EGE HAINA

Sustainability Report

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1 Strategic Leadership

Letter from the General Manager

The year 2020 will always be remembered as one that posed a great challenge to all humanity. The COVID-19 pandemic not only shook the lives of the people in our country but also around the world. As a result, this report is characterized by the spirit of collaboration, reinvention and resiliency that emerged in response to the global crisis.

In our case, EGE Haina's unwavering commitment to fulfill our mission of generating power for the Dominican Republic in a competitive and sustainable manner was evidenced once again, as well as our assumed responsibility with the wellbeing of our people and the communities where we operate. The company's support to our staff and their dependents was very palpable throughout the year, just like the direct aid we provided to hospitals, emergency agencies, and thousands of families in San Pedro de Macorís, Barahona, Pedernales and San Cristóbal.

Today, we can proudly say that we were highly effective in responding to this critical situation of unprecedented complexity in the history of our company and our country. We managed to continue running all areas of our operation and to provide essential electricity for health services and life in our communities from our power plants at all times. We were able to do so by maintaining a very low level of positive cases of the SARS-CoV-2 virus compared to the national rate, without any human losses to mourn or any COVID outbreaks in our facilities.

Since the beginning of the emergency declaration in March of 2020, the resiliency and maturity of EGE Haina's operations were on full display, as we fully transitioned to telework all our commercial, financial and administrative activities in a thorough and almost immediate fashion, without interrupting our operations and maintaining the same quality, response time and excellence levels prior to the pandemic. Being able to keep the operation running in all our service areas was crucial to continue meeting the contractual and financial commitments with our clients, our fund providers and all our general suppliers.

The banks' strong support, added to our prudent practices and great operational results, allowed us to maintain a comfortable liquidity and strengthen our financial situation, which was evidenced by maintaining EGE Haina's valuation and outlook of credit ratings as well as its stock market issues.

We went beyond facing the reality of an unprecedented year to accomplish many achievements of great transcendence during 2020.

A perfect example was the completion of the **Quisqueya 2 plant reconversion to natural gas**. This constitutes a major accomplishment for EGE Haina, as it reduces our largest plant's environmental footprint by more than 60% and reaffirms our firm path towards sustainability.

In addition to this technical innovation, the project was made possible through the signature of two long term contracts – one to guarantee the supply of natural gas and the other related

to the Quisqueya 2 plant's energy sale operating with natural gas.

During 2020, we also started the construction of the Girasol Solar Park, the first of several projects planned that gets us closer to reaching our strategic goal of developing 1,000 MW of renewable energy between 2020 and 2030. All the energy to be produced by this photovoltaic plant has already been purchased through a long-term contract starting in 2021.

We performed all major maintenance tasks programmed for our power generation assets under strict biosecurity protocols, including a deep anti-corrosive upkeep of Los Cocos 2 Wind Park.

During the period covered by this report, we also implemented a Risk Control & Detection System through the newly created Risk & Quality Management division in charge of overseeing the organization's integral risk and resiliency, strengthening our corporate governance practices, implementing internal controls and ensuring the continuous improvement of the company's processes.

In 2020, we produced our first Sustainability Report under the GRI standards and measured our performance under the IndicaRSE Survey, getting outstanding results that position EGE Haina among the top national and regional companies in terms of sustainability. All these steps further reinforced the creation of our Corporate Sustainability Plan that includes defined indicators for the company's key economic, environmental and social areas. Having this plan as a guiding light will ensure the strengthening of sustainability as a major component of EGE Haina's culture and actions.

We took major steps in 2020 towards the consolidation of our institutional culture, as we fully revised our **Code of Ethics** and developed a new **Human Rights, Inclusion and Diversity System**. The development of a Human Rights, Inclusion and Diversity policy, together with many other initiatives associated to the System, allowed us to obtain the NORDOM 775 certification from INDOCAL and the IGUALANDO RD Golden Seal from the Dominican Women's Ministry and PNUD. As part of these efforts, we also established new ways to reach a fair balance between work and personal life in order to improve the wellbeing of our employees and their families.

Our solid financial performance was yet another great achievement of 2020. As a national leader in the structuring of innovative financial tools to fund its operations and expansion plans, EGE Haina presented the structure of the country's **First Green Bond** before the Dominican Republic Security Market Superintendency. This reaffirms our commitment with sustainable development and our vocation with transparency with all those with whom we relate.

With the Larimar 1 Public Offering Trust's securities issuance in 2021, the investors' community will have the opportunity to participate in a 100% renewable project that will reinvest all the funds raised in the market into renewable energy projects, such as the Girasol Solar Park.

When it comes to our sales, EGE Haina focused its commercialization efforts on guaranteeing income stability as a sure way to finance future expansions. Within this framework, we can highlight the growth experienced in our energy sales under the long-term contract arrangements. As of December 2020, nearly 64% of our production had been sold under this modality, and that number grew to 91% by March 2021.

This summary showcases our road to success in 2020 and clearly evidences that our journey has been filled with confidence and optimism. In the upcoming year 2021, we will continue focusing on maintaining a high level of excellence in our operations, working on our expansion plan towards 2030, achieving a high financial performance, and completing our strategic improvements. All of these concerted efforts which will further consolidate our vision as the leading regional company in sustainable energy management and development.

Luis Mejía Brache
General Manager

Administrative Board

EGE Haina's Administrative Leadership is headed by an Administrative Board integrated by a minimum of five members: chairman of the board, vicepresident, secretary and two vocals.

Board members, except the secretary, are appointed by the Haina Investment Company (HIC). The secretary is designated by the Fondo Patrimonial de las Empresas Reformadas, known as FONPER by its Spanish acronym for Patrimonial Fund of Reformed Enterprises.

Members of the Administrative Board are elected at the Annual Ordinary General Assembly. It is not required to be a shareholder in order to become a board member, any of whom can be agency officials from the Dominican State or from any other legally incorporated organization. All board members can be reelected more than once and will remain in their positions until a substitute is elected and has assumed their new role.

EGE Haina's Administrative Board is integrated by the members stated below, all approved during the Assembly held on November 25 of 2020. It also included José Manuel Ortega (vocal), who presented his resignation in 2021. A substitute has yet to be assigned to this position.

Leonel Melo
Chairman of the Board

Rafael Vélez
Vicepresident

George Schwarzbartl
Secretary

Manuel Jiménez
Vocal 1

Executive Committee

Organizational structure effective since Abril 16, 2020

Gilda Pastoriza (1)
Senior Director of Talent Management

Guillermo Sicard (2)
Senior Director of Legal and Institutional

Mario Chávez (3)
Senior Director of Commercial & Regulatory Affairs

Rodrigo Varillas (4)
Senior Director of Finance

Luis Mejía Brache (5)
General Manager

Antonia Durán (6)
Senior Director of Risks & Quality

Esteban Beltré (7)
Senior Director of Operations

Ginny Taulé (8)
Senior Director of Communications & Corporate Social Responsibility

Maribel Álvarez (9)
Senior Director of Administration & Systems

Milcíades Melo (10)
Senior Director of Patrimonial Security

José A. Rodríguez (11)
Senior Director of Development

Corporate Governance

EGE Haina's Corporate Governance includes the systems of rules, policies, practices and control architecture by which the decision-making process among the governing entities is governed to generate value for the company. The implementation of the governance practices ensures that the actions and decisions in the organization are conducted in an appropriate and transparent manner.

To guarantee the proper corporate governance, EGE Haina follows transparency governability practices, as well as integral risk and control management, all of which contribute to the business sustainability, taken into account the importance of corporate governance for all its stakeholders, including: employees, shareholders, financial institutions, regulatory agencies and the community.

As part of the control system architecture, EGE Haina is committed to integral risk management, internal control, organizational resiliency and continuous improvement, all framed within the international standards and best practices. EGE Haina has based its integral risk management model on three defense lines, so that it is viewed as a transversal and dynamic process, where processes, projects and initiatives are to be applied at a strategic level or any other level or reach required to maintain an adequate control environment.

EGE Haina's Code of Ethics sets the conduct guidelines that must be followed by all of its employees (no matter what position they hold), as well as all its consultants, contractors and affiliated companies. The Code's goal is to guide them in their decision-making process and support them while performing their work so they can always maintain a proper conduct that reflects excellence and responsibility, all based on the parameters of action deemed acceptable in their respective work areas.

Likewise, the corporation has continuous communication channels available 365 days of the year, so that any person, group or their representative can report a complaint in case they consider that have been negatively affected by an administrative decision due to the improper conduct of an executive or a company activity of operational, commercial or any other nature.

EGE Haina is an agent in the Dominican Republic's electric power sub-sector that is incorporated as an anonymous society (Sociedad Anónima) and is duly registered in the country's Stock Market. The company complies in a timely manner with the laws, regulations and rules that apply to its operations as a concessionaire of electric power generation and as a securities issuer.

Based on the best practices in the administration, management and monitoring of companies worldwide, EGE Haina has set up diverse structures to ensure the proper administrative control of the company. The main governing bodies are:

Shareholder's General Assembly

Considered EGE Haina's supreme organ with the widest powers of resolution, the General Assembly is integrated by all the shareholders of the corporation.

Administrative Board

This council is authorized by the Shareholder's General Assembly with the objective to provide direction and management to EGE Haina in the period during which the General Assembly is not deliberating to resolve any issue or take any action, except for those responsibilities which are exclusive of the General Assembly.

General Manager

A position established and authorized by the Social Statutes and its roles are determined by the Administrative Board. The General Manager is responsible for directing and supervising all the company activities in order

to meet their social goal, based on the internal norms and regulations and applying the laws that regulate the business. All company directors report to the General Manager and operate based on the strategies, objectives, plans and budgets clearly defined and authorized by the Administrative Board.

Administrative Board's Support Committee

Auditing Committee

Provides audit support of the company reports, financial statements and procedures, always looking for the integrity and compliance of all legal and regulatory requirements, the supervision and control of the internal and external auditors' performance, monitoring internal control systems, the business risk management system and all compliance related activities.

Each year, the Auditing Committee review and approves the Annual Plan and the resources required to fulfill the set agenda.

Top Management Commitees

The company has several Top management Committees that regulate the main areas of the organization. These include:

Executive Committee

Presided by the General Manager and integrated his administrative team, composed of those who lead the different areas of the company and report directly the GM. This Committee analyzes, studies and controls all issues of relevance to the company, according to the set goals and objectives.

Strategic Committee

Integrated by the General Manager and all those who report directly to the GM, its purpose is to present the status of research, project development and activities related to the Strategic Corporate Plan.

Resiliency Committee

Acts as a collegiate body which advices, evaluates and promotes best practices in organizational resiliency and integral risk management. Its goal is to operate as a monitoring and review Organ for the organization's risk profile and to serve as a mechanism of coordination, communication and development of initiatives to be conducted by the company's second line of defense.

Human Rights, Inclusion & Diversity Committee

Its role is to review and approve all internal actions and policies regarding non-discrimination and inclusion at work, equal opportunities, harassment and violence prevention, among other topics included in the Human Rights, Inclusion & Diversity Policy. Its decisions are based on the guidelines stated on the company's Code of Ethics and the Human Rights, Inclusion & Diversity Policy.

Information Technology Committee

This group provides counseling, evaluates and promotes best practices related to technology and innovation. Its main goal is to review and monitor the company's technology strategy, as well as the investments required to satisfy the business needs in this area.

PLAFT Committee

EGE Haina is not an Obligated Subject within the framework of current local regulations regarding money laundering and financing of terrorism. However, the company is committed to acting within the highest moral and ethical standards. Therefore, it is willing to implement a program for the Prevention of Money Laundering and Financing of Terrorism (PLAFT by its Spanish acronym for *Prevención de Lavado de Activos y Financiamiento del Terrorismo*). Thus, the PLAFT Committee is ultimately responsible for overseeing the compliance of policies established to prevent and detect persons or operations that might be related to LAFT crimes.

Compliance Committee

It is responsible for following up, evaluating and making decisions related to the ethical behavior of company employees. This committee meets every time there is an infringement reported, and after thorough analysis, it determines what is the sanction and imposes it on the violators, if required. It also determines the need to evaluate rules and regulations and suggest possible modifications or personnel training, as applicable. All its decisions are based on the guidelines set forth in the company's Code of Ethics.

Sustainability Committee

Its main goal is to define sustainability policies and how to incorporate them to the corporate strategic plan. It also coordinates resources and initiatives to implement said plan.

Purchasing and Contracting Committee

As an administrative instance, it evaluates all disbursement requirements over USD$ 10,000 and handles its authorization processes. In addition, this Committee is responsible for approval of bidding for all purchases of goods and services valued at USD$ 50,000 or greater.

Donations & Sponsorships Committee

It is integrated by representatives of seven company areas and has the mission of evaluating the donations and sponsorship requests received. These are approved or rejected based on EGE Haina's Social Responsibility Policy. This Committee documents the answers and follows up the requests. Likewise, it oversees the efficient and strategic use of the annual budget assigned for said purposes.

Information Security Committee
Is in charge of establishing and overseeing the implementation of EGE Haina's Information Security strategy. In addition to approving the strategy, it requires periodic evaluations and status reports to make revisions and decisions to reach the goals and objectives set forth in the information security plan. While its role includes direction and supervision, it is the Information Security Official (CISO) the one responsible for executing the information security management process and follow up on the compliance of its policies.

Crisis Committee
Its main role is to respond to incidents or major events that require assigning additional special resources or making strategic decisions to safeguard employee integrity and ensuring continuity of operations.

Operational Committees

EGE Haina has operational committees that provide support in various specific subjects.
These include:

Bidding Committee
Integrated by employees from diverse areas, this group is in charge of the control and supervision of all company bids, making sure the contracted goods and services meet all the standards required by the company and the business negotiations are conducted with full integrity and transparency. It oversees all goods and services bidding over USD$ 50,000.

Change Control Committee
A collegiate body that studies the risks associated to each change request in the TI ecosystem and makes its recommendation for the TI Direction to approve it or reject it (CAB - Change Advisory Board).

Safety and Health Joint Committees
Operates in each of the company's plants, in compliance with Regulation 522-06 of the Ministry of Work of the Dominican Republic.

Occupational Health Committee
Its main objective is to review and follow up on Occupational Health issues that impact the company. It also provides support to the Safety, Health & Environment Manager by offering it proactive counseling regarding the Occupational Health Program implementation.

Root Cause Analysis Committee (ACR)
The goal of this Committee is to analyze the root. Cause of undesired events that might occur in the organization so that it can establish the necessary measures to prevent them from happening again, as well as follow up on the implementation of said measures.

Talent Evaluation Committee
It's formed by a multidisciplinary group which participates in the evaluation of candidates to fill vacant positions throughout the organization.

Corrective Action Plan Committee (COPAC)
Operational committee, integrated by a multidisciplinary group that designs and implements high impact improvement actions that allow us to increase the effectiveness and reliability of our fuel management system.

In addition to the governance organs described above, the corporation has other mechanisms that are part of the control architecture's monitoring efforts, which protect the interests of the different stakeholders of the corporation, including the shareholders, the community and the employees. These two mechanisms are:

Internal Auditing
EGE Haina's Auditing Department has an objective and independent role of providing assurance and counseling to optimize the corporation's operations. It reports to the Auditing Committee to guarantee the independence and added value of its activities.

External Auditing
An international external auditing firm is hired to provide its expert professional advice on our consolidated financial statements to ensure that these truly reflect the corporation's real financial situation.

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Our Company

EGE Haina at a glance

Our corporate offices are located in Santo Domingo at 29 Lope de Vega Avenue, Novo Centro Tower, 17th floor, Ensanche Naco.

CORPORATE PHILOSOPHY

We are an electric power generation company focused on contributing to the Dominican energy sector's development and stability.

Mission: Generate electric power for the Dominican Republic in a competitive and sustainable manner.

Vision: Be the regional leader in the development and management of sustainable energy.

Values: Results Driven, Operational Excellence, Social Responsibility, Our People's Wellness, Integrity, Initiative

100% DOMINICAN

EGE Haina is the perfect example of a successful public-private sectors alliance.

It was established through the Public Enterprise Reform Act on October 28, 1999.

Is the country's leading mixed enterprise (50% public and 50% private) in terms of assets, investments and contribution to the State, with total assets of USD$ 1,000 million.

Its capital is 100% Dominican. For every 100 pesos generated as income by EGE Haina, 75 go to the State as dividends and taxes. From 1999 to 2020, USD$ 950 million have been paid by EGE Haina to the State.

INVESTMENT & FINANCING

EGE Haina has invested USD$ 1,021 million in its electric power generation plants.

It is the largest private issuer of corporate bonds in the local capital market.

Since 2009, it has successfully placed USD$ 480 million.

The company has several credit ratings:

A+ stable by Feller Rate and AA (dom) stable perspective by Fitch Ratings.

OPERATIONAL EXCELLENCE

Operates 1,093.5 MW generated by its 11 electric power generation plants.

Its diversified generation matrix includes: natural gas, HFO, wind, sun and carbon.

Power generation units are distributed among four provinces:

San Pedro de Macorís, San Cristóbal, Barahona and Pedernales.

EGE Haina produced 13.2 % of the energy used by SENI in 2020, and provided 17.4 % of the energy consumption from non-regulated users through contracts.

It also delivered, through a long a term contract, part of the electric power required by the Punta Cana-Macao Energy Consortium (CEPM) for the zone it services as a concessionaire.

Also, it produced all the power used by the Pedernales independent system.

RENEWABLE ENERGY LEADER IN THE WEST INDIES

EGE Haina is the largest producer of non-conventional renewable energy in the West Indies. From 2011 to 2021, the company has installed 300 MW of renewable energy in 4 wind farms (wind farms) and 2 solar parks. It has an installed wind capacity of 175 MW, for a total annual production of approximately 600,000 MWh. Its installed photovoltaic capacity is 121.5 MW, for an estimated annual production of 240,000 MWh. When combined, EGE Haina's six renewable plants (four wind and two solar) and the Quisqueya 2 plant (which has been recently converted to natural gas), will contribute to save 665,000 tons of CO_2 emissions from being released to the atmosphere as well as avoiding 3 million barrels of crude oil from being imported.

GROWTH STRATEGY

Develop 1,000 MW of non-conventional renewables sources (wind and photovoltaic solar) by 2030. Optimize some of the existing assets by conversion to natural gas. Generate 400 MW of electric power with natural gas by 2030.

CAPACITY & COMMITMENT

The company has 508 collaborators (491 are permanent employees and 17 are contractors for a limited time). A 72 % of those collaborators have been working for the company for 4 years or more while 87 % of them live in the same community where they work. Boasting a Work Satisfaction Index of 93%, it is considered one of the best companies to work for in the Dominican Republic and the Caribbean, according to a survey conducted by Great Place To Work (GPTW). It's ranked #1 on the list of most admired companies in the Dominican electric power sector, according to the Mercado magazine 2020 ranking, developed by the research consulting firm Reid Investigación & Consultoría.

SOCIAL RESPONSIBILITY

During this decade, EGE Haina has invested over USD$ 10 million in projects that have benefitted 22 communities close to their power plants in the provinces of Pedro de Macorís, Barahona, Pedernales and San Cristóbal. Its social management program has helped thousands of people through a diversity of projects:

Community Infrastructure. Construction and improvement of fire stations, roads and sidewalks, education and health centers, sports and cultural facilities.

Education. Collaborating with 18 schools by providing them with training, equipment and supplies donations, internet service, student celebration events and award ceremonies.

Income Generation. Support for technical training and the strengthening of productive guilds.

Health. Sponsorship of medical operations, water sanitation projects, community clean ups. Donations of medical supplies, equipment and medicines.

Sports. Electrification of sports facilities, tournament sponsorship, donation of score boards, uniforms and supplies.

Environment. Coordination of environmental education programs, reforestation initiatives and beach clean ups.

Historical Review

EGE Haina, which is the short name for *Empresa Generadora de Electricidad Haina, S.A.*, was founded on August 17 of 1999 and incorporated under the laws of the Dominican Republic in October 28 of 1999 as part of a capitalization process of the Dominican electric power sector resulting from the Public Enterprise Reform Act No. 141-97 of June 24, 1997. This law stated that all businesses which were previously under the control of the Dominican State had to be restructured in order to allow investments by private companies. Haina Investment Company, Ltd. ("HIC"), a private investor, presented the winning proposal for USD$ 144.5 million as part of an international public bidding process for the capitalization of EGE Haina and acquired 50% of the company's shares, rated as "Class B Shares".

On that same date, the Corporación Dominicana de Electricidad, S.A. ("CDE", now known as Corporación Dominicana de Empresas Eléctricas Estatales or "CDEEE"), complying with the process established by the 141-97 Act, made its contributions in kind to create the Society, including: land, power generation units and its componentsm, equipment, furnishings, among others, and kept 49.993% of the shares in said Society, rated as "Class A Shares". Later, said shares were transferred to the Patrimonial Fund of Reformed Enterprises ("FONPER" for *Fondo Patrimonial de las Empresas Reformadas*), and is now the shareholder representing the Dominican State in EGE Haina. The remaining 0.007% of EGE Haina's shares are in the hands of former CDE employees, and are also "Class A Shares".

After the capitalization process was completed, EGE Haina modernized its administrative and operational procedures to meet the good practice standards of the public service industry. Likewise, the company has implemented an investment program from 1999 to 2020 to repair and rehabilitate the generation assets transferred to EGE Haina by the CDE, and to add new power generation units to the Dominican electric power system totaling over USD$ 1,021 million.

EGE Haina has a subsidiary, Haina Overseas Corporation, Inc. ("HOC"), that is 100% owned. It was created in 2015 under the laws of the Cayman Islands, to make investments abroad.

The information included in this report, as of December 31 of 2020, include Empresa Generadora de Electricidad Haina, S. A., and Haina Overseas Corporation, Inc. ("HOC"), collectively called "the Company".

Our Power Plants

After the Girasol Solar Park begins operations in 2021, for the first time in the history of the company, and after ten years of continuous investments, the renewables (wind and solar) represent the main source of generation in the installed capacity owned by EGE Haina, with 34.5 % of the total.

In terms of the capacity operated by the company, after adding natural gas to the renewables, 69.4 % of the company's generation matrix will come from clean sources.

