HUMAN CAPITAL

In the efforts made for our project workers, the “On-Site Leadership” program stands out, oriented towards improving leadership skills in our employees who hold supervisory positions. Work has been done specifically on key issues like the importance of communication, improvement of work methods, motivating, evaluating and promoting teamwork. 10 projects participated in the program in 2020.

Echeverría Izquierdo Edificaciones also has annual training plan in line with the strategic objectives of the company, after which satisfaction surveys are conducted. The programs implemented on site during 2020 include:

FOREMAN PLAN

In 2020, this program was conducted online because of the COVID-19 pandemic. 24 workers from different projects of Echeverría Izquierdo Edificaciones are currently working towards this diploma that aims to give them the know-how to improve their management, adapt to new requirements in the industry and lead the change toward industrialization and digitalization of construction processes.



	HOURS OF TRAINING	NUMBER OF PARTICIPANTS	INVESTMENT IN TRAINING
Echeverría Izquierdo Ingeniería y Construcción S.A.	98	28	\$111,430
Pilotes Terratest	5,025	331	\$13,534,000
Echeverría Izquierdo Edificaciones S.A.	8,300	1,656	\$17,497,954
Nexxo	31,931	1,345	\$95,798,879
VSL	5,328	106	\$400,000
Inmobiliaria	101	59	\$920,000
Montajes Industriales	45,121	1,084	\$133,860,000

TALENT ATTRACTION AND RETENTION

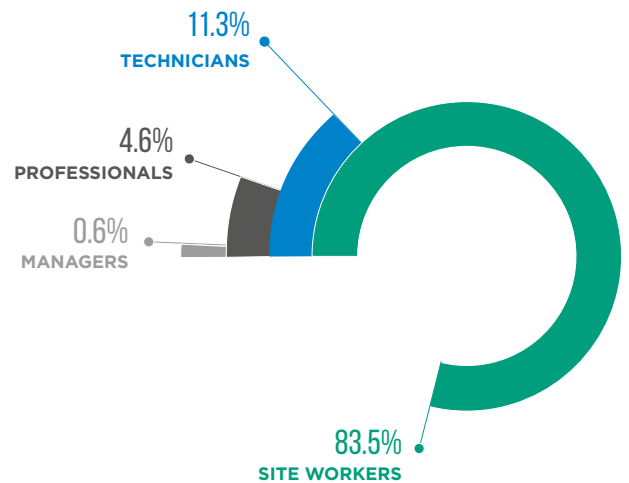
We emphasize the following objectives in fulfilling our mission of being a leader in infrastructure and construction. This guarantees that the human potential within the organization will be managed properly:

RETAIN AND ATTRACT PROFESSIONALS TRAINED AND COMMITTED TO THE MISSION AND VISION OF EISA.

INTEGRATE PEOPLE IN THE ORGANIZATION SO THAT THEY CONNECT WITH THE BUSINESS STRATEGY, THE PURPOSE BEING TO MOBILIZE THE CAPACITIES AND TALENT TOWARDS ACHIEVING OBJECTIVES. THIS WILL GENERATE A GREATER SENSE OF BELONGING AND STRENGTHEN OUR ORGANIZATIONAL CULTURE.

ENCOURAGE INTERNAL MOBILITY BY GIVING EMPLOYEES OPPORTUNITIES FOR DEVELOPMENT.

In leveraging these objectives, in 2020 we reinforced our leaders' moments of feedback through the Feedback Plan. This is a positive psychology strategy to align the strengths of teams with the company's goals and detect opportunities for improvement to improve commitment and collaborative work.



In the search for attracting potential talent, the main projects of Echeverría Izquierdo have been advertised on job portals and by participation in job congresses and fairs. Echeverría Izquierdo Montajes Industriales has a Trainee Engineer Formation plan. Trainees who complete a collaboration plan with prestigious universities in the country then join the company. Added to that initiative, we have a Practices Program with the Pontifical Catholic University of Chile for the Civil Construction Program, an agreement for thesis students at the Pontifical Catholic University of Valparaíso, and an agreement with DUOC UC to attract technical talent to projects.