8.3 MW
Quilvio Cabrera
Wind Farm for CEPM

225.2 MW
Quisqueya 1
for Barrick, Pueblo Viejo

Capacity operated for a third party

233.5 MW

175 MW
Larimar Wind Farm 97.8 MW
Los Cocos Wind Farm 77.2 MW

121.5 MW
Girasol 120 MW
Quisqueya Solar 1.5 MW

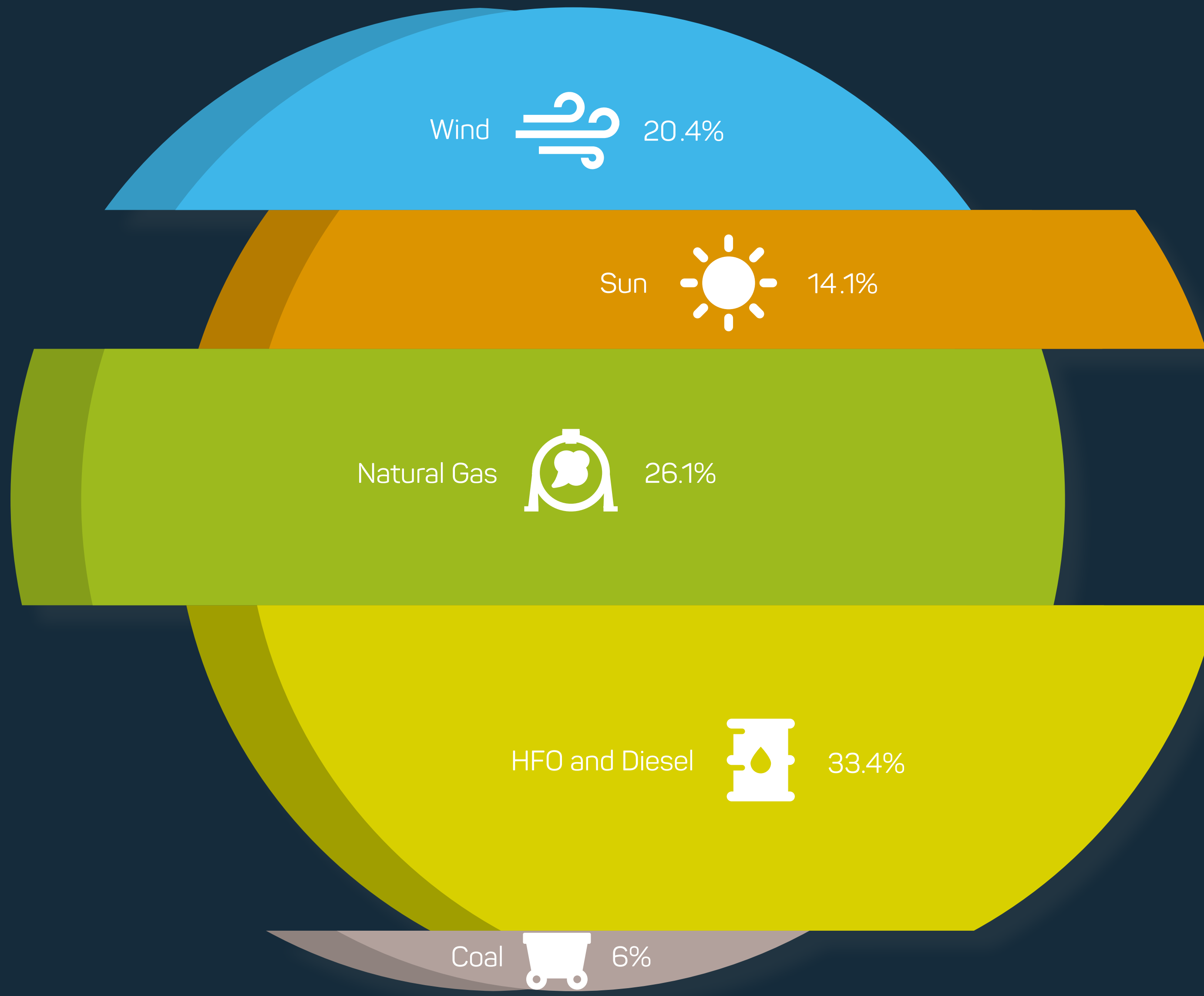
225.2 MW
Quisqueya 2

287.1 MW
Sultana del Este 153.9 MW
Haina 100 MW
Palenque 25.6 MW
Pedernales 7.6 MW

51.9 MW
Barahona

Total owned capacity

861 MW



GIRASOL SOLAR PARK

Girasol is the largest photovoltaic plant in the country and the West Indies, with 120 MW of installed capacity. It's located on a lot of 220 *hectares* in the Yaguate municipality, San Cristóbal province. The solar park features 268,200 photovoltaic modules of 445/450 Wp and 28 inverters of 3.8 MW each. After operations begin in 2021, it will generate 240,000 MWh annually. It also has a 150 MVA substation and a 10 KM long transmission line at 138 KV to inject the energy produced into the National Energy Grid (known as SENI by its Spanish acronym for *Sistema Eléctrico Nacional Interconectado*).

Its solar position tracker system, which is one of a kind in the country, makes the panels rotate 104 degrees during a twelve-hour period throughout the day based on the solar motion, to guarantee optimal utilization of the irradiation, which increases the project's effective capacity.

Operation started
2021

Investment
USD$ 100 million

268,200
photovoltaic panels

120 MW

Installed capacity
Solar generation

LARIMAR WIND FARM

Phase 1 of the Larimar Wind Farm is located on Loma Buena Vista, Enriquillo, Barahona province. Features 15 Vestas V112 aerogenerators, each with a 3.3 MW capacity, for a total installed capacity of 49.5 MW. Construction investment totaled USD$ 120 million. It was inaugurated in March, 2016 and commercial operation started in May of that same year.

Phase 2 of the Larimar Wind Farm is also located in Enriquillo, Barahona province. This park features 14 Vestas V 117 aerogenerators, each with a 3.45 MW capacity. It has a total capacity of 48.3 MW and is the fourth largest wind farm installed by EGE Haina in the country's southwestern region. Commercial operation began on October, 2018.

Operation started

Phase 1: 2016
Phase 2: 2018

Investment
USD$ 220 million

29
aerogenerators

97.8 MW

Installed capacity
Wind generation

LOS COCOS WIND FARM

Phase 1 of Los Cocos Wind Farm is located between the cities of Juancho and Los Cocos, in the Pedernales province. Features 14 Vestas V 90 aerogenerators, each with a 1.8 MW capacity, for a total installed capacity of 25.2 MW. It was inaugurated on October 2011, after an investment of nearly USD$ 82 million, and began its commercial operation that same year.

Phase 2 includes the expansion of the Los Cocos Wind Farm from Juancho, Pedernales to Enriquillo, Barahona. Features 26 G 90 and G 97 Gamesa aerogenerators, each with a production capacity of 1.8 MW to 2.0 MW, for a total installed capacity of 52 MW. EGE Haina inaugurated this expansion in 2013, with an investment of USD$ 103 million.

Operation started
Phase 1: 2011
Phase 2: 2013

Investment
USD$ 185 million

40 aerogenerators

77 MW

Installed capacity
Wind generation

QUISQUEYA SOLAR PARK

The Quisqueya Solar Park began operations in 2015. It supplies energy to power the Quisqueya II plant auxiliary equipment. It is EGE Haina's first photovoltaic power generation project and the first solar park of a plant interconnected to the Nation Energy Grid (SENI). Boasting a 1.5 MW generation capacity, it was built with a USD$ 3.25 million investment. Features 4,760 J A Solar style panels, manufactured in China, with 50 SMA Sunny tripower inverters, manufactured in Germany, each with 25 kilowatts.

1.5 MW

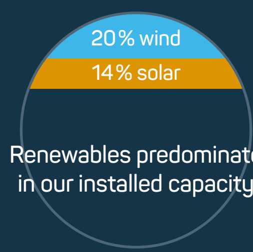
Installed capacity
Solar generation

Operation started
2015

Investment
USD$ 3.25 million

4,760
photovoltaic panels

Our renewable energy plants



296.5 MW
Total capacity

746 GWh
Estimated annual generation

USD$ 508 million
Total investment

450,000 TON CO_2
average emissions to be to avoided per year

Los Cocos

Phase 1, September 2011
Investment: USD$ 82 million
14 aerogenerators, Vestas, 1.8 MW each · 25.2 MW total
Capacity factor 22% · Production in 2020: 48.87 GWh
CO_2 emissions avoided in 2020: 30,379 Ton

Phase 2, January 2013
Investment: USD$ 103 million
26 aerogenerators, Gamesa, 2 MW each · 52 MW total
Capacity factor 31% · Production in 2020: 137.60 GWh
CO_2 emissions avoided in 2020: 85,532 Ton

Larimar

Phase 1, March 2016
Investment: USD$ 118 million
15 aerogenerators, Vestas, 3.3 MW each · 49.5 MW total
Capacity factor 42% · Production in 2020: 178.12 GWh
CO_2 emissions avoided in 2020: 110,719 Ton

Phase 2, December 2018
Investment: USD$ 102 million
14 aerogenerators, Vestas, 3.45 MW each · 48.3 MW total
Capacity factor 31% · Production in 2020: 124.9 GWh
CO_2 emissions avoided in 2020: 77,636 Ton

Quisqueya Solar

September 2015
Investment: USD$ 3.25 million
4,760 panels · 1.5 MWp total
Capacity factor 16% · Production in 2020: 1.3 GWh
CO_2 emissions avoided in 2020: 1,200 Ton

Girasol

June 2021
Investment: USD$ 100 million
268,200 panels, 3.3 MW each · 120 MWp total
Estimated annual production: 240 GWh
CO_2 emissions that will be avoided each year: 150,000 Ton

69
Aerogenerators

175 MW

121.5 MW

272,960
Photovoltaic panels

QUISQUEYA 2

Located 7 kilometers away from San Pedro de Macorís and 100 kilometers east of Santo Domingo. It has 225.24 MW of installed capacity. Features 12 engines that could operate both with natural gas and liquid fuels. It also has a steam turbine that produces 20.33 MW, in a combined cycle, using the residual heat from the engines. Operations began on September of 2013, and construction investment totaled USD$ 280 million. In July 2020, this plant's natural gas conversion project was completed, which required an additional investment of USD$ 4.7 million.

Natural gas is fed through the Eastern Gas Pipeline with a 50 bar pressure that goes down to 6 bars from the gas terminal located in Boca Chica, which is 50 kms long. Internally, there's a 700 meter supply line with a filtered gas station that connects to the Eastern Pipeline. There are two fuel storage tanks at this plant, each with a capacity of 90,000 barrels, and an 8.5 km long oil pipeline that connects them to Sultana del Este's primary tank. The plant is connected to the network through a 230 kv transmission line in a double circuit that goes from San Pedro de Macorís until the Piedra Blanca Substation in Bonao.

Operation started 2013

Investment USD$ 284.7 million

12 engines and 1 steam turbine

225.2 MW

Installed capacity
Natural gas generation

SULTANA DEL ESTE

The Sultana del Este plant is located 5 kilometers away from San Pedro de Macorís, in the province of the same name, and nearly 100 kilometers east of Santo Domingo. It features a barge with nine internal combustion engines that operate with #6 fuel oil, with a capacity of 17 MW each, anchored at the Higuamo River bank, nearby the San Pedro de Macorís Port.

This plant has an installed capacity of 153.9 MW, making it one of the world's largest power generation plants operating on a barge. It was built from 2000 to 2001 at a cost of USD$ 120.9 million, and started its commercial operation in October of 2001. The plant has fuel storage tanks with a capacity of 176,000 barrels. The fuel oil is injected into the storage tanks through a pipe system running from the ships anchored next to the barge.

Operation started
2001

Investment
USD$ 120.9 million

9 engines

153.9 MW
Installed capacity
HFO generation

BARAHONA

This plant is located in the city of Barahona, capital of the province with the same name, adjacent to the coast and some 200 km west of Santo Domingo. Its generation unit, which features a steam turbine and a boiler that is fueled by mineral coal, was designed to also operate with husk (bagasse). It began operations in 2001, after a USD$ 47.1 million refitting.

From 2016 to 2018, the Barahona plant went through an extensive modernization process, requiring a USD$ 30.3 million investment, that included a new turbogenerator and condenser.

This upgrade increased the plant's capacity from 45.6 MW to 52.0 MW, using the same amount of coal, which represents a 13% efficiency improvement. The unit's commercial operation with the new turbogenerator started November 2018. The Barahona plant has a 50,000-ton capacity coal yard. The coal is delivered through a band transport system running from the ships anchored by the port next to the plant.

52 MW

Installed capacity
Coal generation

Operation started
2001

Investment
USD$ 77.4 million

Steam turbine

HAINA TG

This plant is located in the municipality of Haina, at the San Cristóbal province, adjacent to the southwestern part of Santo Domingo and heading towards the coast. It includes a 100 MW Siemens gas turbine installed in 1998. The plant features fuel storage tanks with a 184,100-barrel capacity. The fuel oil is transported to the storage tanks mainly through ships and can also be filled through a pipeline running from a refinery located a nearly 1 kilometer east of the plant.

Operation started
1998

Investment
USD$ 29 million

Gas turbine

100 MW

Installed capacity
LFO generation

PALENQUE

It has a net installed capacity of 25.6 MW coming from four engines operating with HFO. Since 2018, the Palenque plant is operated by EGE Haina under a leasing contract with DOMICEM, S.A., after undergoing a remodeling process with an investment of USD$ 450,000.

25.6 MW

Installed capacity
HFO generation

Operations started
2018

Investment for renovation
USD$ 450,000

4 engines

PEDERNALES

This plant is located in the city of Pedernales, province of the same name.

Until 2019, it had three generators: a Caterpillar unit that use diesel and two Hyundai units operating with HFO. Each unit has an installed capacity of 1.7 MW, for a combined total of 5.1 MW. The first Caterpillar unit started operating in 1997 and was refurbished between 1999 and 2002. The first Hyundai unit was installed in 2003 and the second Hyundai unit in 2014.

In 2020, this plant increased its capacity up to 2.5 MW after installing a second Caterpillar unit of 1.7 MW and a 0.8 MW Cummins unit, both running on diesel, thus increasing the plant's total capacity 7.6 MW when combined with the other three units.

The plant's fuel storage tanks have a capacity of 981 barrels. The fuel oil is delivered by trucks coming from other EGE Haina facilities. This plant, which is connected through an independent electric network that provides service to the Pedernales municipality, boasts one of the highest power availability and continuity country.

Operations started
1978, 2003, 2014, 2020

Investment
USD$ 5.4 million

3 engines

7.6 MW

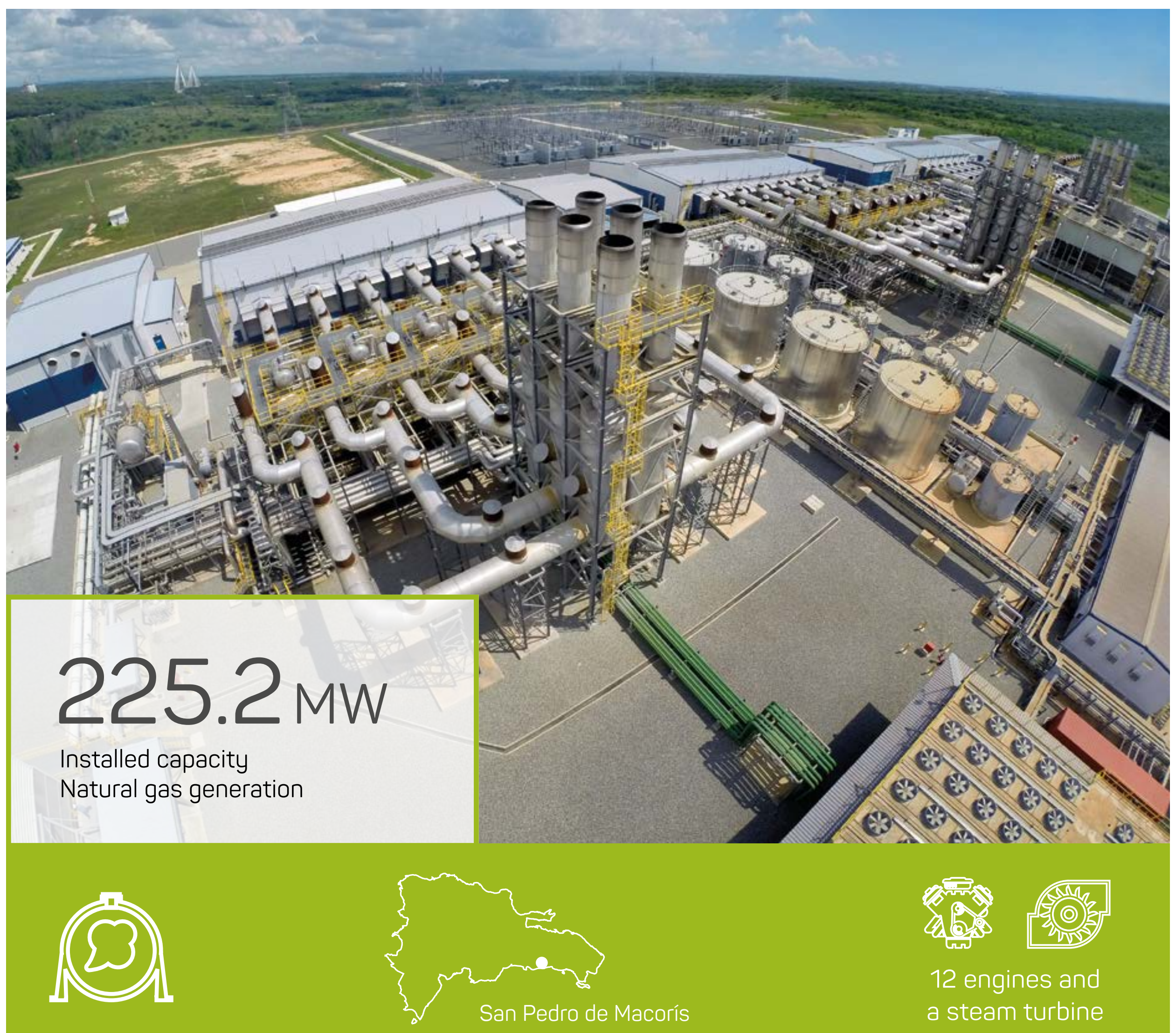
Installed capacity
HFO generation

Third-party units

EGE Haina operates 233.2 MW in third-party properties under operation and maintenance contracts: the Quisqueya 1 for Barrick in Pueblo Viejo and the Quilvio Cabrera Wind Farm for the Punta Cana-Macao Energy Consortium (CEPM).

QUISQUEYA 1

This combined cycle plant operates with natural gas. Features 12 engines and a steam turbine, for a net installed capacity of 225.24 MW.



QUILVIO CABRERA WIND FARM

Features 5 aerogenerators, with an installed capacity of 8.3 MW. Together with the Los Cocos Wind Farm, is a pioneer in power generation of its kind in the country.

Out-of-service units

In 2020, SIE and OC-SENI were notified by EGE Haina that the Mitsubishi plant located in San Pedro de Macorís was going out of operation due to its technical obsolescence. The Puerto Plata plant units, which have been out of service since 2014, were dismantled in 2019. Likewise, the steam thermal units in Haina, which were also out of service since 2014, were dismantled in 2018.

3

Sustainability

Commitment to sustainability

EGE Haina is a power generation company propelled by sustainability, both as its guiding principle and the end result of its actions, which operates with the conviction that it is fundamental to achieve an ongoing and responsible development. As such, EGE Haina is committed to sustainability as its long-term development engine.

That is the reason why its strategy responds to economic, social and environmental challenges.

It also reflects the expectations of its stakeholders and define EGE Haina's role as an agent of change and transformation in the country's energy sector.

Its vision as the regional leader in the development and management of sustainable energy clearly sets the stage for the future, one that it continues to steadily build day by day.

2030 Strategy

In accordance to its corporate vision, EGE Haina is focused on becoming a regional leader in sustainable energy development and management.

The sustainability plan for EGE Haina's operations seeks to contribute to the Dominican Republic's energy balance by producing electric power in an efficient manner that is also responsible with the environment, thus reducing the country's dependency on fossil fuels.

With that goal in mind, the company has designed a growth strategy towards 2030 which includes the following plans:

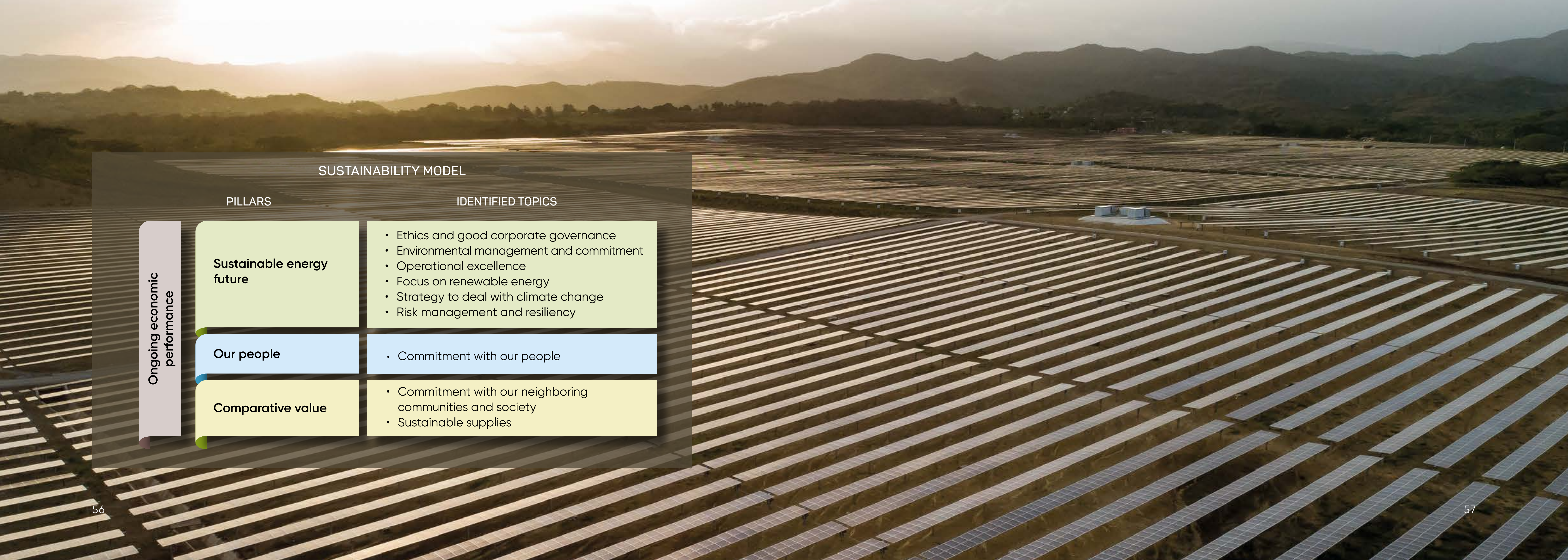
- Developing 1,000 MW from non-conventional renewable sources (Wind and photovoltaic solar).
- Optimizing part of the existing generation assets by converting them to gas natural.
- Developing 400 MW of electric power generation with natural gas.

Corporate Sustainability Plan

In consonance with EGE Haina's Strategic Plan, the company has developed a Corporate Sustainability Plan for the next ten years that is based on three pillars:

- Providing balance to the Dominican Republic's energy sector, producing electric power in an efficient and environmentally responsible manner.
- Ensuring the wellbeing of the human team, developing their talents and promoting the adherence to the corporate values as a key growth strategy for EGE Haina.
- Promoting sustainable development throughout the country with several initiatives that generate value among the stakeholders.

The 2030 Corporate Sustainability Plan includes all EGE Haina operations —direct ownership, third-party and subsidiaries— which are under the leadership of those areas directly related to its strategy implementation and follow-up throughout the value chain.



SUSTAINABILITY MODEL

	PILLARS	IDENTIFIED TOPICS
Ongoing economic performance	Sustainable energy future	• Ethics and good corporate governance • Environmental management and commitment • Operational excellence • Focus on renewable energy • Strategy to deal with climate change • Risk management and resiliency
	Our people	• Commitment with our people
	Comparative value	• Commitment with our neighboring communities and society • Sustainable supplies

Commitment with the Sustainable Development Objectives

Based on a continuous dialogue with its stakeholders, and being aware of the clear economic, social and environmental impact of its activities, EGE Haina promotes initiatives that contribute to achieving a society that is more fair, egalitarian and healthy.

Through this strategy, EGE Haina directly impacts the achievement of its goals in five of the 17 Sustainable Development Objectives: affordable and non-polluting energy, decent work and economic growth, responsible production and consumption, pro-climate actions, alliances to achieve said objectives.

The Sustainable Development Objectives (ODS by its Spanish acronym), define the global sustainable development priorities and aspirations for the year 2030 and seek to mobilize the efforts at the international level regarding a group of common objectives and goals. EGE Haina's contributions in this field are detailed as follows:

Guarantee the access to energy that is affordable, safe, sustainable and modern for all

EGE Haina is the leading non-conventional renewable energy company in the country and the West Indies. From 2011 to 2021, it has installed four wind farms and two solar parks totaling 296.5 MW in renewable capacity. This represents 34.5 % of EGE Haina's installed capacity. After combining the renewables with the natural gas generation, a 61% of the company's generation matrix is attributed to clean sources.

In order to achieve such standards, the company has invested USD$ 1,021 million in having efficient and environmentally responsible plants which enhances the national energy balance and the sustainable development.

Between 2020 and 2030, EGE Haina will contribute an additional 1,000 MW of renewable energy.

Promote sustained economic growth that is both inclusive and sustainable, jobs that are fulfilling and productive, and decent work for all

EGE Haina has a talent management strategy focused on promoting productivity, wellbeing and integral development of its human team, which is integrated by 508 collaborators. A 72% of the team members have been working for the company for 4 years or more, and 87% of them reside in the same area where they live. Moreover, local employment is favored in those areas where its power generation plants are located when selecting full-time employees and hiring part-time contractors, as well as when it is building new projects. Also, the company implements programs which promote the inclusion of several sectors of the population in order to stimulate human development and income generation in those communities. At present, 60% of the EGE Haina collaborators (302 persons) are found in the company's eastern region locations, while 24% (123 persons) are in the Santo Domingo location and the remaining 16% (83 persons) are in the southern region locations.

Ensure sustainable consumption and production modalities

Looking to promote sustainable consumption and production, EGE Haina operates in full compliance with the norms established by the Dominican environmental regulations. Following its Environmental Policy, the company performs a rigorous process to guarantee the responsible management of its liquid effluents and solid and oily residues, the proper storage, treatment and transport of chemicals and residues, the control of contaminants' emissions and environmental noise, as well as spill prevention and protection. The company is focused on optimizing water usage in its production model, while minimizing contamination (atmospheric, hydraulic, soil and acoustic) during its processes and promoting a clean energy production. Also, it provides education to its employees, providers and contractors regarding its guidelines and practices on sustainable production and consumption, environmental education and human rights.

Adopting urgent measures to fight against climate change and its effects

To face this challenge, since 2011 EGE Haina has installed four wind facilities and two photovoltaic parks (including Girasol Solar Park that will begin operations in 2021), with a total combined capacity of 296.5 MW from non-conventional renewable sources.

With the annual wind farm production reaching 600,000 MWh, nearly 300,000 tons of CO_2 emissions are avoided from getting into the atmosphere each year. Likewise, the annual photovoltaic production, estimated at 242,000 MWh (including Girasol), saves an additional 150,000 tons of CO_2 emissions. After adding the Quisqueya 2 conversion to natural gas, which reduced the emissions by 60 %, the total annual savings of CO_2 emissions between the renewable and the natural installations totals 665,000 tons of CO_2. In 2019, the two phases of the Los Cocos Wind Farm became the first electric power plants in the country to obtain Carbon Bonds issued by the United Nations Framework Convention on Climate Change, through which the UN promotes the reduction of contaminating emissions to the environment.

Through its clean energy investments, EGE Haina has reduced by half the carbon dioxide emissions for each kilowatt hour produced. Its growth strategy for the next decade is focused on developing 1,400 MW from clean energy sources (wind, photovoltaic and natural gas), all of which will strengthen EGE Haina's contribution to the reduction of greenhouse gases and global warming.

Encourage and promote the creation of effective alliances in the public sector, public-private collaborations and in the civil society, taking advantage of the experience and strategies to gather resources from those associations

EGE Haina is part of one of the leading business associations in the country, with a clear mission to promote the level of competitiveness, social responsibility and economic development in the Dominican Republic. Likewise, the company is a member of important regional associations that promote energy sustainability in the Caribbean and Central America. At the local level, EGE Haina is an active member in many organizations that work towards sustainable development and environmental protection in the areas where it operates. EGE Haina collaborates with over 50 government and non-governmental organizations towards defining and developing a social agenda to reach sustainable results in those communities.

End poverty in all its forms around the world

EGE Haina seeks to reduce the poverty gaps in the communities where it operates through the development and strengthening of diverse productive groups, technical training and donations of work supplies and equipment. Since 2011, the company donates the electric power to operate the water pumps irrigating the Juancho agricultural valley, thus promoting the work of the farmers and land owners. Moreover, the company develops training programs in different areas of interest, such as electric power, information technology, wood work, accounting, bakery, cooking, leadership and entrepreneurship, among others. The workshops are geared towards youth and adults in locations close to the plants with the goal of helping them to develop capabilities that allow them to support themselves and their families. The purpose of these initiatives is to promote human development and income generation in these communities.

Guarantee a healthy life and promote the wellbeing of all people of all ages

EGE Haina develops initiatives that promote the health of its employees, their families and the communities where it operates. All the details related to the care and promotion of the employees' health are found on chapter 6 of this report, under the occupational health and safety section.

In terms of community service, the company performs health operatives, mostly in the areas of dermatology and odontology, which are focused on preventive health, and has made donations to improve the infrastructure and medical services of the Enriquillo Hospital in Barahona.

In 2020, after the COVID-19 pandemic hit, the company launched an education campaign to prevent the spread of the virus in 25 communities near its plants. It also sponsored the Medical Aid at Home project, developed by the Ayuda.do organization to provide free medical services throughout the country. Throughout the year, it also donated personal protection gear, sheets, digital thermometers, lamps and cleaning supplies to various hospitals in San Pedro de Macorís, Barahona, San Cristóbal and Santo Domingo.

Guarantee an inclusive, equitable, quality education and promote learning opportunities throughout the life

EGE Haina contributes to quality education by supporting 18 learning centers on the country's eastern and southern region with initiatives that help over 3,000 students. It includes training for teachers and students, student merit recognition programs, eco-school projects, holding special events and celebrations, donations of internet service, uniforms and school supplies, and school infrastructure improvement projects.

Reaching gender equality and empowering all women and girls

EGE Haina is guided. By an inclusion and diversity culture that permeates all of the company's areas and actions. Its Human Rights, Inclusion and Diversity Policy clearly expresses the organization's commitment to promote the development of men and women, both internally and externally, by providing them equal rights and opportunities. This Policy, as well as the management system of the same name, help strengthen the institutional culture regarding equal opportunities for all persons, without exclusions of gender or any other type, and the concilliatory approach between work and family life.

The company promotes non-discrimination, inclusion, diversity, respect and the enjoyment of a Working environment free of violence and harassment, as established in its Code of Ethics.

These principles also inspire other external company programs by offering technical training in communities equally geared towards men and women, without any gender differences.

Stakeholders

EGE Haina has been known for building responsible, productive and close relationships with all its stakeholders. The company is continuously working towards making and keeping respectful and permanent bonds with collaborators, local communities, regional and national authorities, financial institutions, members of the electric power sector, clients, and other actors related to each and every one of its projects and its operations, with whom it has established open and transparent communication channels. The company has identified its stakeholders through technical, legal and operational viability studies, environmental impact studies, management workshops, conversation and daily operation round tables.

Moreover, this selection responds to the relevance of such groups for the company and their degree of dependency and influence. EGE Haina's special interest towards the identified groups is based on their degree of involvement and relation to the main company issues, namely, those considered to be a priority and preponderant due to their implications and relation to the company objectives.

Shareholders

EGE Haina promotes closer relationships with its shareholders, partners and investors, not only to share its financial results with them, but also all its economic, social and environmental actions, always looking seeking their support and companionship to continue generating value wherever it is available. Thus, several mechanisms are implemented to continuously know their concerns and present them with relevant data about the company operations.

It is important to highlight that EGE Haina is the result of a successful public-private alliance, with two main partners: the Haina Investment Company (HIC), a private company that owns 50% of the shares, and the Fondo Patrimonial de las Empresas Reformadas (FONPER), a public institution holding 49.9% of the shares. EGE Haina works to ensure the proper care of this group of shareholders by providing them with transparent information and financial results.

The main topics of interest for this group of actors are related to the company's economic performance, its market share, environmental compliance and social responsibility efforts to benefit the communities.

Government and authorities

In regards to the Governmental institutions with which EGE Haina interacts, including regulatory agencies, the company respects their requirements by providing them with timely responses, follow up, full compliance of the laws and regulations that apply. Likewise, it generates a dynamic and transparent relationship with the Government representatives. The institutions that have a greater direct impact on EGE Haina's activities due to their role as regulators are:

- Energy and Mining Ministry
- Electric Power Superintendency
- National Energy Commission
- Dominican Corporation of State Electric Power Companies (CDEEE)
- Coordinating Body of the National Interconnected Electric Power System
- Finance Ministry
- Environment and Natural Resources Ministry
- Industry, Commerce and MIPYMES Ministry
- Internal Revenue Directorate General
- Agriculture Ministry

Collaborators

As of December, 31 of 2020, the company team was integrated by 508 collaborators (491 permanent and 17 with a limited time contract). Based on the fact that EGE Haina's greatest asset is its human capital, the talent management and organizational culture model is focused on ensuring its safety and productivity through a series of initiatives that stimulate its efficiency, sense of belonging to the company and commitment to the strategic objectives.

In this way, the company works towards building long-term relationships with its collaborators, providing them information regarding their main topics of interest, including the company's economic performance, operational indicators of the business, occupational health and safety guidelines, employment management system and the employee benefits the can access.

Clients

EGE Haina's client base is highly diversified, including medium and long-term contracts with companies from different economic sectors. The client list is integrated mainly by energy distribution companies as well other businesses from commercial and industrial areas like mining, cement, duty free, food industry, manufacturing and distribution, metallurgy, fuel imports, product marketing, construction materials and agroindustry. EGE Haina's main objective in regards to this group of stakeholders is to provide them the best service based on the long-term contracts with competitive pricing and conditions, which stem from a genuine interest to support them in developing their operations, ensuring that the electric power generation is done in a competitive and sustainable manner. Likewise, the company is committed to offering its clients information on the company's economic performance, its good governance practices and its compliance of government regulations.

Providers and contractors

EGE Haina has integrated several criteria of environmental management, safety and social responsibility social into is supply chain operation, adding to its provider's bidding and hiring processes. At present, there are 390 active suppliers with which the company maintains continuous communication, keeping them abreast of the company's acquisition practices, health and safety guidelines and good government practices. EGE Haina is committed to the implementation of policies and practices that foster transparency in the operation and an ethical relation with its providers and contractors, free of favoritisms and undue influences that might ruin its reputation. Likewise, it promotes adherence to the company's safety and health regulations.

Communities

At present, EGE Haina directly benefits nearly 34,583 persons in 22 communities in the provinces of San Pedro de Macorís, San Cristóbal, Barahona and Pedernales. EGE Haina promotes sustainable development in those communities which are close to where its operations are located in order to contribute to improve the quality of life of those populations It does so through a series of initiatives and programs in the areas of health, education, technical training, income generation, environmental protection, institutional reinforcement of civil society organizations and emergency agencies, sports, culture and community infrastructure improvement. Likewise, EGE Haina makes sure it has active communication channels and proper media outlets channels to keep these communities well informed about issues of great interest to them, such as company events, mostly related to the areas of Social Responsibility, compliance of the country's environmental laws, and efforts to promote local employment.

Civil Society

One of EGE Haina's goals is to generate sustainable energy while promoting competitiveness, social responsibility and sustainable economic development in the Dominican Republic. Based on that commitment, EGE Haina works hand in hand with the civil society and its organizations to jointly develop initiatives dealing with energy sustainability in the Caribbean and Central America. The company maintains a close relationship with over 50 government and non-governmental institutions to collaborate in defining and implementing a social agenda with sustainable results in the communities. Due to the importance of maintaining a close and constant contact with this group of stakeholders, the company has established several communication channels and media outlets to easily reach these civil society actors so they can access information related to the company's economic performance operational indicators, actions taken to combat climate change, environmental efforts, and all its social responsibility projects and events.

Communication Media

To comply with the objective of openly communicating all of the company's initiatives, projects and achievements, EGE Haina fosters its relationship with the local and national media, providing them truthful and timely information about different topics of interest about the company, such as its economic performance, the projects under development, the business operational indicators, the environmental management system, and all the actions undertaken in favor of the communities it services.

Financial Institutions

One of the main objectives outlined in EGE Haina's growth plan is the development of new power generation projects that use renewable sources and natural gas. In order to accomplish such task, a one-billion-dollar investment is required, for which the company has created a financial strategy that allows it to explore diverse sources of capital financing through the stock market and diverse trusts. Financial institutions are the main allies in this expansion process, so the company is continuously working towards establishing and maintaining permanent bonds with this key group of stakeholders, by forging relationships based on good corporate governance policies and practices, as well a responsible and transparent approach.

The company is in constant communication with this group, mainly with those financial institutions that already support some of EGE Haina's ongoing projects. As such, several. Communication channels have been developed through which the financial institutions can easily access information on the company's economic performance, its stock market participation and development, as well as its goo corporate governance practices and actions undertaken to benefit the communities.

Business Community

EGE Haina is part of the leading business organizations in the country, making good on its mission to promote competitiveness, social responsibility an economic development in the Dominican Republic. In that sense, it is of utmost importance for the company to participate in diverse spaces where coordination and socialization of the business community takes place, so that synergies and alliances are generate to jointly work towards common goals. In addition.

EGE Haina keeps the business community informed about several topics of great interest to them, including the company's economic performance, its operational indicators and the environmental protection actions undertaken.

Materiality

For EGE Haina, material topics are those that have a direct impact on the electric power generation business model, thus creating value for the stakeholders. Responding to its strategic planning, the benchmarking performed on good sustainability practices and the panel conversations held on key areas, a total of 10 major topics of interest for the sustainability strategy were defined, seven of which are considered material subjects.

	Identified issues	Stakeholders' expectations	Business strategy impact	Relevance considerations
1	Sustainable economic development	4.57	4.94	22.58
2	Commitment with its people	4.40	4.83	21.25
3	Operation excellence	3.98	4.94	19.66
4	Environmental management and commitment	4.00	4.72	18.88
5	Renewable energy focus	4.08	4.50	18.36
6	Ethics and good corporate governance	3.92	4.61	18.07
7	Commitment with communities and society	4.05	4.39	17.78
8	Risk management and resiliency	3.67	3.78	13.87
9	Climate change strategy	3.42	4.39	15.01
10	Sustainable supplies	3.32	3.56	11.82

To determine the issues of importance, a consultation process was developed with leaders from different areas of the organization regarding the impact of the topics on the business. strategy. In addition, the stakeholders' perspective was incorporated from the results of a survey. A scale from 1-5 was used to vote on the topics ranking, with 1 being of least importance and 5 of most importance.

The consolidated importance (ponderación) was obtained by multiplying the average of the expectations and impact results. That is how seven topics were chosen to be the most relevant for the stakeholders and the business strategy, thus are considered as material issues Here are details of their definition and relevance for EGE Haina.

Sustainable economic performance

Concept linked to the creation and distribution of economic value that basically indicates how an organization has generated wealth for its stakeholders.

Guarantees the financial sustainability of the company and the possibility of continuing to create value for the stakeholders. In 1999, the company was valued at USD$ 290 million, and more than 20 years later, it now has over USD$ 1,000 in assets from the generation investments the company has been executing.

Commitment to the people

The organization's focus regarding contracting, hiring, retention and related practices, as well as its diversity promotion within the company.

EGE Haina's team is the heart of the operation, thus the talent management goal is to provide collaborators with a working environment that is safe, healthy, inclusive and balanced, where respect and personal consideration are of utmost importance, and professional development possibilities area offered based on individual performance and opportunities for growth.
This institutional culture is evidenced in the outstanding results of the surveys measuring organizational climate, internal client satisfaction, and the experience of employees, management and leadership.

Operation excellence

Refers to the systemic and systematic management of occupational health, safety, environment, productivity and quality to achieve a world class performance. It is comprised of best practices, processes and procedures to optimize the organization's results.

Guarantees the company operations focusing on efficiency, efficacy and being results-driven. EGE Haina's increased efficiency and good operation performance is also evidenced in other indicators, the high. Availability rate of its generation assets and the continuous improvement of its consolidated net heat rate efficiency indicator throughout time.

Environmental management and commitment

It refers to the governance and management of the company's environmental impact a resulting from the production of goods and services as well as the environmental capital management required to create long term value.

EGE Haina operates in compliance to the norms established by Dominican environmental legislation. Based on its Environmental Policy, the company works rigorously to guarantee the responsible management of its resources.

Focus on renewable energy

Electric power companies are responsible for a significant amount of the international greenhouse effect emissions (GEI by its Spanish acronym) and are increasingly subject to reducing their emission levels. The use of renewable energy sources that emit fewer pollutants Helps create a competitive advantage and generate additional income through price premiums.

During the last decade, EGE Haina has led Dominican Republic's transition towards a national and regional energy system that is ever more sustainable and less coal dependent. The company has reduced in half its CO_2 emissions per produced kilowatt hour, an achievement that comes by the hand with its undisputed position as the non-conventional renewable energy leader in the country and the West Indies. After the Girasol Solar Park is completed in 2021, the renewables comprise 34.5% of the company's installed capacity.

Ethics and good corporate governance

Corporate Governance is the set of norms and guidelines guiding the company's governing and decision-making processes, to enhance transparency and trust among investors. Ethics refers to the application of values to business activities that are relevant both for the behaviour of individual people and the organization as a whole.

EGE Haina's operations are based on the best international practices and standards for risk management, all within a framework of good corporate governance. The principles and values support the ethical behavior of EGE Haina's team, which allows it to maintain trusting relationships with its different stakeholders.

Commitment to the community and general society

To become an agent of change and a catalyst for development, the corporate citizenship program must be well managed. Creating value both for the beneficiaries and the shareholders requires that companies maintain a clear focus to guide these programs and philanthropic activities, and to measure their value, cost-benefit efficacy, and alignment with the United Nations Sustainable Development Objectives.

EGE Haina has launched several platforms to keep an open dialogue and communication with the communities where its operations are located. It sponsors and implements social responsibility programs to promote the local development in those areas, always ensuring the active participation of these communities. These actions have directly benefited some 34,583 persons in 22 communities in the provinces of San Pedro de Macorís, San Cristóbal, Barahona and Pedernales.

Active membership in associations

EGE Haina is an active member of prestigious associations that are relevant to the civil and institutional life of the locations where it has operations, as well as those related to the energy sector in the Dominican Republic, the Caribbean and Central America. Through these affiliations, the company promotes and supports many initiatives that contribute to the economic development of the country, the national electric power sector, and the energy sustainability in the region.

EGE Haina is an active member of the following organizations:

- *Asociación de Empresas de Haina y Región Sur* - Business Association from Haina and Southern Region
- *Asociación de Industrias de la República Dominicana (AIRD)* - Dominican Republic Industry Association
- *Asociación Nacional de la Industria Eléctrica (ADIE)* - National Electric Power Industry Association
- *Cámara Americana de Comercio (AMCHAMDR)* - American Chamber of Commerce
- *Cámara Británica de Comercio (BRITCHAMDR)* - British Chamber of Commerce
- *Cámara de Comercio y Producción de SD* - Santo Domingo Chamber of Commerce & Manufacturing
- *Cámara Minera y Petrolera de la República Dominicana* - Chamber of Mining and Crude Oil of the Dominican Republic
- Caribbean Electric Utility Services Corporation (CARILEC)
- *Centro Regional de Estrategias Económicas Sostenibles (CREES)* - Regional Center for Sustainable Economic Strategies
- *Clúster Ecoturístico y de Producción de Barahona* - Barahona Ecotourism and Producton Cluster
- *Coalición Multisectorial para la Conservación del Río Higuamo* - Multisectoral Coalition for the Conservation of the Higuamo River
- *Consejo Nacional de la Empresa Privada (CONEP)* - National Council for Private Enterprise (CONEP)
- *Comisión de Integración Energética Regional (CIER)* - Regional Energy Integration Comission
- *Comité Regional de CIER para Centroamérica y el Caribe (CECACIER)* - CIER's Regional Committee for Central America and the Caribbean
- *Confederación Patronal Dominicana (COPARDOM)* - Dominican Employer's Confederation
- Edison Electric Institute
- *Mesa Redonda de Países de la Mancomunidad* - Commonwealth Countries Round Table
- *Patronato de Industrias de Haina* - Haina Industries Board
- *Red Nacional de Apoyo Empresarial para la Protección Ambiental (ECORED)* - National Network of Business Support for the Environmental Protection

Communications

EGE Haina implements a well-articulated system of platforms and procedures that facilitate a permanent relation with its internal and external publics, which are based on the principles of coherence, honesty and transparency. The company distributes information of interest to its stakeholders and the general public through print media, audiovisuals and several properties on its digital platforms (website, LinkedIn, YouTube, Instagram, Facebook and Twitter).