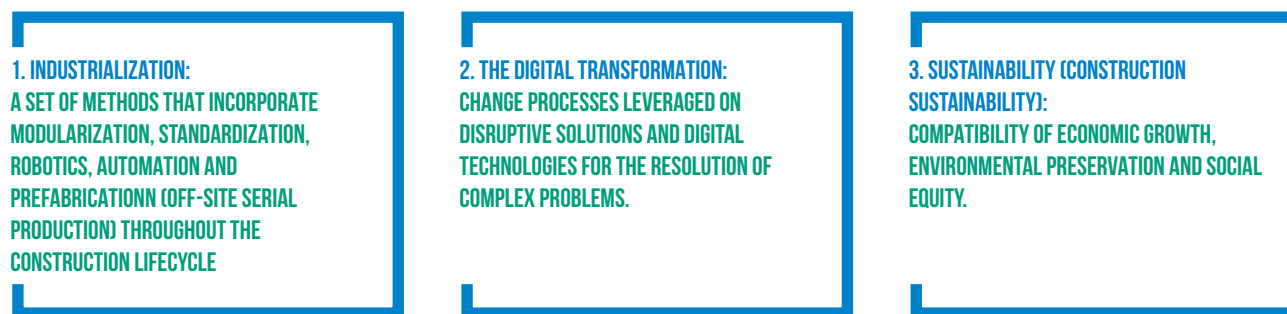
Moreover, the company is constantly meeting with the Employment Office (OMIL) of different municipalities in the search for workers with adequate competencies for our project. This fosters inclusion of the disabled to the working world.

INNOVATION AND PRODUCTIVITY

Echeverría Izquierdo is dedicated to offering its customers innovative and sustainable solutions that satisfy their present and future needs, based on an innovation management strategy and system that reinforces the knowledge and experience of its employees in internal and external research and development projects.

PURPOSE AND FOCUS

We understand that innovation is a critical structural need of the business. In line with that goal, we have developed an innovation strategy that contains three key focal points that are directly related to the business strategy:






INNOVATION STRATEGY

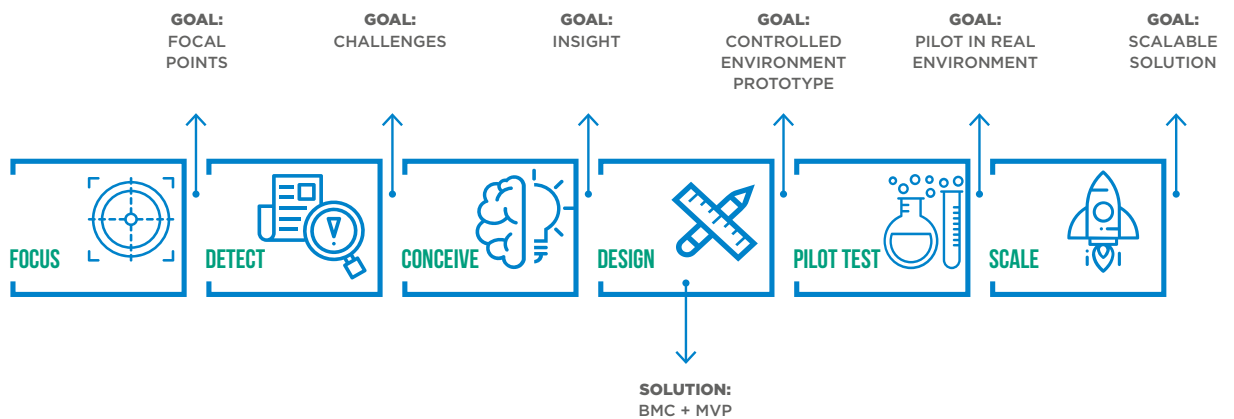
In 2020, progress was made in formalizing the group's innovation portfolio that contain innovative initiatives and projects in the last five years belonging to the 8 business units. This portfolio is currently comprised of 91 projects and initiatives that are in different stages of innovation, conception, design, pilot testing, and scaling. To be able to manage the risk and impact of these projects and initiatives and ensure a minimum of level of disruptive solutions, we classify them by type of innovation (incremental, adjacent, disruptive) and by innovation focus (industrialization, digitalization and sustainability). One of the main goals of this portfolio is to have a complete visibility of the projects under way in the different business units to be able to identify potential synergies and improve the group's productivity. Below is a visualization of a portfolio based on three innovation focal points and the type of innovation to which it pertains.