To keep its collaborators continuously informed about the organization's goals, plans, initiatives, achievements and news, it uses several communication channels, specially:

Emails, internal chats, informative murals, website, intranet, as well as virtual and in-person events. A very important communication channel is the En Línea internal magazine, which is a quarterly publication. Each year, the company publishes a business report and a. sustainability report. Also, it produces audiovisual materials, advertising campaign and other communication pieces to be distributed among its internal and external publics.

Business Report and Sustainability Report

In April of 2020, EGE Haina presented its shareholders with the annual report detailing all of its achievements during 2019. Moreover, in July of that same year, it also produced its first ever Sustainability Report, making that 2019 edition available to all stakeholders in a print and digital format, in compliance with essential option standards of the Global Reporting Initiative (GRI). This report was edited both in English and Spanish. In previous years, the company published its annual memoirs.

On line Magazine

Four editions of the quarterly magazine En Línea were published in 2020. This internal newsletter featured a special summary of all the initiatives taken by EGE Haina amidst the COVID-19 pandemic and all the measures put into effect to operate with optimal safety and reliability. It also informed its collaborators about the aid provided by the company and how it implemented a communications plan to contribute to contagion prevention and maintain strong collaboration ties and sense of closeness, even with having a significant number of employees working on remote mode. En Línea became an important channel to communicate to the internal public the main details of the new Human Rights, Diversity and Inclusion System which promotes gender parity, fair treatment and equal opportunities and respect among all people. Among the other major topics covered by the newsletter are: EGE Haina's digital strategy and the required transformations; conversion of the Quisqueya 2 plant to natural gas; start of construction of the Girasol plant; maintenance work on the generation assets; and, the implementation of a risk control system.

Digital community

The EGE Haina digital community experienced a 24% increase during 2020 in its accounts on Instagram, Facebook, Twitter, LinkedIn and the YouTube channel. At present, the digital community is comprised of 35,723 followers. Last year, the company published 1,010 posts through these platforms, for an average of 2,200 users per post.

Audiovisual material

To communicate relevant messages about the company and its initiatives to all the organization members and other key stakeholders, in 2020 EGE Haina produced various audiovisual presentations that were broadcasted internally and through social medial platforms that also served as support material in many of the presentations in which the company participated. Several of these videos can be accessed through the company YouTube channel: EGEHAINARD.

Participation on forums and trade shows

Each year, many EGE Haina executives participate in numerous trade shows, seminars, talks and congresses to share their vast expertise and experiences. For example, on January 2020, general manager Luis Mejía made a presentation at the 20th Annual Caribbean Energy Conference, organized by S&P Global Platts in Puerto Rico. Due to pandemic restrictions, the company had a virtual participation in many of the events held on 2020. Among them: Think Energy, organized by the Dominican-Swiss Chamber of Commerce; Digital Energetic Encounters, coordinated by DNV GL Business Assurance; Barna Management School's webinar about Clean Mobility; the webinar "Equity and Inclusion, keys to your organization" by Great Place to Work in Central America and the Caribbean; the "2020 Promising Practices" webinar presented by the Private Enterprise National Council (CONEP) and the United Nations Development Program (PNUD); as well as the Latam Future Energy Virtual Summit.

Acknowledgements

In August 2020, the Industrial Health & Safety Direction of the Ministry of Labor presented to EGE Haina a recognition of excellence acknowledgement in the area of work safety and health for its outstanding compliance of the 522-06 regulation and helping to prevent labor risks, promote continuous improvement and serve as motivation to other companies.

EGE Haina was also recognized on September 2020 by Private Enterprise National Council (CONEP) and the United Nations Development Program (PNUD), amidst the launching of the 2020 Promising Practices initiative, for its outstanding contribution towards reducing the environmental footprint in the country and reaching the Sustainable Development Objectives.

Moreover, on October 2020, EGE Haina obtained the Igualando RD's Golden Seal, which is presented by the Women's Ministry and the United Nations Development Program (PNUD), after obtaining the Nordom 775 certification from the Dominican Quality Institute (INDOCAL). With this certification, EGE Haina became the first company in the national electric power sector to be recognized for guaranteeing the gender equity at work and promoting a corporate culture that is inclusive, fair and diverse.

4 Operational results

Operational excellence

EGE Haina's operational excellence is based on the compliance of an action plan that directly contributes to achieving the company's goals and is aligned with sustainable value creation.

Each one of the actions included in the Operational Plan are performed in accordance to the energy sector's best practices, continuous improvement, local health, industrial safety and environmental regulations, as well as industry standards.

The program's focus is based on the following actions:

- Operating the units with high efficiency.
- Provide continuity for the integrated fuel process management system.
- Efficiently execute the budget.
- Complete the unit's major maintenance work optimizing the down time.
- Efficiently manage the operation and maintenance work for all the installations.
- Execution of technical training for all personnel.
- Compliance with all environmental requirements and indicators.
- Overseeing the performance of the Safety & Health area.
- Auditing the O&M areas in all the plants.

Action plans are developed throughout the year following the guidelines and procedures established for the unit's performance tests in accordance to the ASME Performance Test Code for the steam plants and the ISO regulations for the engine and turbo gas plants to ensure full compliance with the Strategic Plan's guidelines. At the same time, internal audits are conducted in the areas of Operations, Maintenance, Health, Occupational Safety and Environment following the O&M's guidelines and policies as well as recommendations from insurance companies and other external organizations.

Operational management

The COVID-19 pandemic required EGE Haina to develop different protocols to guarantee the operation's continuity in a safe and efficient manner, which has been customary throughout the company's existence. The results were satisfactory thanks to the strong support from the entire team and the guidance from the Safety, Health & Environment Area.

In 2020, EGE Haina's total net bar energy output was 2,647.06 GWh, or 24.6 % lower than the 2019 production that reached 3,511.38 GWh. The testing period for the Quisqueya 2 conversion to natural gas, as well as the incorporation of other third-party units that were also converted to natural gas, added to the reduction in the industrial users' demand resulting from the pandemic, explain the reasons behind total generation reduction compared to the previous year.

While the 2020 generation levels show a reduction versus 2019, the value produced by the company in 2020 was superior than the one projected for that year. A **44.79%** of the company's energy output from the Quisqueya 2 plant (including the Quisqueya Solar production); **19.26%** from Sultana del Este; **13.61%** from the Barahona plant (coal); **6.73%** from Larimar Wind Farm 1; **5.2%** from Los Cocos 2 Wind Farm; **4.72%** from Larimar 2 Wind Farm; **2.07%** from Palenque plant; **1.85%** from Los Cocos 1 Wind Farm; **1.01 %** from the Haina Turbo Gas and a 0.78 % output was generated by the units in Pedernales that feed the isolated Edesur system located on that province.

The company's main generation units continue to actively participate in the Primary Regulation and Secondary Frequency process, an effort with which EGE Haina contributes to the operational stability of the National Energy Grid (SENI).

2020 Energy production

Quisqueya 2

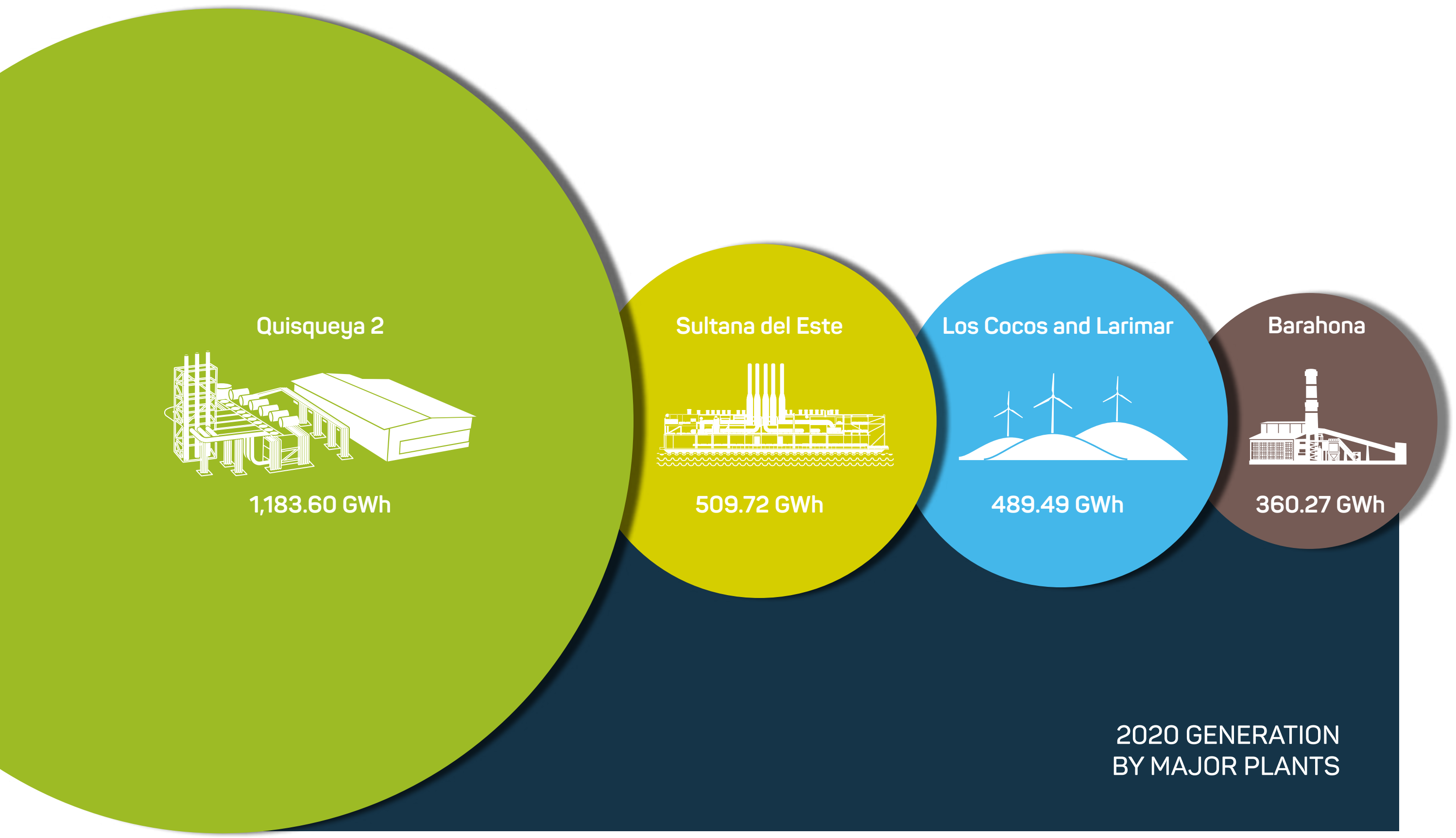
The total net energy output of Quisqueya 2 in 2020 was 1,183.60 GWh. In 2019 the total was 1,416.44 GWh.

Sultana del Este

The total net energy output of Sultana del Este in 2020 was 509.72 GWh. In 2019, the total was 944.47 GWh.

EGE Haina Wind Farms

The total net energy produced by wind farms in 2020 was 489.49 GWh. The total net energy production in 2019 was 503.95. While the wind energy produced was slightly less, its contribution as a percentage of the company's generation total increased from 14.4 % in 2019 up to 18.5 % in 2020. Here is a detailed breakdown of production reached by each park:



- **Los Cocos Wind Farm Phase 1**

  The net energy produced by Phase 1 of Los Cocos Wind Farm was 48.87 GWh in 2020. In 2019, it reached 48.16 GWh.
- **Los Cocos Wind Farm Phase 2**

  The net energy produced by Phase 2 of Los Cocos Wind Farm was 137.60 GWh in 2020. In 2019 it reached 141.14 GWh.
- **Larimar Wind Farm Phase 1**

  The net energy produced by Phase 1 of Larimar Wind Farm was 178.12 GWh in 2020. In 2019, it reached 183.25 GWh.
- **Larimar Wind Farm Phase 2**

  The net energy produced by Phase 2 of Larimar Wind Farm was 124.9 GWh in 2020. In 2019, it reached 131.40 GWh.

The maximum peak power reached by all the aerogenerators was 174.32 MW versus 175.0 MW installed, which occurred at 5:00 am on February 12.

Barahona

The net energy produced in 2020 by the Barahona plant was 360.27 GWh. Total production on 2019 was 390.22 GWh.

Haina

The net energy produced in 2020 by the Haina turbo gas plant was 26.68 GWh, while the 2019 production was 144.10 GWh. It is important to highlight that production levels of this plant are very variable, as it normally operates in case of an emergency when other units of the National Energy Grid (SENI) experience certain operational restrictions.

Pedernales

The net energy produced in 2020 by the Pedernales plant was 20.70 GWh including a down period for major maintenance for unit # 1 of 10.8 days. Total production on 2019 was 19.47 GWh.

Palenque

The net energy produced in 2020 by the Palenque plant was 54.68 GWh, while the 2019 production reached 90.65 GWh.

Quisqueya Solar

The 2020 net energy output from Quisqueya Solar was 1.93 GWh, while the 2019 production was 2.10 GWh. This facility has continued to provide energy to power the Quisqueya 2 auxiliary equipment and making its operation cycle more efficient.

Performance

Consolidated caloric power consumption by EGE Haina plants during 2020 was 7,457 Btu/kWh; according to the certified measure by the authorized companies, vs 7,566 Btu/kWh in 2019, which is 1.4 % favorable due to a greater proportion of wind energy in 2020 versus 2019.

Quisqueya 2's heat rate in 2020 was 8,083 Btu/kWh vs 7,821 Btu/kWh in 2019, or 3.3 % unfavorable due to greater operational cycles, starts and stops, related to works required by the natural gas conversion process. The heat rate for Sultana del Este was 8,469 Btu/kWh in 2020 vs 8,344 Btu/kWh in 2019, or 1.5 % unfavorable due to greater cyclic generation on the engines used for CEPM. The Barahona plant heat rate in 2020 was 12,591 Btu/kWh vs 12,136 Btu/kWh in 2019, or 3.7 % unfavorable due to minimum technical operation cycles per dispatch in real time.

Centralized maintenance

During 2020, EGE Haina conducted major maintenance work, as detailed below, which were executed according the allocated time and resources:

- Quisqueya 2. Major maintenance work for 48,000 hours to units 2, 3, 4, 5 and 12; and a 50,000-hour maintenance work on the steam turbine.
- Sultana del Este. Major maintenance work for 132,000 hours on unit 3 and a 120,000-hour maintenance work on unit 8.
- Pedernales. Major maintenance work for 145,000 hours on Hyundai's unit 1 and a 48,000-hour maintenance work for Hyundai's unit 2.

Supply chain

To achieve sustainability throughout its supply chain, EGE Haina is focused on controlling the environmental, social and economic impact in supply management, adopting broad criteria for environmental management safety and social responsibility when selecting its suppliers.

We have incorporated sustainability criteria in the evaluation process for suppliers' bidding and procurement. The organization guarantees that all its suppliers are aligned and in compliance with EGE Haina's code of Ethics, its Policy for the Prevention of Money Laundering and Financing of Terrorism ("PLAFT") and all the local regulations that are in effect in the areas of environment, human rights and work safety.

These conditions are verified since the commercial relationship starts and continuously while it lasts. One of the basic sustainability pillars that integrates EGE Haina' work execution and supply strategy, is directly related to the hiring, as long as possible, of suppliers, clients, communities and human capital in the locations where we have presence.

EGE Haina's comprehensive purchasing process, which is part of the supply chain, is based on an annual expenditure budget approved by the company's Board of Directors. The first step of this process consists of planning the operational, administrative and human talent management's needs.

Throughout the year, the different company areas submit their requests for materials, equipment, services and other supplies through a digital platform enabled for such purpose. These purchase requests initiate the process of quotation, evaluation, selection and hiring suppliers, based on the criteria above stated above, to which the sustainability principals have been added.

We contracted approximately USD$ 150 million a year in goods and services required for our operation. This amount is mostly comprised of expenses for fuel, lubricants, spare parts and technical services.

The goods and services mostly used for power generation are acquired through contracts or purchasing orders for medium and long term. With this strategy we not only look to ensure the provision of spare parts, fuel and lubricants, in the required times and manners, but also look to be more efficient in terms of logistics by reducing the amount of shipment and transport hired for the supply chain.

EGE Haina has 315 active suppliers. Of those, nearly 25 to 30 could be considered key or strategic suppliers. Our sustainable supply program is mostly focused on these top suppliers, as the good and services they provide are essential to the maintenance and operation of our assets. Among these providers, we have prestigious European firms from Germany, Finland and Sweden, such as Wärtsilä Corporation, Siemens AG, ABB Group and Alfa Laval AB, all with sustainability policies clearly defined, as shown by their annual sustainability reports.

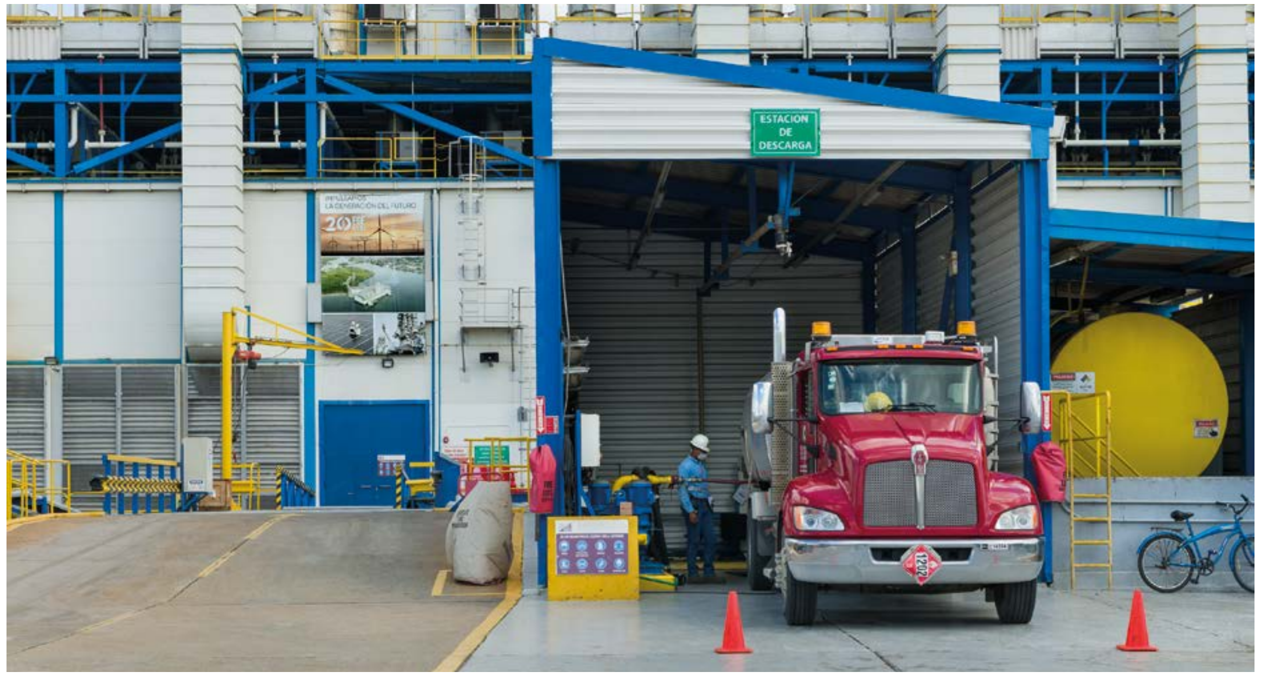
Dominican Republic has regular con maritime and aero routes, which the supply logistics for spare parts, fuel and lubricants used. Many of our key suppliers have storage and dispatch operations in the Caribbean and the Gulf of Mexico, which allows for the reduction of costs and shipping time of the maritime cargo, which translates into a greater operational efficiency.

We have purchasing policies that provide for minimum stock provisions, including the availability of fuel that are adjusted or increased during the hurricane season. Likewise, the company has provisions of critical emergency equipment and materials.

EGE Haina acknowledges its market purchasing power and may use it to make its supply chain sustainable, an a medium for inclusive growth.

Finally, to achieve a sustainable supply it is necessary to include best practices and key elements clave in value creation. The ethical business conduct is one of the basic areas in the sustainable supply chain that promotes the good practices through the entire life cycle of the purchased goods and services.

In that sense, EGE Haina runs an effective program for the prevention of money laundering and terrorism financing, for which it has developed its PLAFT policy. It is based on implementation criteria of an adequate knowledge process and due diligence of the client/supplier, in order to strengthen the company's internal controls and minimize the risks for financial, operational and reputational losses, thus avoiding s administrative, civil and criminal sanction both against the company and its executives and employees.



Electric power market

EGE Haina's commercialization efforts seek to identify and satisfy the energy needs of the National Energy Grid (SENI), for which relations are established with:

a) Non regulated users (UNR)
b) Regulatory and supervisory institutions of the electric subsector
c) Electric power distribution companies (EDES)
d) Other electric power generation companies

The company operates both in the contract market and the on the spot market. EGE Haina develops its operations under specific norms of the electric power subsector in the Dominican Republic, which has been historically applied in a stable manner. Most of the electric power consumed in the country is produced and distributed by the National Energy Grid (SENI), and the remaining through several isolated systems.

For its commercialization efforts, the company is also dealing on a permanent basis with the Electricity Superintendence, the National Energy Commission, the Energy & Mining Ministry, and the Coordinating Organization (OC-SENI).

Electric power market's key players

The Dominican Republic's electric power subsector is comprised of several regulatory entities, such as the Energy & Mining Ministry, the National Energy Commission, and the Electricity Superintendence, as well as others that produce, transport, distribute and consume electric power.

There is also an entity that coordinates SENI's operation known as the Coordinating Organization (*Organismo Coordinador*).

SENI has five electricity distribution companies, three of which are state-owned by the Dominican government: EDENorte, EDESur and EDEEste; the remaining two, Compañía de Luz y Fuerza de Las Terrenas and Empresa Distribuidora el Progreso del Limón, are privately owned.

In addition to SENI, there are several independent and op isolated system operators, such as Punta Cana-Macao Energy Consortium (CEPM) and EDESur, which also supplies electric power to the independent system in Pedernales.

The hydroelectric power generation and the electric power transmission are both reserved for the Government through the Dominican Hydroelectric Generation Company (EGEHID) and Empresa de Transmisión Eléctrica Dominicana (ETED), respectively. In addition, the Dominican Government actively participates in the Wholesale Electricity Market both as the owner of the Punta Catalina Thermoelectric plant and as a distribution agent.

Users with an installed capacity equal or greater than 1 MW can request a certification from the the Electricity Superintendence as a Non-Regulated-User (UNR). As such, it can directly negotiate the energy prices with the power generation and distribution companies.

Electricity market transactions

The purchases and sales on the electric power market can be performed through:

- Private Purchase Agreements (PPAs), through which specific energy and capacity transactions are agreed upon. These contracts are governed by commercial law and, depending on their duration, can be long-term (five or more years, for example) or short-term (typically one or two years). The negotiated terms include duration, price, payment, guarantees, among other standard dispositions. Agreements. Between power generation companies and distributors and/or non-regulated users are registered and managed by the OC-SENI.
- Direct transactions in the occasional spot market at a marginal short-term energy cost, according to the variable prices declared per output units. The OC-SENI programs the dispatch of the generating units that declared available in the market in order of merit or economic dispatch to correspond with the energy offer and demand at a particular moment, optimizing the existing relation between the cost of supplying demand and system security. Each month, the OC-SENI reconciles for each agent the amount of electricity input to system (through generation) and the amount of output (through contract or spot sales), and determines the energy selling or purchasing position and the occasional spot market capacity.

In 2020, EGE Haina supplied 13.37% of the National Energy Grid's total demand. The energy produced by the company was destined to SENI and two independent systems: the Punta Cana-Macao Energy Consortium and the Pedernales electric system.

Sectors serviced by EGE Haina

- Electric power wholesale market
- Commercial
- Industrial
- Manufacturing
- Fuel
- State
- Mining

Products or services provided or borrowed

- Energy sales
- Sale of capacity
- Compensation for frequency regulation
- Third-party operation services
- Leasing of HFO storage assets
- Operation services

EGE Haina's clients and production beneficiaries

- Energy generation and distribution companies
- State electric power companies
- Electric power distribution companies
- Local generation companies
- Mining companies
- Cement manufacturers
- Local Duty Free (Zona Franca)
- Food production and distribution
- Metallurgy
- Fuel importers
- Product marketers
- Construction materials company

Projects

Quisqueya 2 natural gas reconversion

The Quisqueya 2 plant features 12 reciprocating engines manufactured by Wartsila with a capacity to operate with fuel oil, diesel and natural gas. Operation started on September, 2013.

Due to natural gas unavailability at that time, the engines could not be tested with that fuel and were optimized to operate with fuel oil during a short period. On July 2019, EGE Haina and the Dominican Corporation of State Electrical Companies (known as CDEEE, the Spanish acronym for Corporación Dominicana de Empresas Eléctricas Estatales) signed a contract for the purchase and sale of energy produced with natural gas by the Quisqueya 2 plant, for a 15-year term. The Quisqueya 2 reconversion to natural gas started on July 2019 and ended on July 2020.

After total expenditures of USD$ 6 million, from which USD$ 4.7 million were capitalizable investment, the conversion was completed with the following reach:

- Construction of 752 meters of a gas pipeline that connects the supply at the entry point of the Quisqueya complex that runs up to the existing pipeline at the entrance of machine room #1.
- Installation and construction of a gas filtering station and gas quality measuring devices.
- Reinstallation of devices that enable the engine's dual operation.
- Installation and review of sensors used to detect natural gas leakages.
- Tests, optimization and operation of engines under the natural gas mode.
- Updating the plant's control system.

Being able to operate with a gas required the implementation of new safety protocols including constant monitoring to prevent potential leaks. This was done through the use of portable measuring devices and sensors that have to be readjusted and permanently installed in the plant's machine rooms. These works ensured the reliability and availability of the Quisqueya 2 plant to be operated with natural gas, while also being able to produce energy with HFO in case a gas shortage arises. This guarantees a flexibility that benefits that country by helping to avoid energy production interruptions in this plant.

The Development Direction was in charge of this project's management, which also required the support of EGE Haina's operations and maintenance teams all of whom were working hand in hand with the Wartsila team.

This plant's conversion to natural gas resulted in reduced emissions and environmental footprint by 67%, which will avoid the release of 215,000 tons of CO_2 into the atmosphere.

The project also contributed to a substantial reduction in energy prices for the spot market and consolidated EGE Haina as the country's most diversified power generation company in terms of technologies used.

Girasol Solar Park

The Girasol Solar Park sits on a lot of 220 hectares and is on the municipality of Yaguate, on the San Cristóbal province. It features 268,200 solar panels, 28 inverters with 3.8 MW each, a 150 MVA substation, a 10 km long transmission line with 138 kV and the expansion of two line fields at the Pizarrete substation.

Prior to the construction of the Girasol Solar Park, a weather station was installed in the area where the project was going to be built, and it measured solar irradiation, temperature, pressure and humidity of the site during an 18-month period. The results recorded were as follows:

Measure	Result
GHI (kWh/m2)	2035
Temperature (°C)	26.1
Pressure (mb)	1003.9
Humidity (%)	73.0

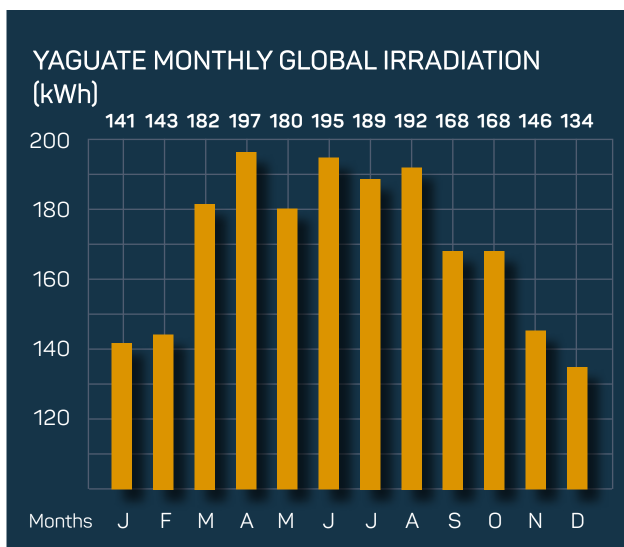
When looking at the monthly global solar irradiation graph of the Yaguate area, one can clearly see that the months with the highest irradiation levels are found from April through August. A daily irradiation profile of the project's location is shown on the following page.

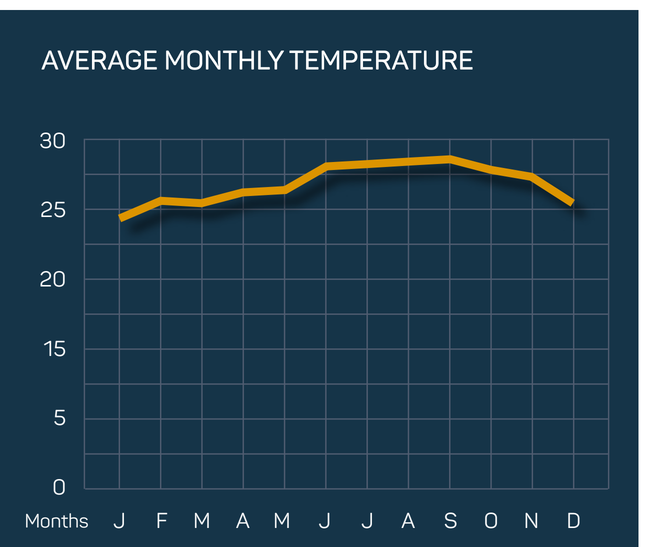
The greatest level of irradiation occurs from 12 noon to 1 pm.

The project's location shows an average temperature of 26.1 °C, which is highly beneficial for the photovoltaic modules, as it improves their performance and efficiency. The lower the temperature of the location, the lower the losses due to the system's temperatures.

Solar Modules

The Girasol Solar Park features 268,200 photovoltaic modules with a potency of 445 and 450Wp. Made from monocrystalline silicon, each module has 144 cells, double glass, half-cell technology and a 20.4 % efficiency.





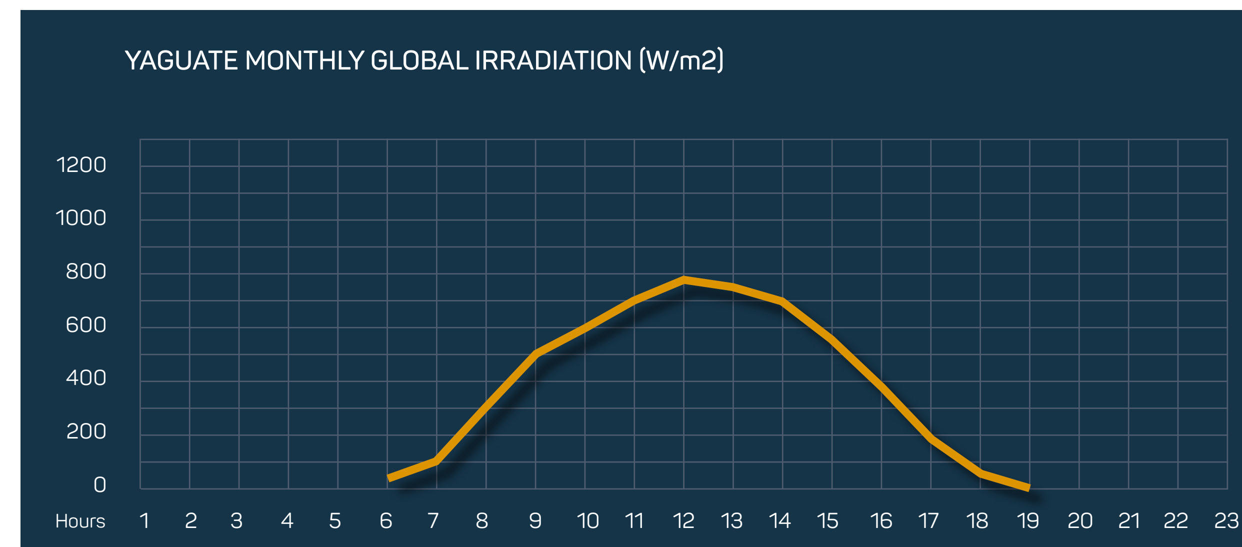
These photovoltaic modules are distributed among 3,013 lines of solar trackers with a north-south orientation and are grouped in 101 blocks. Each tracker line has three strings, and each string is comprised of 30 modules that are serially connected.

Solar Trackers

One of the most important features of the photovoltaic installation is its metallic support structure, or solar tracker, where the solar modules are attached and the optimal inclination is set for maximum use of the solar radiation, according to the sun's position, thus optimizing the photovoltaic plant's performance. The trackers have a rotation axis that runs north-south. All trackers are grouped in blocks of up to 32 lines with 90 modules on each line. The motion of these lines is powered by a 1,500 W engine location next to a tracker with a transmission line using rotating gears. The distance between the tracker lines is 5 m (that is the space between a point and a similar point in the next line). It features a solar tracking system based on an astronomical calculation algorithm with GPS access. The maximum angle that can be reached with the modules is ±52°.

Inverters

For the conversion of the continuous current produced by the solar panels to an alternate current, 28 inverters of 3.8 MVA were installed. This equipment is designed to supply the conventional electricity grid with the energy produced by the photovoltaic modules. Its main goal is to guarantee the quality of grid's energy input, as well as adding a series of protections both for the network maintenance operators and for the installation owner. The inverter's role is to convert the energy generated in the photovoltaic field from continuous current to alternate current at 690 V and synchronize its frequency with that of the grid. The transformation centers have two transformers which elevate the output voltage for each inverter from 690 volts to 34.5 KV.



Civil works

The project was designed taking into account the suppliers' technical requirements for the installation of base for the solar panel models. The first planning criteria taken into consideration for the soil works was the volume compensation, so that the extracted material could be used as Filler and to level internal spaces.

Girasol electric substation

The substation has a nominal installed potency of 150 MVA, enough to evacuate the electric power generated by the photovoltaic solar park, and leaving a safety margin for future expansions. The substation features an outdoor field where all 138 kV electrical devices are located, as well as the power transformers. There is also a building for the administrative offices, control room, storage area, workshop and support areas.

Transmission line to the National Energy Grid

A 9 km line was built for the transmission of the power generated to the National Energy Grid. Boasting 138 kV, a double circuit and double conductor for each phase, is installed on top of metallic towers in lattice of galvanized steel. The interconnection point t the National Energy Grid is at the Pizarrete substation.

Pizarrete substation expansion

As part of the works required to complete the interconnection of the Girasol Solar Park to the National Energy Grid, construction of the Pizarrete Substation expansion began as well as the addition of two 138 KV line fields which receive the transmission line coming from the Girasol substation.

FEB 2020: Project started • MAY 2020: Engineering • JUNE-NOV 2020: Civil work • JUNE-NOV 2020: Construction of transmission line • AUG-DEC 2020: Installation of trackers and modules • AUG 2020-FEB 2021: Construction of the Girasol and Pizarrete substation • JUNE 2021: Project inauguration

Girasol Solar Park

Largest photovoltaic energy plant in the Caribbean

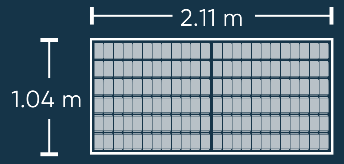
120 MW
Installed capacity

240,000 MWh
Total annual generation

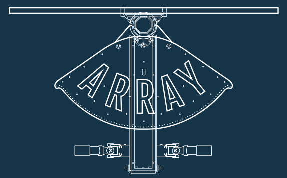
USD$ 100 million
Investment

150,000 ton CO_2
avoided each year

400,000 barrels
of crude oil saved each year



Modules of 144 cells, 430/450 Watts



Solar tracker system rotating 104° following the sun radiation

Municipality of Yaguate, San Cristóbal province

Area 40% larger than that of the Jardín Botánico

5 Environment

Environmental commitment and management

Environmental protection is a top priority for EGE Haina. Its environmental commitment permeates throughout all of the company' areas and is a critical component of its strategic planning process, based on the conviction that today's responsible management contributes to the future of next generations.

This belief is deeply ingrained in EGE Haina's Environmental Policy, which emphasizes that a healthy environment is vital to the wellbeing of its team and the communities where it operates, at the same time it helps the business and promotes the country's race towards sustainable development.

The company's environmental management efforts are focused on prevention of damages to the surroundings that might occur from the energy production process, as well as compliance of the Dominican Environmental laws both by the company and its supplier network, employees' awareness and training about their environmental protection responsibility and, the significance of the environmental criteria in the company's business plans and operation development.

EGE Haina's environmental policy goals include:

- Generating power in accordance to the Dominican environmental laws, regulations and standards.
- Operating in harmony with the environmental, in such a way that the satisfaction of the needs of future generations is not compromised.
- Identify, evaluate and take mitigating measures regarding the potential impacts related to power generation.
- Promote positive actions and attitudes related to the prevention of pollution and environmental protection.
- Foster respect and concern for the environment by emphasizing individual responsibility on our employees through appropriate and effective communications and training.
- Periodically review our environmental management system to ensure continuous improvement.

Environmental Policy commitments and actions:

- Make environmental considerations a priority in planning, maintenance and operations.
- Maintain air emissions, effluents and waste within legally established levels and produce adequate supporting documentation.
- Promote energy efficiency and consumption reduction of water, chemicals and materials in general.
- Run our facilities by focusing on the prevention of environmental accidents.
- Be prepared to respond quickly and appropriately to environmental accidents that may result from our operations.
- Ensure that employees and contractors comply with the environmental policy, in order to achieve the goals defined by the company.
- Require our suppliers to comply with Dominican environmental regulations.
- Ensure that all employees and contractors have the right and duty to stop work that puts the environment at risk at any time.

Mitigation actions against climate change

EGE Haina continuously works to reduce its carbon footprint through initiatives and investments focused on strengthening the sustainability of the business, such as those outlined below:

Investment in zero-emission assets
- Development of four wind and two solar projects to date, with an investment of USD$ 507 million.

Technological transformation
- Conversion of Quisqueya 2 from liquid fuel use (HFO) to natural gas, with an investment of USD$ 4.7 million.

Energy efficient projects
- Repowering, energy recovery and particulate filtration of the Barahona plant, with an investment of USD$ 30.3 million.
- Replacement of luminaires in plants and offices, with an investment of USD$ 1 million.

With the implementation of these initiatives, EGE Haina has achieved the following:
- Increase efficiency in energy production.
- Reduce by half its carbon dioxide emissions for every kilowatt hour it produces, through the improvement in thermal efficiency of the company and the installation of non-conventional renewable power plants during the period between 1999 and 2020.
- Increase the flexibility of Quisqueya 2, managing to reduce the emissions of this plant by 67% by operating with natural gas instead of fuel oil.
- Reduce by 15% the emissions per kWh produced by the Barahona plant with its repowering, completed in 2018.
- Avoid the generation of more than 665,000 tons of CO_2 per year with wind and solar production and conversion to natural gas.
- Continue with the strategy of reducing CO_2 emissions, which has allowed the level of reduction achieved by EGE Haina to be brought from 18.5% in 2019 to 26.69% in 2020.
- Reduce fuel consumption by more than 3 million barrels of oil per year.
- Support the fulfillment of the goals of the Paris Agreement, established in the planned and projected national contribution.

The company's growth strategy for the next decade is focused on the development of 1,000 MW of renewable sources and 400 MW of natural gas, all of which will strengthen the company's contribution to the reduction of greenhouse gases and global warming.

EGE Haina actively sponsors programs to protect and recover watersheds and aquifers, plant trees, install and maintain coral reef nurseries, clean beaches and mangroves, the recycle waste and raise environmental awareness among employees and communities.

In 2019, the two phases of the Los Cocos wind farm became the first power plants in the country to receive Carbon Credits, granted by the United Nations Framework Convention on Climate Change, which promotes the reduction of polluting emissions for the environment.

EGE Haina will continue to increase its contribution to the Sustainable Development Goals (ODS) through the following actions:

- **Measure the carbon footprint of its activitiess**. In addition, verify them externally; set targets for the reduction of CO_2 emissions in the short and long term, with specific indicators; offset emissions that cannot be reduced.
- **Increase investment in new renewable energy and natural gas power plants.**
- **Invest in sustainable technologies** that are less CO_2-intensive.
- **Integrate the culture of fighting climate change** in the supply chain, requiring certifications to suppliers and environmental policies and the calculation of their emissions
- **Raise awareness and train** employees, suppliers and stakeholders.
- **Seek eco-efficiency.** Use natural resources and raw materials efficiently, recycled and reused materials and reduce waste.
- **Promote respect for ecosystems and biodiversity,** to avoid negative impacts on the areas where it operates, and ensure that providers and contractors monitor and implement impact control measures.
- **Implement** risk mitigation, preparedness, response and recovery plans for natural disasters across the value chain.

Environmental compliance

EGE Haina has an environmental management system based on the ISO 14001 standards. This system is designed from the Environmental Management and Adaptation Programs that resulted from the environmental impact studies submitted to the Ministry of Environment and Natural Resources in the process to obtain the environmental licenses required by its operations.

The company has eleven environmental licenses in effect and another four in the process of validation from said Ministry. For each license, semi-annual environmental compliance reports are submitted to the Ministry. All of the company. operations comply with the obligations established in the environmental licenses.

EGE Haina's approach to environmental work is based on the management of solid and oily waste, liquid effluents, water quality and atmospheric emissions; the proper storage, treatment and transport of chemicals and waste; the control of environmental noise, and the prevention and protection against spills.

The company continuously trains the corresponding personnel to ensure their knowledge of the procedures involved in this management. In addition, all EGE Haina plants have a spill control brigade that ensures the rapid and adequate containment of any liquid effluent that is discharged unexpectedly during production activities.

During 2020, there were no fines or penalties for environmental non-compliance.

Emission management

EGE Haina is aware that polluting emissions to the environment harm the planet and life, are the cause of global warming and undermine the hope of achieving a fulfilling future. Therefore, it has focused on developing renewable generation and optimizing its production assets to make them more efficient, steps that have been decisive for the reduction of its carbon footprint.

The company carries out a periodic measurement of emissions from the station›s fixed sources, to ensure compliance with the national permissible limits. These measurements are reported to the Ministry of Environment and Natural Resources.

For the calculation of the equivalent CO_2 produced by the company, the method of the Environmental Protection Agency (EPA) of the United States government has been used. For 2020, the sources of the factors used for the estimation of CO_2 equivalent emissions were updated and the emissions associated with methane (CH4) and nitrous oxide (N2O) were incorporated into the estimate.

Based on the equivalent CO_2 content of the fuel used in the electricity generation of its plants, in 2020 EGE Haina emitted2,155,617 tons of CO_2 emissions into the atmosphere.

CO_2 EMISSIONS BY THERMAL PLANTS IN 2020

Power Plant	Fuel consumption				Generation (MWh)	CO_2e emissions (Ton)	CO_2e/MWh (Ton)
	Natural gas (mmbtu)	HFO (Bbls)	LFO (Bbls)	Coal (Ton)			
Quisqueya 2	5,257.422	700,178	23,233		1,183,596	621,446	0.53
Barahona			409	187,722	360,266	399,392	1.11
Sultana del Este		688,370	136		509,700	326,848	0.64
Palenque		81,895	446		54,677	39,069	0.71
Haina TG			56,779		26,675	24,423	0.92
Pedernales		30,084	3,294		20,703	15,699	0.76
Total	**5,257.422**	**1,500,527**	**84,298**	**187,722**	**2,155,617**	**1,426,877**	**0.66**

In the same period, the generation of EGE Haina's wind power plants avoided the emission of 305,466 tons of CO_2e, the equivalent of 14.2% of EGE Haina's thermal production in 2020. A proportion higher than the 10.5% corresponding to 2019. For this, a SENI emission factor of 0.6216 tons of CO_2e per MWh generated was used, which is a factor formalized by the United Nations Framework Convention on Climate Change (UNFCCC).