PORTFOLIO

EI GROUP INNOVATION PROJECTS IN 2020 (PILOTS AND SCALING)

	EIE	EIIC	EIII	EIMI	PILOTES	NEXXO	VSL	
 INDUSTRIALIZATION	1 2 3 4 5	6 7	8 9 10		11		12	1. Digital Geometric Control 2. Prefabricated Perimeter Walls 3. Prefabricated PPVC Barbecue Areas 4. PPVC Multiple-use Room 5. Prefabricated Dividing Walls 6. Prefabricated Dividing Walls for the Subway 7. Shotcrete Robot 8. Prefabricated Bathrooms 9. Modular Kitchens 10. Modular Closets 11. Project Shotcrete Robot 12. Structure Segmentation P P P P P P S P P P S S
 DIGITALIZATION	1 2 3		4	5		6		1. Daily Talk and Digital JSA 2. Digital Waste Management 3. Concrete Maturity Sensor 4. E-commerce locker 5. Warehouse Modernization - Digital Delivery 6. Digitalization of Maintenance Contracts and Online Control P P P P P S D
 SUSTAINABILITY			1 2 3					1. Waste Management 2. Carbon Footprint Measurement 3. Electromobility P P S

D DESIGN P PILOT S SCALING



INNOVATION STRATEGY AND MANAGEMENT SYSTEM

INTERNAL MANAGEMENT OF THE BUSINESS

We worked in 2020 on formally deepening the innovation management system as the Echeverría Izquierdo Group in order to implant and accelerate innovation management within the group and to validate and renovate the transversal innovation policy throughout the organization. Lastly, but not least important, Innovation Week was held to give innovation meaning throughout the organization.

An innovation method (internal and external) was designed in the first quarter of 2020 to be a key pillar in the EISA Group innovation strategy. It was given the name of Innovation Management System (SGI) of the EI Group. The internal innovation model was designed to systematize, articulate and guide attaining the innovation goals. The external model promotes a bond with the ecosystem that aims to incentivize, accelerate and formalize R + D + I + e of the EI group with the environment.

The SGI is based on, and instrumentalized through, the group's innovation policy where the general goal is to disclose and set down the innovation directives of the Echeverría Izquierdo Group and ensure that the entire company innovates as part of its daily work (governance, innovation focal points, prioritized challenges, method, internal and external innovation models, among other strategic definitions).

As mentioned earlier, in order to reinforce an innovation culture, Innovation Week was held in June to set down the terms for the purpose of the Echeverría Izquierdo Group in which more than 150 leaders from the 8 business units participated. Our strengths were explained and recognized in this week, we learned from past mistakes and experience, and we inspired ourselves to build collaboratively the company that we want for

the coming years. Within the innovation model we have already made the innovation focal points official, as well as the next steps required to face the innovation challenges that were worked on from a group viewpoint with a focus on each business, group synergy and the adoption of opportunities and industry trends. Work was done with each business in the stage of detecting from the innovation process through accepted problem workshops to define the challenges that will guide the business unit innovation portfolio. As a group, EI has 123 innovation challenges, 41 of which have been prioritized according to the nature of the business and market trends. The detection stages ends with the definition of innovation challenges, to then move on to preparing initiatives for each innovation challenge in the conception stage.

2020 was a year of innovation consolidation where the corporate innovation structure became official. As part of innovation governance to ensure a systematic management of innovation in business units and on a corporate level, innovation leader roles were assigned in each business unit and the corporate innovation area was created that contributes to the method, accompanies the business unit, and fosters a pro-innovation culture that identifies internal intra-entrepreneurial teams to obtain high-impact results for the Group and/or business unit. Moreover, as is common in the Echeverría Izquierdo group, innovation is promoted and its culture is cultivated through different activities. Of note in those activities is the Innovation Training Plan from which 52 collaborators graduated, who acquired innovation capacities. This was done by the People Area, in addition to innovation in conjunction with Innspirial. The method involved both theory and practice in order to impart knowledge, skills and attitude for people to be capable of mobilizing us toward an innovative culture.

TRANSVERSAL INNOVATION-FACILITATING INITIATIVES (INTERNAL AND EXTERNAL)

Several key initiatives were implemented in order to continue moving forward with innovation and the digital transformation that instilled key capacities within the organization.

In the context of open innovation, the EI Group was constantly working on creating instances of collaboration with start-ups. Since 2018, we have been presiding over Build by Innovating, a construction corporate venture community, that currently consists of 7 companies in the business and was created and developed with the support of the CChC. They work on the common goal of linking innovating solutions, ideas and proposals with the challenges posed by construction to make it more sustainable, productive and efficient, while at the same time enabling us to manage in coordination with other relevant players in the industry.