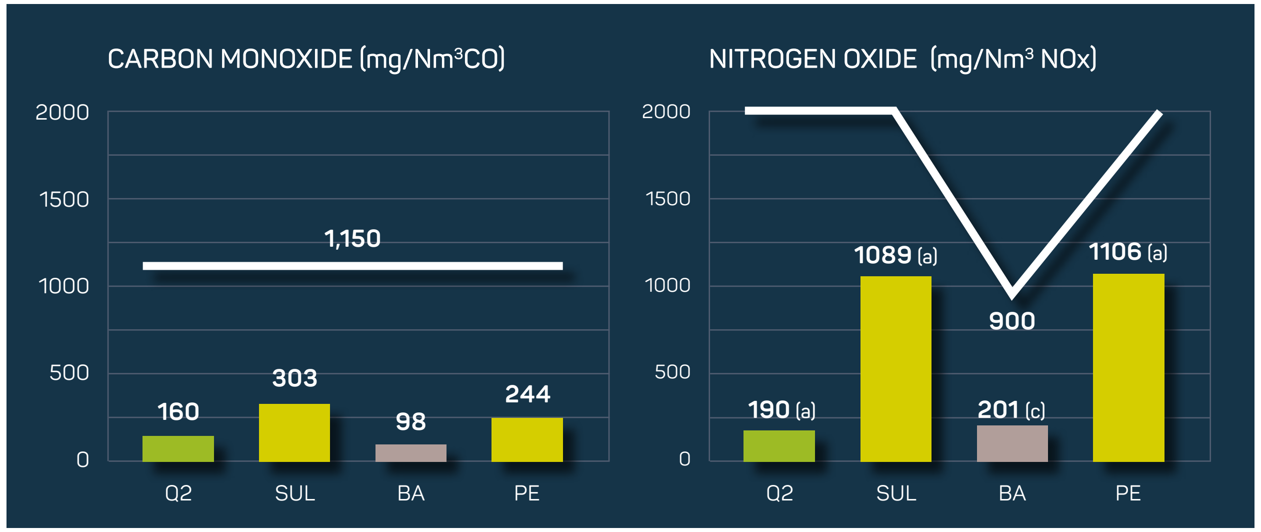
This reduction in emissions was the result of the conversion of Quisqueya 2 to natural gas, in addition to the contribution of the wind and solar projects.

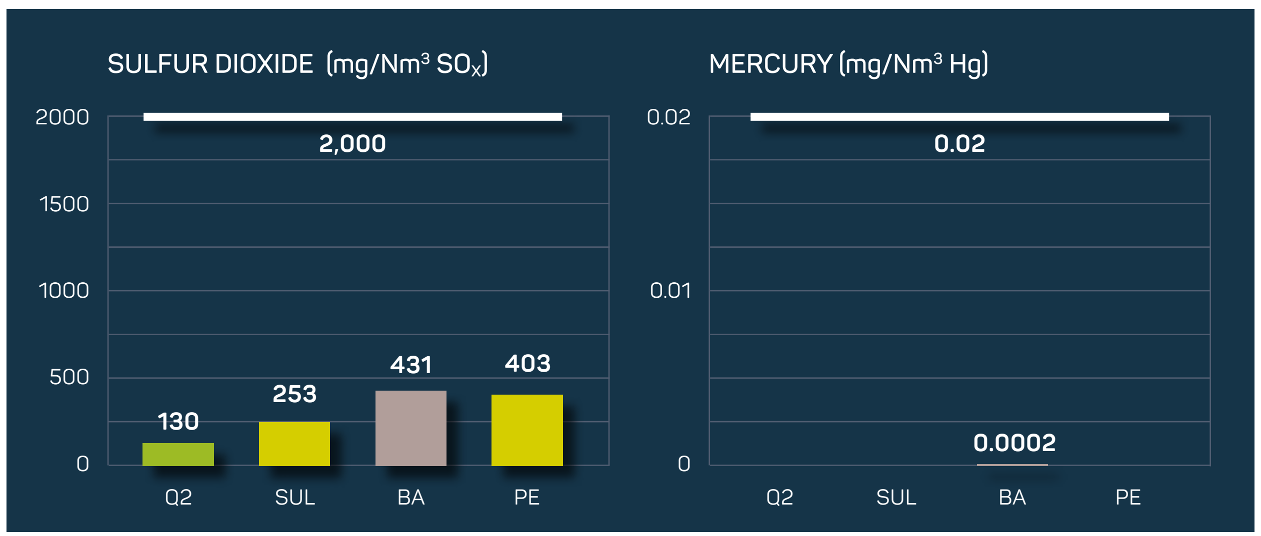
In 2019, an updated regulation on atmospheric emissions from fixed sources, established by the Ministry of Environment and Natural Resources, came into force. This regulation reduces the permissible levels of air emissions for both existing plants and plants entering the system after their emission. EGE Haina, which is governed by international environmental compliance standards, keeps its emissions well below the new limits set by the Ministry.

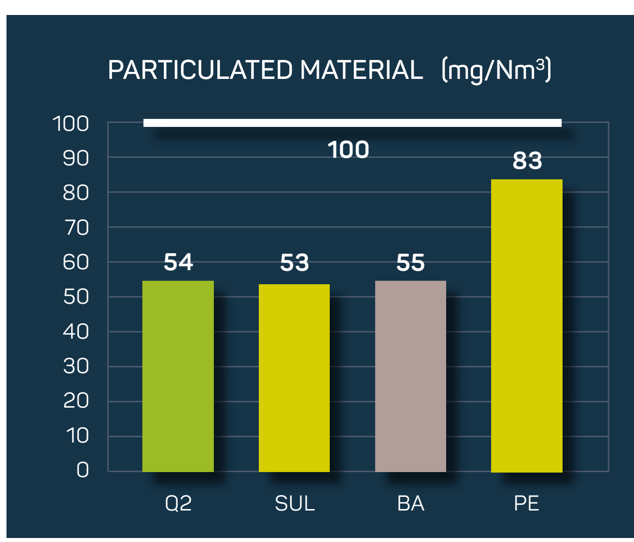
CO_2 EMISSIONS AVOIDED BY RENEWABLE PLANTS

Power Plant	Generation	Ton CO_2e emissions avoided	Ton CO_2e/MWh
Larimar 1	178,119	(110,719)	(0.6216)
Los Cocos 2	137,600	(85,532)	(0.6216)
Larimar 2	124,897	(77,636)	(0.6216)
Los Cocos 1	48,872	(30,379)	(0.6216)
Quisqueya Solar	1,931	(1,200)	(0.6216)
Total	**491,419**	**(305,566)**	**(0.6216)**

ATMOSPHERIC EMISSIONS BY EGE HAINA IN 2020







Legend:
Q2: Quisqueya 2, SU: Sultana del Este, BA: Barahona, PE: Pedernales

Permissible limit of emissions from fixed sources according to the MIMARENA Environmental Technical Regulation for existing plants

(a): Based on dry-flow and 15% of O2. Thermal systems reliant Fuel Oil.
(b): Based on dry-flow and 15% of O2. Thermal systems reliant on Diesel Fuel.
(c): Based on dry-flow and 6% of O2. Thermal systems reliant on mineral coal.

Management of inputs and solid waste

Solid waste management

EGE Haina responsibly and properly manages the waste resulting from its industrial processes. Consequently, all waste generated from the operations is stored under specific conditions before its final disposal, which is carried out according to the legal guidelines of the Ministry of the Environment.

In 2020, the company's operations generated a total of 1,422 m³ of ordinary solid waste, which was destined for municipal landfills. 4,504 m³ of special liquid waste and 310 m³ of special solid waste were produced, which were managed through managers authorized by the Ministry of Environment and Natural Resources.

In addition, 34,752 m³ of bottom ash were generated, part of which was transported to cement companies and used as an aggregate for cement firing.

WASTE GENERATED IN 2020

Solid Waste (m3)	Q2	SU	BA	HA	GI	CO	PE	PA	Total
Ordinary solid waste deposited in landfills	414	354	302	216	86	36	9	5	1,422
Special solid waste managed through Authorized Mangers of Ministry of Environment	226	47				16	11	10	310
Special liquid waste managed through Authorized Mangers of Ministry of Environment	2,369	2,075			17	25	18		4,504
Ashes			34,752						34,752
Total	40,988								

BA: Barahona, CO: Corporate Office, HA: Haina, PE: Pedernales, PA: Palenque, Q2: Quisqueya 2, SU: Sultana del Este, GI: Girasol

Water management

In 2020, a total water consumption of 865,344 m^3 was recorded, of which 4% corresponded to domestic water consumption and 96% to industrial water consumption.

WATER USE

Water (m^3)	Q2	BA	HA	SU	PA	PE	GI	CO	Total
Domestic water	927	6,096	3,600	16,887	95	2,929	133	68	**30,735**
Industrial water	679,943	129,218	12,393	12,232	635	188			**834,609**

BA: Barahona, CO: Corporate Office, HA: Haina, PE: Pedernales, PA: Palenque, Q2: Quisqueya 2, SU: Sultana del Este, GI: Girasol

Spills

Thirteen operational spills of fuel and oil were reported during 2020, none of which was in non-compliance with regulations by not causing direct impacts on the environment. Six of them occurred in the Wind Farms, two in the Fuel Stations, three in Quisqueya and two in Sultana del Este.

Fuel consumption

In 2020, EGE Haina's plants consumed 5,257,422 mmbtu of natural gas, 1,125,647 barrels of heavy fuel oil (HFO), 84,233 barrels of light fuel oil (LFO) and 187,722 tons of mineral coal.

FUEL CONSUMPTION

Power Plant	Natural gas (mmbtu)	HFO (Bbls)	LFO (Bbls)	Coal (Ton)
Quisqueya 2	5,257,422	700,178	23,233	
Sultana SENI		313,490	62	
Barahona			409	187,722
Palenque		81,895	446	
Haina TG			56,779	
Pedernales		30,084	3,294	
Total	**5,257,422**	**1,125,647**	**84,223**	**187,722**

6 Our people

Talent management

Considered a year of great challenges worldwide, 2020 evidenced the exemplary commitment of the EGE Haina team, which made every effort to achieve the strategic objectives and fully comply with the company's mission to generate electricity for the Dominican Republic in a competitive and sustainable way.

Thanks to the dedication of the staff and the measures implemented, the company managed to maintain the pace and reliability of its operations in an environment of collaboration and camaraderie, equally focused not only on the safety of employees, but also their families.

That reality did not diminish the company's attention to hiring, recruiting, and retaining staff and related practices, neither the strengthening of its human rights, diversity and inclusion culture.

EGE Haina is fully aware that a healthy environment has repercussions in all areas of the employees' lives, therefore, with the well-being of the entire team as a guiding tenant, improvements are continuously made and initiatives developed to promote and guarantee dignity, respect, and equity, as well as personal and professional growth.

The Ethics Manual governs the company's actions and establishes the existing appeal channels, to ensure a good organizational coexistence, in a balanced, fair, ethical and violence-free environment.

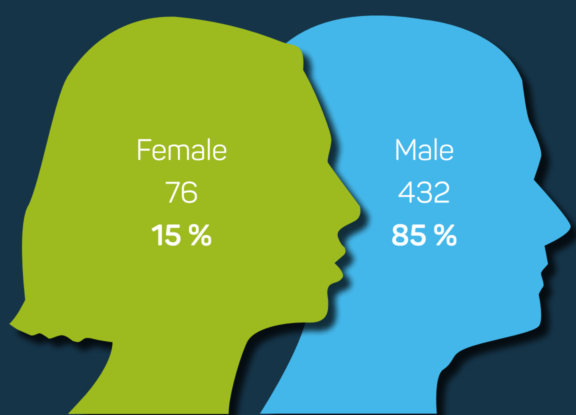
To ensure fair and inclusive processes, the organization's talent management is based on documented processes and policies such as: Human Rights, Diversity and Inclusion, Training, Recruitment and Selection, and Compensation.

The Annual Training and Development Plan is based on the results of the performance evaluation so that the staff can obtain the technical and leadership skills required to achieve the objectives

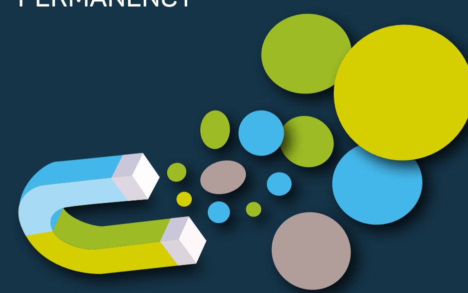
EGE Haina collaborators

As of December 31, 2020, the EGE Haina team consisted of 508 people, 491 with a permanent employment contract and 17 with a defined-term contract.

GENDER



PERMANENCY

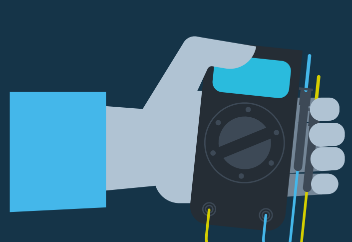


Talent retention **98.2 %**
Involuntary rotation **4.2 %**
Voluntary rotation **1.4 %**

SENIORITY IN THE COMPANY

0-3 years	4-8 years	9 + years
141 persons	161 persons	206 persons
27.76 %	**31.69 %**	**40.55 %**

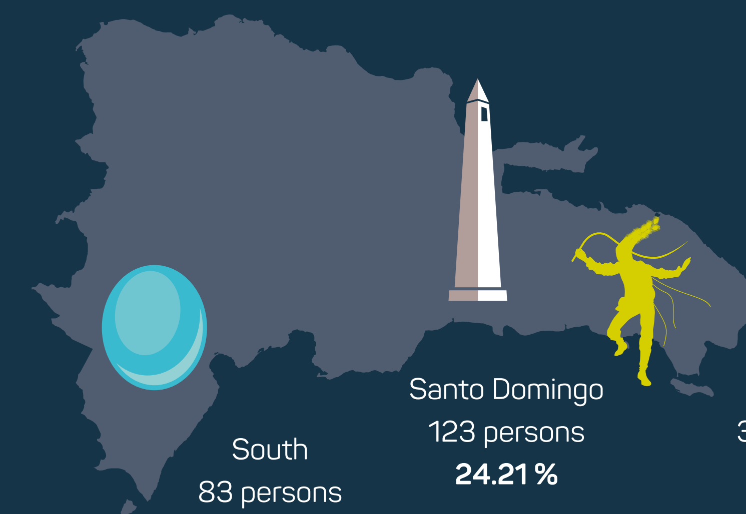
FUNCTIONS



Operation
379 persons
74.60 %

Administration
129 persons
25.40 %

LOCATIONS



South
83 persons
16.34 %

Santo Domingo
123 persons
24.21 %

East
302 persons
59.45 %

COUNTRY OF BIRTH

Dominican Republic
494 persons
97.24 %

Colombia
4 persons
0.79 %

Argentina
2 persons
0.39 %

Spain
2 persons
0.39 %

Peru
2 persons
0.39 %

Chile
1 person
0.20 %

Costa Rica
1 person
0.20 %

Uruguay
1 person
0.20 %

Venezuela
1 person
0.20 %

Jobs and employment benefits

During the year 2020, due to the pandemic, the company took the necessary measures to guarantee its operation and safeguard the integrity and health of all its personnel. With that goal in mind, remote work or telework was facilitated in the areas where the positions' roles allowed it, flexible schedules were adopted, and operations continued with small groups, always respecting the distancing measures and other actions required to mitigate the risk of contagion.

Thanks to the permanent collaboration of all areas, there were no casualties and no stops related to COVID-19, and the cases of those affected by the virus were successfully controlled.

Throughout the year, initiatives were developed aimed at strengthening the organizational culture in terms of promoting adherence to values and ensuring a healthy, safe, equitable, diverse and fair work environment, with opportunities for professional growth while contributing to personal well-being through a balanced work and personal/family life.

- **Diversity and equal opportunities**

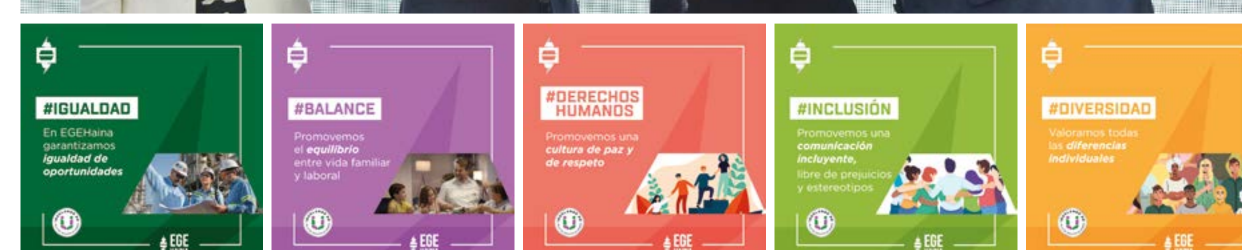
  EGE Haina received the NORDOM 775 Certification issued by the Dominican Institute of Quality (INDOCAL) and the IGUALANDORD Seal's Gold mention, awarded by the Ministry of Women and the United Nations Development Program (PNUD) for developing, implementing and promoting a culture of gender equality, applicable to all staff.

EGE Haina has been strengthening the actions that materialize its commitment to promote the principles of gender equality and non-discrimination at work. In congruence with this purpose, the organization has incorporated practices, benefits and initiatives, contained in its Human Rights, Diversity and Inclusion Policy, to help strengthen the balance of work and family/personal life, equitable access to work, equal pay, the elimination of discrimination associated with sexual and labor harassment, and the prevention of domestic violence and violence against women, among others.

The staff and their families were offered numerous talks in partnership with the Board of Aid to Cases of Battered Women (PACAM), ARS Humano and independent specialists, on a variety of topics of great interest, such as: Discrimination and family violence, Flexibility and reconciliation between work and personal life, Healthy habits, Men as an entity of social and family change, among others.

- **Conciliation and flexibility**

  A major step forward is having flexibility in the workday and the place where it can be performed, for which the labor flexibility policy was created to regulate the various existing work schemes in the company. This flexibility takes into consideration the characteristics of the company's operations in order to promote the well-being and quality of life of staff, their families and their work environment.



In addition to applying summer schedules, work bridges and the flexibility of the working day, new modalities were incorporated in 2020, including: telework, mixed workday and flexible Fridays. From March 2020 to date, the 144 administrative collaborators have maintained their work levels with great commitment and dedication, under some form of telework, with excellent results for the staff and their families, as well as for the company.

- **Disability and Inclusion**

  Since 2019, the company has been strengthening its inclusion-oriented initiatives through communication campaigns and talks to raise awareness among all staff about disability issues, with the support of the National Council on Disability (CONADIS) and the Gissel Eusebio Foundation. With these entities, various courses on the dignified treatment of people with disabilities were generated aimed at all EGE Haina staff.

  One such inclusion initiative to highlight is the review of the company's Recruitment and Selection Policy by the National Council on Disability (CONADIS) and the non-discrimination in the selection process of people with disabilities.

Leadership and personal development

EGE Haina is committed to the professional success and development of its staff, and, as such, it continuously invests in talent improvement initiatives.

As every year, and 2020 was no exception, EGE Haina continued its process of staff training and development, especially for supervisory levels, even though the virtual format predominated.

Training is linked to the improvement points identified through performance evaluation, which is a vital process for giving timely feedback to merit and driving staff development and growth.

The annual training plan to continuously improve the personnel's capabilities is developed from this evaluation, in addition to the safety, health and environment programs, the identification of gaps related to physical and patrimonial security, and those identified in systems security, along with the identified risks that may impact not only the company but the staff.

Other measurements, carried out throughout the year, linked to leadership and customer satisfaction, provide information that complements the development plans for each of the areas. This information is presented and validated with company directors, who complement the information required to formalize the annual training plan.

Training

During 2020, the company completed 4,543 training sessions for 471 employees, reaching 94% of the staff. A total of 38,787 hours of training were offered, for an average of 82.35 hours of training per employee, resulting in a 25%increase versus the previous year, when the training average was 66.15 hours per person.

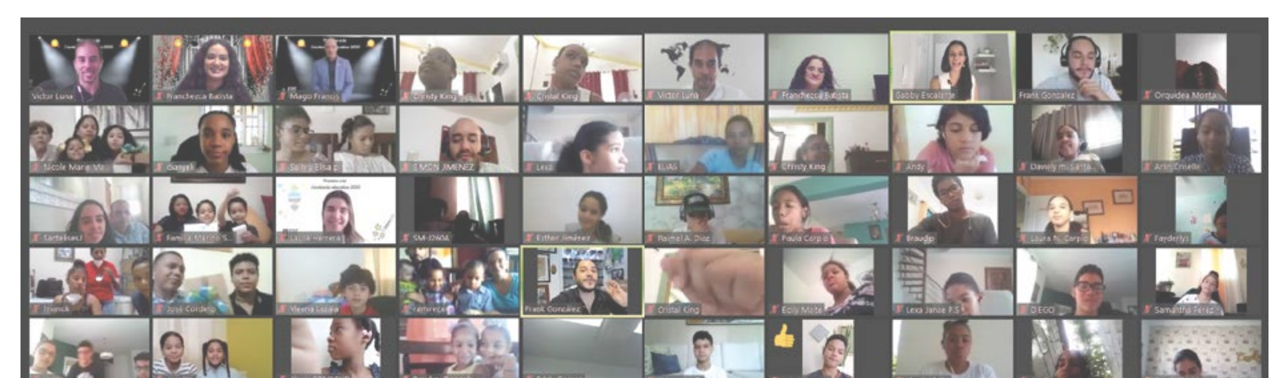
The training and training activities provided met specific needs of the areas and the development of technical and behavioral skills conducive to improving staff performance.

The training actions included issues of safety, risk prevention, leadership, personal care and related to COVID-19, as well as raising awareness of inclusion, gender violence, and cybersecurity, among others. These programs were offered to the entire population in the different posts.

The English language was another main area of training, for which expert instructors in this field were hired.

Talent attraction and retention

The pandemic brought new challenges for the recruitment and selection of personnel, so the company made rapid changes to digitalize the process to make it virtually and digital channels were diversified to attract the best talent. The use of digital channels, such as social media and online platforms, were key for the search of new talent, both internally and outside the organization.



The pandemic did not stop the lateral movements, promotions, or the external recruitment of personnel to meet the demands of the moment in each of the areas. During the year, 65 vacancies were filled, with an average recruitment time of 37 days. These vacancies generated 11 movements, 25 internal promotions and 29 new hires.

Organizational climate

Each year, through the organizational climate survey, the company gets an overview of the staff perception with respect to the internal environment. Based on the results, action plans are outlined to close the identified gaps and achieve a positive impact on the climate of the areas that require it. A good working environment results in enhanced levels of productivity, efficiency, satisfaction, commitment, attraction and retention.

The survey was applied across the company through the eMarsuite platform, obtaining a 96.1% response of completed surveys. The organizational climate index obtained was 93.4%, which confirms the company as a great place to work. The survey also evidenced that 95.7% of employees would recommend the organization to colleagues, friends and family as a good place for their professional development and growth.

The measured dimensions are: clarity, responsibility, commitment, recognition, innovation, support, respect, learning and development, emotional wellbeing, physical wellbeing, communication, trust and purpose. Of all these, clarity and commitment were the ones that obtained the highest score, with 95.49% and 94.82%, respectively. Both variables showed an increase compared to last year.

A measurement related to the actions carried out by the company to counteract the COVID-19 pandemic was incorporated and obtained a 96.3% satisfaction. All dimensions achieved outstanding results.

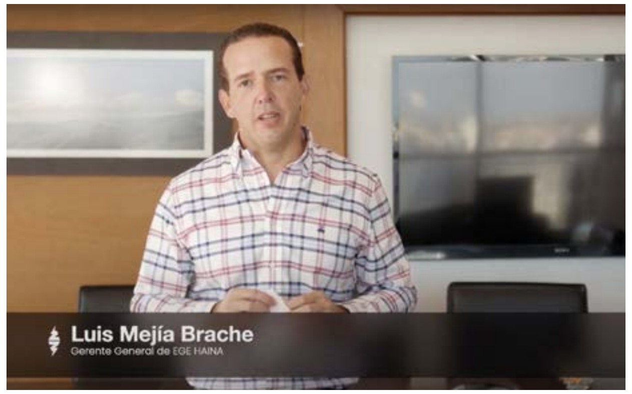
The results of indicators obtained were presented to all executive and supervisory levels of the areas to define timely action plans, based on company values and policies, for the sake of continuous improvement of the organizational climate.

Internal celebrations

Despite the distancing imposed by COVID-19, the company found virtual ways to recognize and celebrate. On October 28, 2020, the day of EGE Haina's 21st anniversary, a meeting was held with all employees to commemorate this corporate milestone and to recognize employees for their careers' trajectory, years of seniority in the company, and special merits.

Likewise, a virtual meeting was held to acknowledge academic excellence in 2020, where the children of collaborators were recognized for their outstanding school performance.

In addition, the Christmas celebration was enjoyed simultaneously by the collaborators through the company's YouTube channel with a spirit of unity and rejoicing. Information about the 2020 achievements was shared, musical and humorous segments were presented and the traditional raffles were held, all in a virtual fashion.



Occupational health and safety

For EGE Haina, the health and safety of its human team are non-negotiable. Its Health and Safety Policy emphasizes that the most important capital of the company is its human resources.

This is why it promotes among its staff the principle expressed in its most recent safety campaign "Safety is not negotiated. Prevention is the key", and makes it a priority to operate and maintain the facilities in accordance with the laws and local regulations in force regarding safety and health, as well as the applicable international standards when there is no reference legislation.

The company promotes the safety of its employees, contractors and visitors in every task and action they perform, with the awareness that protecting their well-being is a commitment of all. Health and safety initiatives are based on a preventive approach, which seeks to reduce risks to a minimum.

Commitments and actions established in the Health and Safety Policy

- Comply with applicable legislation to maintain the safety of employees and third parties.
- Promote and guarantee the conditions of safety, health and physical, mental and social integrity of the personnel during the development of their work, avoiding risks and accidents at work, as well as occupational diseases.
- Promote leadership in safety and health in all personnel and third parties.
- Act with a sense of urgency to effectively eliminate and control health and safety hazards and risks.
- Develop, implement and maintain a Health and Safety Program in each of the facilities in accordance with current legislation.
- Maintain the conditions of hygiene and cleanliness in the facilities, to ensure the care of the health and well-being of all employees, collaborators and third parties.
- Ensure that all employees, contractors and visitors faithfully adhere to the company's health and safety standards.
- Identify hazards and assess and control significant occupational health and safety risks.
- Perform risk analysis as part of daily work and engineering design reviews.

- Be prepared with verified plans through training and drills, to respond quickly and appropriately to safety and health emergencies.
- Develop, implement and maintain a health and safety training program.
- Implement a program of routine safety inspections, to identify and eliminate unsafe working conditions and acts.
- Promote and motivate staff in the prevention of occupational risks in all their activities, through communication and participation in measures to control risks and avoid incidents and accidents.
- Ensure that all employees and contractors have the right to say "no" if asked to carry out any activity where they believe their lives or that of their colleagues were at risk.
- Provide resources for the thorough and prompt investigation of all incidents and accidents to determine its cause, correct it and reduce the likelihood of ever happening again.

Safety management system

EGE Haina has a rigorous Safety Management System. Each of its plants is certified to operate by the General Directorate of Health and Industrial Safety of the Ministry of Labor of the Dominican Republic. These certifications are subject to review and renewal every 3 years, and are subject to Regulation 522-06 of the Dominican Republic.

EGE Haina's safety management system is based on the OHSAS 18001 standard. Industrial Safety coordinators and a mixed group of the Operations and Maintenance team are certified in OSHAS 511 on Occupational Health and Industrial Safety Standards, a 30-hour industrial safety program based on the U.S. Department of Labor's federal regulatory code.

The security management system focuses on:

- The identification and analysis of the risks to which you people are exposed.
- The control of these risks, through their elimination or replacement, engineering controls, warnings, administrative controls or through the use of personal protective equipment.
- Periodic inspections of the generation systems, auxiliary systems and emergency care systems, to ensure proper operation.
- Operational control of industrial safety, including an incident reporting system through which all operational, safety and environmental anomalies that occur in the company are recorded. Those incidents considered major are thoroughly analyzed using the Root Cause Analysis method. These incidents generate lessons learned and best practices that are then communicated to the teams at all the company plants for immediate implementation.
- The Crisis Response Plan, through which the procedures and actions necessary to safeguard our operations under special risk conditions, such as hurricanes, earthquakes, pandemics, are established.

2020. Occupational Health and Safety Management Metrics

Incident Reporting

The company has a robust incident reporting system that records any deviation from normal operation of the equipment and its technical and human processes. During 2020, thirteen reportable industrial safety incidents were recorded under OSHA rules, and only one of them resulted in lost time.

Overall recordable incident rate

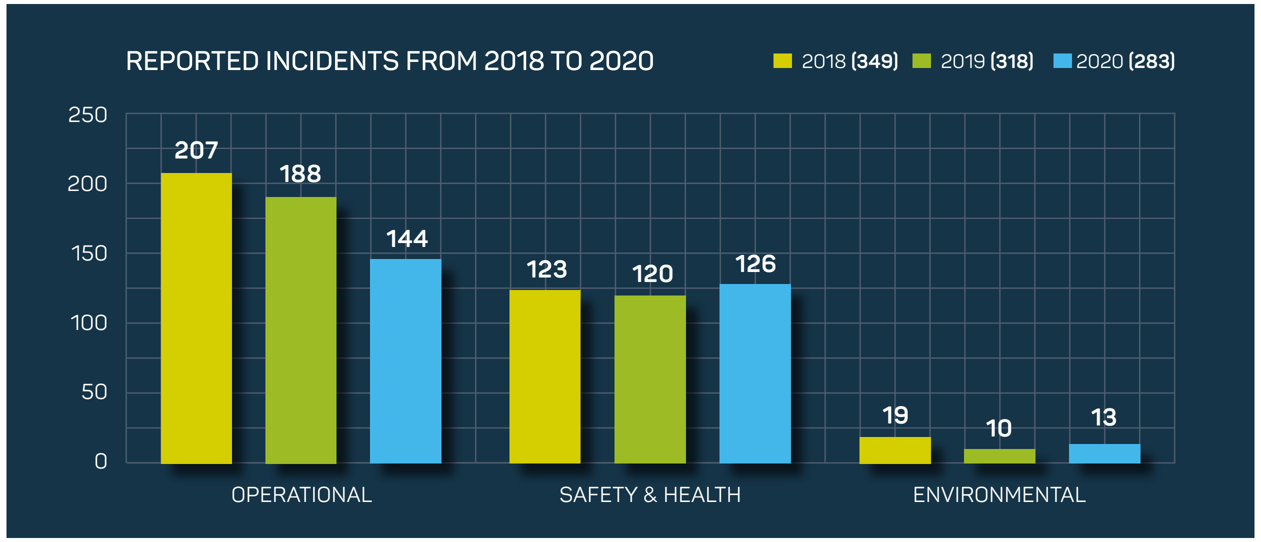
The Reportable Incident Rate (TRIR) for each EGE Haina plant is significantly lower than the one indicated by the U.S. Bureau of Labor Statistics (BLS) for private industry.

Lost time incident rate

Similarly, the Lost Time Incident Rate (LTCR) for each EGE Haina plant is significantly lower than the one indicated by the U.S. Bureau of Labor Statistics for private industry.

There were 283 incidents reported, of which 144 (51%) were operational and included forced departures in some cases, 126 (45%) were related to safety and 13 (5%) were classified as environmental.

There was an 11% reduction in incidents recorded in 2020 (283) compared to those recorded in 2019.



Occupational health and safety training

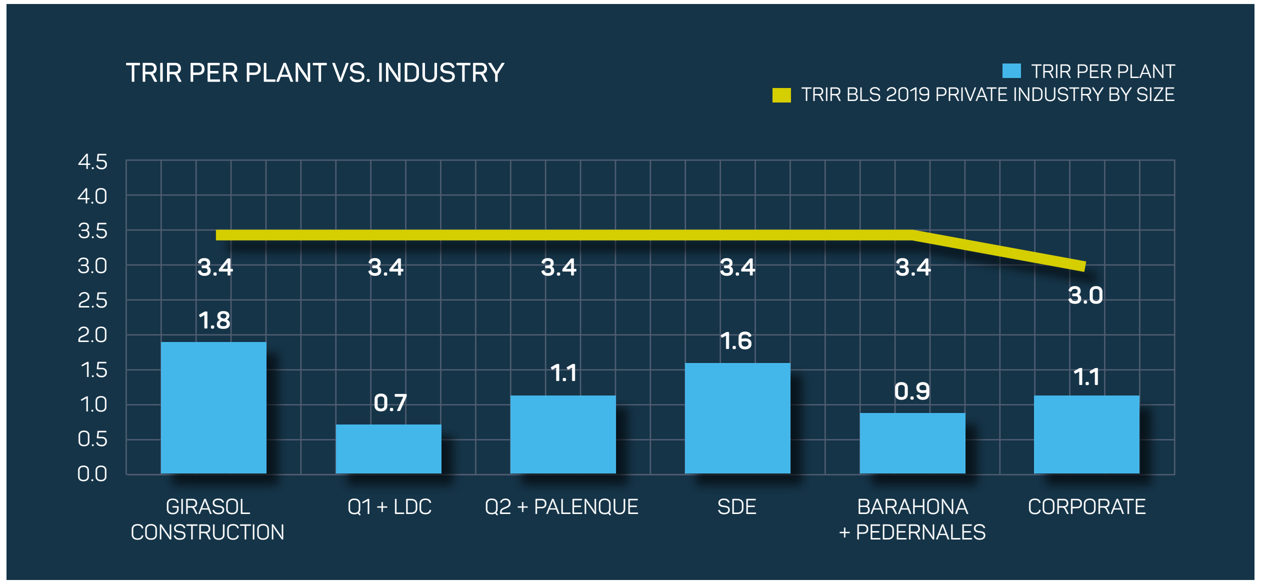
In 2020, EGE Haina invested an average of 14 hours per employee and an average of 13 hours per contractor in Safety and Environment training to ensure the updated knowledge of these issues.

Employees		Contractors	
Trained employees	386	Trained contractors	247
Hours of training	5,318	Hours of training	3,229
Hours per employee	14	Hours per contractor	13

Industrial Safety Coordinators are certified in OSHA 511 on occupational health and safety standards for the general industry. Wind farm operators are certified by the Global Wind Energy Organization in safety, health and emergency response in wind turbines. Before entering the EGE Haina plants, every collaborator, contractor or visitor receives an induction in the Safety and Environment Management Systems, through a training session given in person by personnel from this area.

To control emergency situations that may arise, each EGE Haina plant has emergency response brigades, such as the Fire, Rescue, First Aid and Communication Brigades.

To ensure compliance in the headquarters of the Security Management Systems and Environment, the Operations Directorate conducts scheduled and unannounced audits.



During the audits, deviations or non-conformities with the Management Systems and their procedures are evident. The closure of these deviations is also continuously monitored. By the end of 2020, the plants had closed more than 99% of the findings recorded during the audits.

In addition, the company's insurance broker conducts compliance audits at all EGE Haina plants, and recommends improvements to ensure the safety of our assets. By the end of 2020, EGE Haina had implemented the improvements recommended by the insurance company.

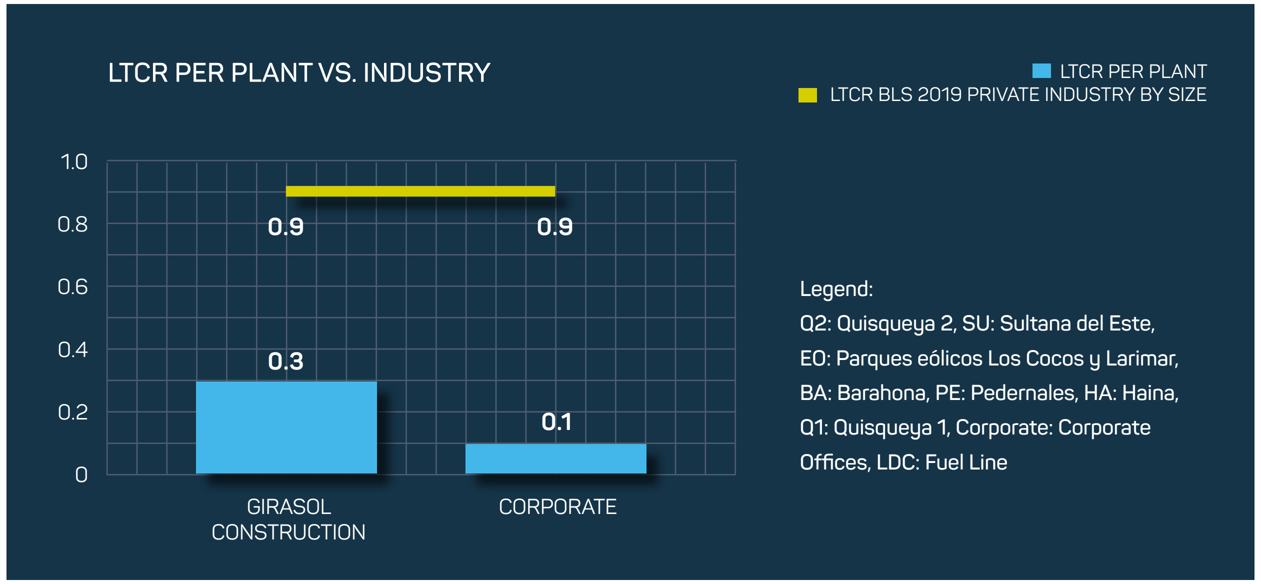
Health services

The implementation of EGE Haina's Occupational Health Program is the responsibility of the Safety, Health and Environment Management, together with the Talent Management Directorate. The Occupational Health Service (OSS) is subcontracted through the company's health insurance provider, which provides the services of: management of medical dispensaries, annual medical surveillance of all employees, periodic medical visits in all facilities to follow up on health cases, development of health days and continuous training.

The program focuses on preventing risk factors that could be harmful to human health, as well as diagnosing, planning, organizing and executing actions required in the face of conditions that may occur.

Likewise, this program complies with the legislation of the Dominican Republic, including General Health Law 42-01, Law 87-01 that creates the Social Security System, and Regulation 522-06 on Health and Safety at Work.

The company carries out an annual medical surveillance for all its employees, in which the SSO provider carries out voluntary health examinations for the early detection of possible repercussions of working conditions on health, the identification of occupational risks and the monitoring of the individual medical conditions of all employees.



In addition, an occupational doctor from EGE's OSH provider Haina visits all company headquarters and the corporate office every month. During these visits, the full time employees and those who are not permanent participate in specific consultations about their medical conditions, from which the findings known or detected during medical surveillance are followed up and referrals are made to external specialists.

EGE Haina has a medical dispensary at the Quisqueya Thermal Power Plant, which offers care 24 hours a day. This facility has the authorization license of the Ministry of Health, which certifies it as a primary care center. Additionally, due to the COVID-19 pandemic, EGE Haina added offices with medical staff available 24 hours a day at the Sultana del Este and Barahona plants.

The company also has an Occupational Health Committee that meets monthly to follow up on the periodic reports of the Company's Occupational Health Service provider. In compliance with Regulation 522-06, each of the company's headquarters, as well as the corporate office, has a Joint Health and Safety Committee.

These committees meet monthly and the minutes are deposited with the Ministry of Labor of the Dominican Republic. Likewise, these committees create plans to close gaps that may arise and follow up until their final resolution.

The company carries out periodic occupational monitoring to ensure that workspaces meet the optimal conditions of noise levels, lighting and ergonomics, for the good of employees.

During 2020, 321 medical disabilities not related to occupational health were registered, with 1,143 days of work lost.

COVID-19 response

Given the declaration of COVID-19 as a Global Pandemic by the World Health Organization (WHO) in March 2020, EGE Haina activated a safety and bio-safety plan for all its facilities to prepare for the imminent spread of the virus in the country.

As a first step, the Crisis Committee was held in permanent session to implement a response plan to the health challenge, based on reliable information, rapid organization capacity and a sense of prudence, always prioritizing the safety, health and wellbeing of its employees and all of its stakeholders. As well as the fulfillment of the mission of generating energy for all Dominicans.

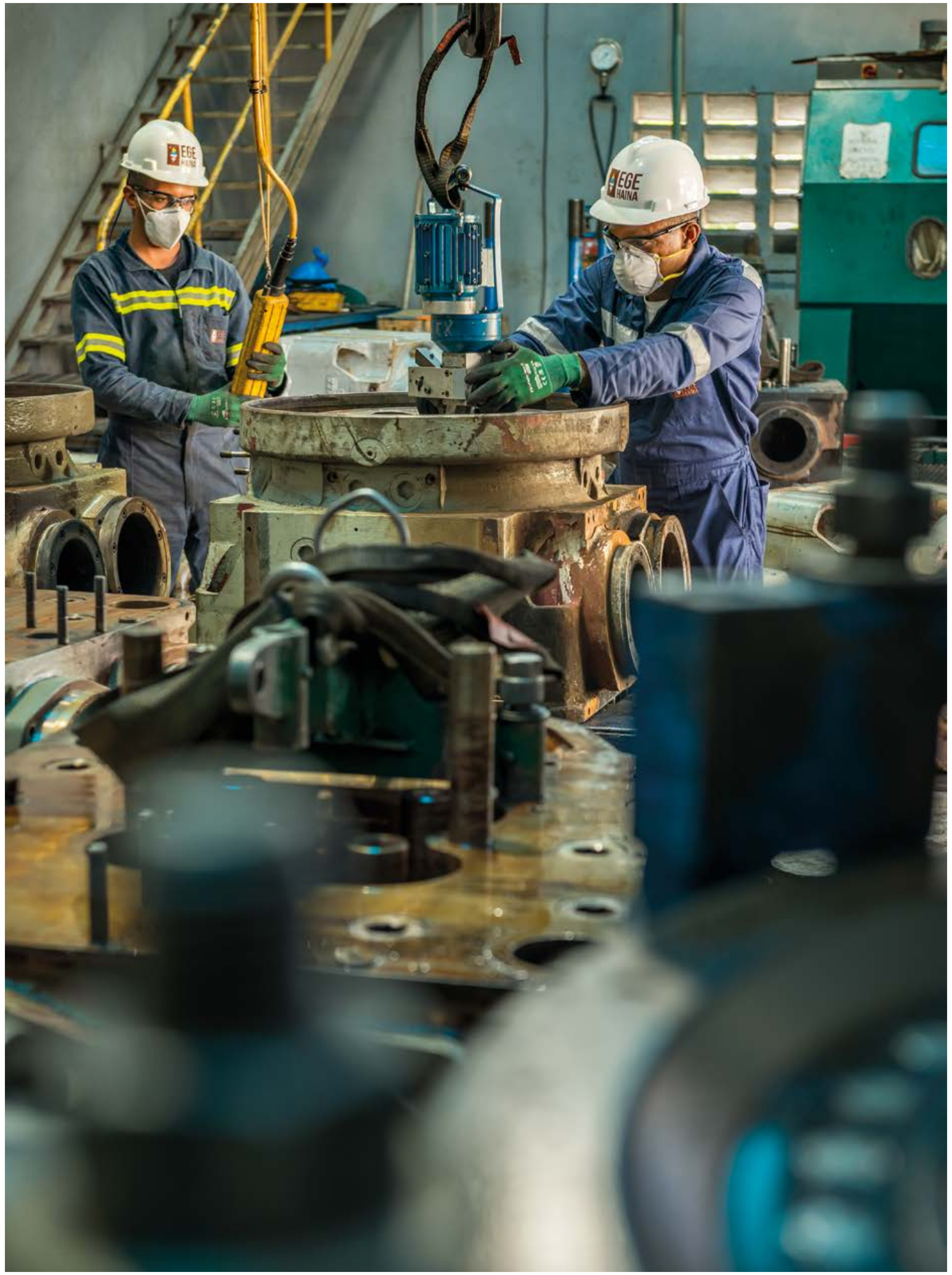
EGE Haina took on the challenge of safeguarding the health of its staff, giving continuity to its operations and carrying out its new project development program.