In 2020, the digital transformation challenge begun in 2019 continued through the Change Adoption and Change Agent Plan. The objective is to instill capacities created by the Adoption Plan, associated with the processes to be improved, in people who use the tools (technology), in particular in the day-to-day users. The goal of this plan was to explain the technological tools that we have and provide training in them through KU/Champion/Transformers to empower all teams and improve their productivity through the use of these tools. A training plan will begin in 2021 to strengthen the work of the entire organization, focused on functional roles and building of the initiatives portfolio. The EI Group is also handling the digitalization gaps in the

construction industry by promoting and leading digital transformation projects, addressed in a portfolio of 31 defined initiatives and a process team appointed to progress at a corporate level in direct relation to the Business Units.

In 2020, the data and analytics governance project was kicked off to capitalize the investigation in digitalization consistent with the digital transformation strategy. The purpose was to transform data into an asset so as to be at the vanguard of technological solutions. We currently have a data committee, a data warehouse in the cloud, and a data policy that defines roles and functions. This data governance is intended to administrate the data as an organizational asset and provide a framework with principles, policies, processes, metrics, and oversight to ensure the integrity, consistency, confidentiality, quality and regulatory compliance of the information assets, a common understanding of the data, official sources of information, a guarantee of the security, privacy, and effective use of data.

It is common knowledge that the BIM tool is key to facilitating digitalization of construction. This method is known inside the EI group and work was done in 2020 on deepening the BIM method in projects of the Echeverría Izquierdo property development company in the general goal of reinforcing collaborative work through systematization of the method and digitalization of the process with the latest tools available in BIM design, BIM construction and BIM 360.

OUTSTANDING INITIATIVES IN 2020

There are many innovation initiatives that are in different stages of the innovation process. Below are some examples of internal and external innovation that we undertook in 2020:

NAME OF THE INITIATIVE	DESCRIPTION	MAIN RESULTS AND ACHIEVEMENTS	DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?
ELECTROMOBILITY (EIII) FOCAL POINT: SUSTAINABILITY	<p>This project was promoted because of the need to design projects that incorporate electromobility from the start, to be able to offer a competitive price and provide a value that sets us apart from the competition.</p> <p>1 or 2 visitor parking stalls will be set aside in property development projects for electric cars to charge.</p>	<p>Some of the outstanding achievements are providing future owners with the possibility of choosing to buy an electric car and not worrying about where they can charge it. Another achievement is offering a safe and reliable solution to owners for the charging of their hybrid or electrical vehicles.</p>	<p>A strategic alliance was made with COPEC that was finalized in 2020. It involves integrating smart chargers that owners of electric cars can pay for through COPEC's Click and Pay APP and thereby facilitate the traceability and collection for charger use.</p>

NAME OF THE INITIATIVE	DESCRIPTION	MAIN RESULTS AND ACHIEVEMENTS	DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?
E-COMMERCE LOCKERS (EIII) FOCAL POINT: DIGITALIZATION	<p>This project arose from the need to release management and building administrators from the task of keeping items they receive every day from residents. This practice has become more acute during the pandemic given the tendency to make online purchases.</p>	<p>All the work done in 2020 will lead to the pilot phase of this project beginning in 2021 in the Humana Property Development. It is a marvelous achievement since we are talking about an adjacent innovation that is being pilot-tested in less than one year.</p>	

NAME OF THE INITIATIVE	DESCRIPTION	MAIN RESULTS AND ACHIEVEMENTS	DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?
MODERNIZATION OF WAREHOUSES (EIMI) FOCAL POINT: DIGITALIZATION	<p>This project was led by Marcos Veloso (Logistics Head), who found that there was a poor use of different resources in the way inputs were delivered to the warehouse (which was being done traditionally using paper waybills). The purpose of this project was to make a request for inputs using a digital voucher that, thanks to a unique code, creates the consumption (inputs) or charge (tools), automatically deducts it from the digital inventory, and uploads it to the cost control software.</p>	<p>This eliminates the time lost by employees in warehouse lines. It minimizes the time spent by warehouse employees. It reduces errors due to manual input. It improves the control of inventory and the tracking of inputs.</p>	



NAME OF THE INITIATIVE

DIGITALIZATION OF PROJECT PROCESSES (EIE)
FOCAL POINT:
DIGITALIZATION

DESCRIPTION

Builder is a web platform used to control work management. It is based specifically on the possibility of creating an integrated control of employees, planning, production, costs and the last planner in each of the projects. 13 projects currently use this system for the following functionalities:

- Digital attendance control
- Project productivity control
- Digital geometric control

MAIN RESULTS AND ACHIEVEMENTS

This platform has led to significant improvements in productivity, efficiency and planning. Processes have been digitalized and timely information is available for decision-making.

DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?

Builder. It is a start-up in the first round of "Build by Innovating."

NAME OF THE INITIATIVE

CONSTRUCTION SYSTEM OF STRUCTURE SEGMENTATION: FOUNDATIONS WITH A LARGE CONCRETE MASS (VSL)
FOCAL POINT:
INDUSTRIALIZATION

**DESCRIPTION**

VSL is a pioneer on the Chilean market in the segmentation of large structures. These structures are prefabricated outside of the industry and later assembled in a project using cranes and post-tensioning.

This disruptive innovation, which is moving on to a scaling stage, has strongly positioned VSL on the market. It is a solution that offers a great flexibility for manufacturing and execution.

MAIN RESULTS AND ACHIEVEMENTS

The main result is that once the post-tensioning is complete, the structure is immediately ready for use. Other advantages are:

- Reduction in onsite M-Hs.
- Low accident rates.
- Almost no waste and, therefore, better order and cleanliness at projects.
- Reduction in indirect costs and work times.

DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?

Builder. It is a start-up in the first round of "Build by Innovating."

NAME OF THE INITIATIVE

PPVC PREFABRICATED BARBECUE AREAS (EIE)
FOCAL POINT:
INDUSTRIALIZATION

**DESCRIPTION**

This project arose from the goal of reducing execution times and manpower and improving the cost of reworking and delivery. A pilot was tested in 2020 at the Vicente Huidobro Project.

This is a big step toward leaving behind onsite construction and progressing towards in-factory construction, ideally using lean, automated and robotic processes.

MAIN RESULTS AND ACHIEVEMENTS

This is the first initiative proposed and implemented by a project without any type of incentive.

It has revealed that we are well on the road to an innovation culture and it is a great example and motivation for the other business units.

DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?**NAME OF THE INITIATIVE**

PROJECT SHOTCRETE WORK (PILOTES)
FOCAL POINT:
INDUSTRIALIZATION

DESCRIPTION

El Teniente Project

**MAIN RESULTS AND ACHIEVEMENTS**

Greater safety for our workers and robotization of manual labor.

DO OTHER (EXTERNAL) ORGANIZATIONS PARTICIPATE?

RESULTS

We measure our projects by the Constructability Index, which shows whether the contractor has performed well in adopting construction methods and technologies that save on manpower in their projects. The higher the number, the better the performance.

CONSTRUCTABILITY SCORE INDEX

	2018 (BASE OF 100, CODE 2015)	2019 (BASE OF 110, CODE 2017)	2020 (BASE OF 110, CODE 2017)
A traditional project in Chile	22	22	22
Singapore average (minimum score to receive a building permit for residential projects larger than 25,000 m2)	88	88	88
First project developed with initiatives and industrialization	65	65	65
Highest constructability score earned in an EI project	68 (Fernández Albano)	75 (Victorino)	76 (Irrarázaval)

TYPE OF INNOVATION	HISTORIC	2020
Incremental Innovation: Optimization of an existing business model in which existing technical competencies are used, there is continuing improvement, and it is very close to the main business.	68% (61)	63% (22)
Adjacent Innovation: An expansion of the existing business to new markets, products or services.	22% (20)	23% (8)
Disruptive Innovation: Development of new capacities to be able to create solutions on inexistent markets.	10% (9)	14% (5)
	100% (90)	100% (35)

COLLABORATION

We understand that if we want to generate change and transformation in the industry, we have to start by leading and driving instances for changes to happen.

- **CI:** We are leading the first construction corporate venturing community where we aim, by open innovation, to find technological knowledge that is not in our lines and be able to leverage ourselves through start-ups.
- **CCI:** We are participants in the foundation of an industrialized construction council and we have presided the committee since 2017.

SOME STARTUPS WITH WHICH WE WORK



RELATIONS WITH CIVIL SOCIETY

RELATIONS WITH CIVIL SOCIETY

Our company has defined a policy of making donations to civil society institutions totaling 1% of the company's profits. The amount of donations and the institutions to which they are made are determined annually, under approval of the company board of directors. Preference is given to donating to institutions helping at-risk groups and to trade associations or think tanks dedicated to matters of public interest.

The largest contributions made in 2020 were to the Center for Public Studies (CEP), Christ's Home and the Roses Foundation, to which KCLP\$14,390, KCLP\$8,000 and KCLP\$6,907 were respectively donated. We declare that our company does not give funding or donations to political campaigns or associations. Donations made to trade associations and think tanks were: KCLP\$3,453 to the Social Union of Christian Entrepreneurs and KCLP\$14,390 to the Center for Public Studies. A total of KCLP\$33,088 was donated to charities.