Based on the risk analysis carried out, a comprehensive plan has been developed continuously and in different stages, which has included actions such as the following:

- Declare the Crisis Committee in Permanent Session with frequent virtual follow-ups.
- Establish Teleworking for the functions that allow it and create the technical, administrative and cultural conditions to guarantee the effectiveness of the processes through virtual collaborative environments.
- Establish operations with special shifts in response to the curfew decreed by the government.
- Ensure the supply and daily use of PPE and hygiene supplies in all facilities. .
- Sanitize equipment and work surfaces at each shift change.
- Increase medical presence in the plants to 24 hours.
- Establish a communication protocol to have remote health support for employees and their families.
- Perform chemical disinfection by continuous misting of the personnel's mass transport buses, central air ducts of administrative buildings, control rooms and lockers.
- Quarterly installation and replacement of high-efficiency filters in air conditioning ducts to remove bacteria, viruses, fungi and other contaminants from the environment.
- Provide disinfected and safe bedrooms for the plants to serve as barracks in case they were needed or for special services.
- Create an Open Line, by email and phone, to answer collaborators' questions.
- Develop trainings, campaigns and a continuous flow of information to prevent contagion, aimed at employees, their families, contractors and the communities where the company has a presence.
- Closely follow up on suspected or positive COVID-19 cases at EGE Haina.

- Hire a doctor specialized in epidemiology to reinforce the company's COVID-19 Prevention Plan.
- Carry out a plan for the detection, treatment and prevention of COVID-19 throughout the company guided by the specialist doctor and his team.

The initiatives, provisions and actions developed by EGE Haina in response to the pandemic and the successful results obtained demonstrate the resilience and willpower that characterize this organization.



7 Communities

Commitment with our community and society

As part of its sustainability strategy, EGE Haina promotes the sustainable development of the neighboring communities where its operations are located. To this end, the company executes the initiatives outlined in its Social Responsibility Program that seek to promote health, education, environmental protection, institutional strengthening of civil society organizations and relief agencies, sports, culture, and the improvement of community infrastructure.

Residents from those communities participate at these local events which directly benefit more than 34,500 people in 22 communities located in the provinces of San Pedro de Macorís, San Cristóbal, Barahona and Pedernales.

Over USD$ 600,000 were invested by EGE Haina in these initiatives of Corporate Social Responsibility (CSR) during 2020. A high percentage of the funds were aimed at mitigating the effects of COVID-19 on those communities.

Communications is a fundamental tool of the CSR program, as it promotes knowledge, understanding and a collaborative effort to build a community together.

In this sense, various platforms are established to allow a permanent dialogue, based on direct contact with community leaders, government authorities and agency representatives. At the same time, the company actively listens to all actors and responds to their requests and needs in order to consistently and safely contribute to sustainable development.

Solidarity in the middle of the adversity

During 2020, the social management program was refocused to support health related initiatives mostly due to the COVID-19 pandemic.

Solidarity is an intrinsic value of EGE Haina and, given the magnitude of the health crisis, the company's social efforts were driven by this ethical principle. As such, it extended its support to those in generation plants' neighboring communities through a series of donations to health centers, vulnerable groups, and relief agencies, in order to meet their most urgent needs.

Using a preventive, collaborative and strengthening approach, EGE Haina's actions during 2020 were mainly focused on three areas: contributions to hospitals, support to the communities nearby our operations, and collaboration with relief agencies to help them deal with the pandemic and emergency situations caused by the hurricane season. Likewise, the company has given continuity to make good its social commitment to promote the development of community infrastructure and other social contributions.

Contributions to hospitals

In 2020, EGE Haina focused much of its assistance to support nine hospitals located mainly in the company's areas of influence.

The contribution made by the company to the different healthcare centers consisted mostly of: LED lamps for outdoor areas, fuel for emergency plants, disposable materials for the protection of health personnel (suits, masks, gloves and lenses), digital infrared thermometers and bed sheets. EGE Haina also delivered materials for personal hygiene and cleaning throughout the year.

The benefited hospitals were: Dr. Elio Fiallo in Pedernales; Antonio Musa and Luis N. Beras in San Pedro de Macorís; Regional Universitario Jaime Mota and Municipal de Enriquillo, both in the Barahona province; Pablo Pina and Bajos de Haina in San Cristóbal; Militar Docente Dr. Ramón De Lara, Central de las Fuerzas Armadas and Marcelino Vélez Hospital in Santo Domingo.

Community support

The company's solidarity was demonstrated through donations of food and supplies to the most vulnerable families in those neighboring communities. Also, by providing assistance to facilitate access to healthcare services and educational materials with valuable information on COVID-19 prevention.

Food donations

To provide temporary relief to families affected by the circumstances resulting from COVID-19, EGE Haina delivered 2,500 packages with food and cleaning materials in 22 communities located near its plants San Pedro de Macorís, Barahona, Enriquillo and Juancho, Pedernales in May, 2020.

For the distribution of the packages in San Pedro de Macorís, the company established an alliance with TECHO, a renown local NGO, and gathered the support of relief agencies and local community leaders.

Throughout December of 2020, EGE Haina carried out follow-up activities to respond to the underlying issues of the pandemic. As part of this effort, 2,000 food packages were delivered to the most vulnerable households located in communities surrounding the EGE Haina plants in the provinces of San Pedro de Macorís, Barahona and Pedernales.

Packages were distributed with the help of Save The Children, a humanitarian organization that has also prioritized food security of families during the COVID-19 pandemic. The delivery was handled with the coordination and cooperation of the leaders in these communities, as well as EGE Haina's Social Responsibility and Patrimonial Security staff, the members of the San Pedro National Police, and volunteers from the Dominican Red Cross Enriquillo Branch.

Access to healthcare services

With a major sponsorship of the Ayuda.do Program, free medical services were offered to more than 35,000 people during the year 2020, via telephone and video consultations or home medical visits in several provinces of the country. In addition, medicines for the treatment of chronic diseases were also supplied. This solidarity project from Ayuda.do and Quiéreme Como Soy provided medical care to the population in their own homes, especially chronic patients and those infected with COVID-19, thus contributing to avoid the spread of the virus and the saturation of healthcare centers.

Healthy Space Days

As an active member of the Haina Board of Industries (PADESHA), EGE Haina participated in an educational initiative to identify, mitigate and control the risk of contagion of COVID-19 in the Framboyán and Los Rieles communities of Bella Vista, San Cristóbal province.

The initiative, which reached hundreds of families in their homes, was part of the program to address health needs arising from the pandemic and included the delivery of hygiene and personal protection materials.

Likewise, a mobile office was set up with a team in charge of taking rapid samples and PCR tests while others focused on detection of other conditions, such as diabetes and hypertension.

COVID-19 prevention education

During 2020, the company published educational materials on the prevention of the coronavirus spread both in digital and printed formats. The distribution of the material was carried out through more than 400 leaders in the different communities where EGE Haina has a presence, and also as labels attached to the boxes of the food and materials that were distributed.

Support to relief agencies

To support the work of relief agencies in communities, EGE Haina provided assistance for the hurricane season initiatives and helped address emergencies caused by Tropical Storm Isaias and other events. To this end, the company donated food, fuel and prevention supplies to various relief agencies in the areas where it has a presence.

Seventeen agencies received gloves, masks, disinfectant and cleaning materials, to contribute to the COVID-19 prevention, including: the Red Cross, the Civil Defense and the fire departments of Enriquillo, Barahona, Quisqueya, San Pedro de Macorís, Haina and San Cristóbal.

Barahona

The Tourism and Production Cluster for the Barahona province was sponsored by EGE Haina to deliver hygiene and personal protection supplies to the municipalities and municipal districts of that province, to be used in COVID-19 prevention operations. The contribution to local authorities included masks, gloves and other protective and disinfection materials, as well as posters to help disseminate basic measures to prevent the spread of the virus.

These supplies were delivered to the mayors of the municipalities of El Peñón, Fundación and Paraíso, as well as to the representatives of the municipal districts of Palo Alto, Quita Coraza and Villa Central. The members of the Association of Vendors of Los Patos Beach (ACODEPRA) also received dispensers and antibacterial gel to be placed around the food outlets on the beach.

The company also delivered supplies to the National Army Fifth Brigade and the Tourist Security Specialized Corps, both in Barahona, and provided helmets, rubber booth, rain coats, protective lenses, masks and antibacterial gel to the Emergency Operations Center (COE) and volunteers at the Dominican Red Cross in the municipality of Enriquillo in Barahona.

San Pedro de Macorís

The company supported the Christmas 2020 efforts at the Provincial Civil Defense of San Pedro de Macorís, the Red Cross San Pedro de Macorís Branch and the Quisqueya Subsidiary. These initiatives were aimed at preventing accidents, providing assistance to the population, disseminating information and delivering food to more than 200 families.

Yaguate

The Yaguate Avanza Community Action Foundation, Inc. in San Cristóbal received protection, hygiene and disinfection materials from EGE Haina to help in the COVID-19 prevention efforts. The materials, which included gloves, masks, antibacterial gel, soap and chlorine, were delivered to the mayor of Yaguate and the president of said Foundation. The supplies were distributed through community leaders and relief agencies in La Caberme, La Ermita, La Loma, Los Leones, Doveaux, Los Rieles, Luca Díaz and Boca del Arroyo, in Yaguate, San Cristóbal.

Fire department enhancement

The continuous optimization program for fire departments implemented by EGE Haina is aimed at contributing to the proper functioning and adequate equipment of these institutions, especially in the areas where the company carries out its operations.

The firefighters' action radio for citizen safety includes intervention in the event of fires, accidents, floods, hurricanes, earthquakes, landslides and other situations that put life and patrimony at risk. EGE Haina considers it a priority to contribute to this public good work, aimed at preserving lives, attending emergencies and managing risks.

The program's initiatives include training, donation of supplies and equipment, and construction and repair of fire stations:

- **Training** covers a variety of key topics, including: intervention in structural fires, management of domestic or industrial incidents with and without fire, extinguishing fires in vehicles, rescuing efforts in heights using ropes, removing people trapped in injured vehicles, management of natural risks, and primary medical assistance. Due to the COVID-19 pandemic, the trainings planned for the year could not be carried out.
- **Materials and equipment** such as chainsaws, fire extinguishers, intercom radios, flashlights, hoses and uniforms are among the tools the company donates. It also provides office furniture and appliances for the optimal functioning of fire stations. The company also supports the maintenance of the fire truck fleet on the barracks, an essential part of its operations.

  In 2020, EGE Haina acquired a modern pure air equipment at a cost of USD$ 27,000. It is now in the process of being installed to be delivered to the San Pedro de Macorís fire department. This device will be of great value to the fire departments of the province and the entire eastern region, as it will be able to fill their tanks with pure air without having to travel to Santo Domingo for this purpose. The donated device is characterized by the resistance of its components to heat and fire, as well as its lightness, and because it is ideal for atmospheres with little oxygen.

  In 2020, EGE Haina donated uniforms, suits for spills, appliances, rubbers for trucks, furniture and tools to fire departments in Yaguate, San Gregorio de Nigua and Haina, all in the San Cristóbal province; Quisqueya and Guayacanes in the San Pedro de Macorís province; and Barahona and Juancho, in the Pedernales province. It also helped to furnish and equip the fire station in the Quisqueya community of San Pedro de Macorís, which the company had donated the previous year.
- **Station construction and renovation.** Having functional and well-equipped barracks is of vital importance so that the fire departments can provide an adequate prevention and assistance service to the population in case of possible accidents and other emergency situations.

In 2020, construction work began on the new fire station in the municipality of Guayacanes of San Pedro de Macorís, as a result of a Dominican private sector alliance.

EGE Haina made the largest contribution for the construction work, which will cost more than five million pesos, while the company Brisas de Guayacanes, under the management of Terra Partners, granted the long-term use of the land, as it did with the Quisqueya barracks. In addition, Barrick Pueblo Viejo, Cemex Dominicana, Liga Municipal Dominicana, Bloques Aguayo, San Pedro Bio Energy and Club Hemingway have also contributed to this project.

Community infrastructure

San Pedro de Macorís

Reconstruction of the Virgen de la Caridad Sports Club in the Municipality of Quisqueya and the adaptation of the Hoyo del Toro Community Center in San Pedro de Macorís..

EGE Haina delivered two very useful projects to these communities. First, the reconstruction of the Virgen de la Caridad Sports Club (VICA), an icon of the Quisqueya municipality, with more than 70 years, where eleven stellar players of national basketball league were trained. Secondly, the readaptation of the Hoyo del Toro Community Center, in the community of the same name, which has become a meeting point where art, culture and training converge, both located in the San Pedro de Macorís province.

With an investment of nearly RD $ 3,000,000, both facilities respond to basic needs and the collective interest of the population. The works at VICA included total construction of the concrete floor, maintenance of the stands, installation of boards and baskets, lighting systems, perimeter fencing and painting. While in the Community Center it was necessary to change floors and doors, reinstalling the electrical, lighting and rainwater system, as well as waterproofing and painting work.

With these works, EGE Haina seeks to promote the development of sports and continuing education in these petromacorisan localities.

Yaguate, San Cristóbal

Primary Care Center, Ditch Los Haitises, Michael Pineda Sports Court

Since before the work began on the Girasol Solar Park, located in the Yaguate community of San Cristóbal, EGE Haina has worked with local authorities and institutions in defining a social agenda that promotes plans defined according to the collective needs of its inhabitants.

Through a cooperation agreement with the mayor of Yaguate, EGE Haina has contributed to the construction of infrastructure works in that municipality.

In 2020, the Yaguate community received a modern and well-equipped Primary Care Center, which joins the National Health Service hospital network to provide timely and quality medical care to families in the area through prevention and health promotion programs, emergency care, vaccine services, and family planning, among others.

A ditch was also built in the community of Los Haitises as a definitive solution for an area where the circulation of rainwater prevented free transit flow.

Another relevant work built in this municipality was the Michael Pineda basketball court, in the Pajarito community, created to offer young people a venue for healthy recreation and sports training.

8 Risks and resiliency

Commitment with integral risk management

EGE Haina is committed to comprehensive risk management in order to contribute to the creation and preservation of value, sustainability and organizational resilience. This is stated in its Comprehensive Risk Management Policy, which establishes that its goals are:

- Reduce uncertainty in decision making to create and protect the company's value.
- Evaluate in an agile and proactive way the favorable and unfavorable impacts that can affect the achievement of the objectives and therefore, the performance of the organization.
- Ensure that the company takes all the reasonable and cost-effective measures to identify, analyze, evaluate, control, treat, monitor, record, report, communicate and report risks that could threaten the fulfillment of the organization's objectives and its ability to thrive.
- Contribute to company's organizational resilience and preserve the corporate image beforef its stakeholders.

To achieve this purpose, Comprehensive Risk Management (GIR by its Spanish acronym) is a priority principle in the way the organization's employees behave and is part of the proactive culture of awareness and self-control in the face of risk management.

Comprehensive Risk Management Policy

In this EGE Haina policy, approved on October 13, 2020 by the Resilience Committee, the following commitments were outlined:

- Incorporate comprehensive risk management at all levels and processes of the organization.
- Define and implement a risk appetite framework.
- Adopt a methodology for comprehensive risk management aligned with the best international and market practices.
- Identify and comprehensively manage the relevant risks, taking into account their possible impact on company objectives, corporate governance, sustainability and continuity of operations.
- Build a risk matrix for strategic objectives, processes and projects that meet the materiality criterion, which subsequently allow their consolidation in the corporate risk map, in favor of their scaling and timely management.
- Have adequate business continuity management and crisis management to ensure adequate organizational resilience.
- Periodically update the risk matrix, taking into account the different sources of risk, their events, causes and the situations that potentiate them.
- Carry out periodic follow-ups in the Resilience Committee to the most important risks of the organization, as well as its treatment plans and significant materialized events.

The path to resilience

EGE Haina has made important inroads towards comprehensive risk management, internal control and organizational resilience. In line with its commitment to comprehensive risk management, the company has arranged specific resources within the governance structure for comprehensive risk management and organizational resilience.

During 2020, the main activities completed towards the strengthening of comprehensive risk management were as follows:

- Creation of the Risk and Quality Directorate to give a strategic and holistic approach to risk, quality and insurance management, taking advantage of the synergies of these issues that contribute to organizational resilience. At the same time, it adapts to the three lines of defense model. The Senior Risk and Quality Management team reports directly to the General Manager and is responsible for the implementation leadership and continuous improvement of risk management practices in the company. The new Management consolidated its team in 2020 through the hiring of the Risk Management and Quality Management positions and the creation of a multidisciplinary risk managers team.
  - **Risk Management** is responsible for facilitating the implementation of the comprehensive risk management framework and carrying out the appropriate follow-up for its proper adoption, in order to obtain and maintain the ideal level of maturity. This position coordinates the support and monitoring activities in the areas for the proper implementation of comprehensive risk management, risk transfer management (insurance management) and issues associated with business continuity management.
  - **Quality Management** is responsible for facilitating the implementation of quality management in the company, with a process management and continuous improvement approach. Coordinates the efforts and activities of design and improvement of processes, management of documented information, operating in unison with risk management, which allows important synergies.
  - **Risk & Quality Champions** are a team of 26 people who belong to different processes, areas or projects of the organization and who have assumed additional responsibility regarding coordination, centralization of information, controls, treatment plans and risk monitoring. In addition, well as the design and review of processes and issues in its areas that contribute to excellence in quality and organizational resilience.
  - The managers are appointed by the senior directors and their functions respond to the Risk and Quality Management in their work as facilitator and internal consultant of their area in this matter and to contribute to continuous improvement and value creation through proactive action and generation of synergies.
- Creation of the Resilience Committee, which operates as a monitoring and review body for the risk profile in the organization and functions as a mechanism for communication and articulation of second-line of defense roles. It is integrated by several members of functional areas of the second line of defense and some members of Management. It is led by the General Manager and coordinated by the Senior Risk and Quality Management. Any topic related to risk management, quality management, or organizational resilience can be added to this committee by any EGE Haina employee, either directly or through the Champions of their area or process.
  - Publication of the Comprehensive Risk Management Policy, which is based on the EGE Haina Risk Manual that was also published in this period.
  - Completed a series of trainings aimed at communicating the strategy and process of integral risk management to all levels of the organization. These trainings were conducted jointly with the survey of the risk matrix.
  - Strengthening of the Business Continuity Plan with the purpose of contributing to the maintenance and continuous improvement of the company's organizational resilience.

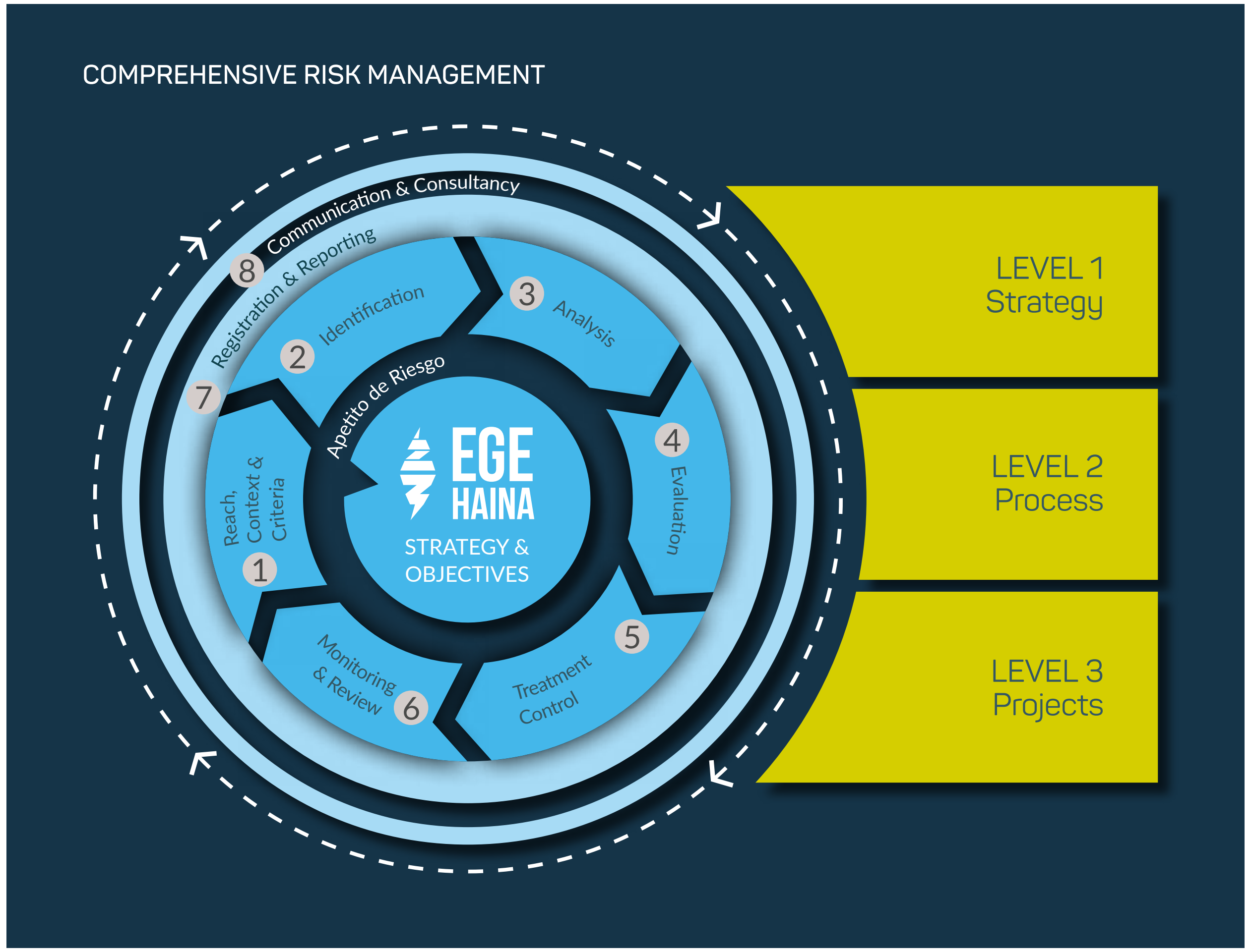
Comprehensive risk management

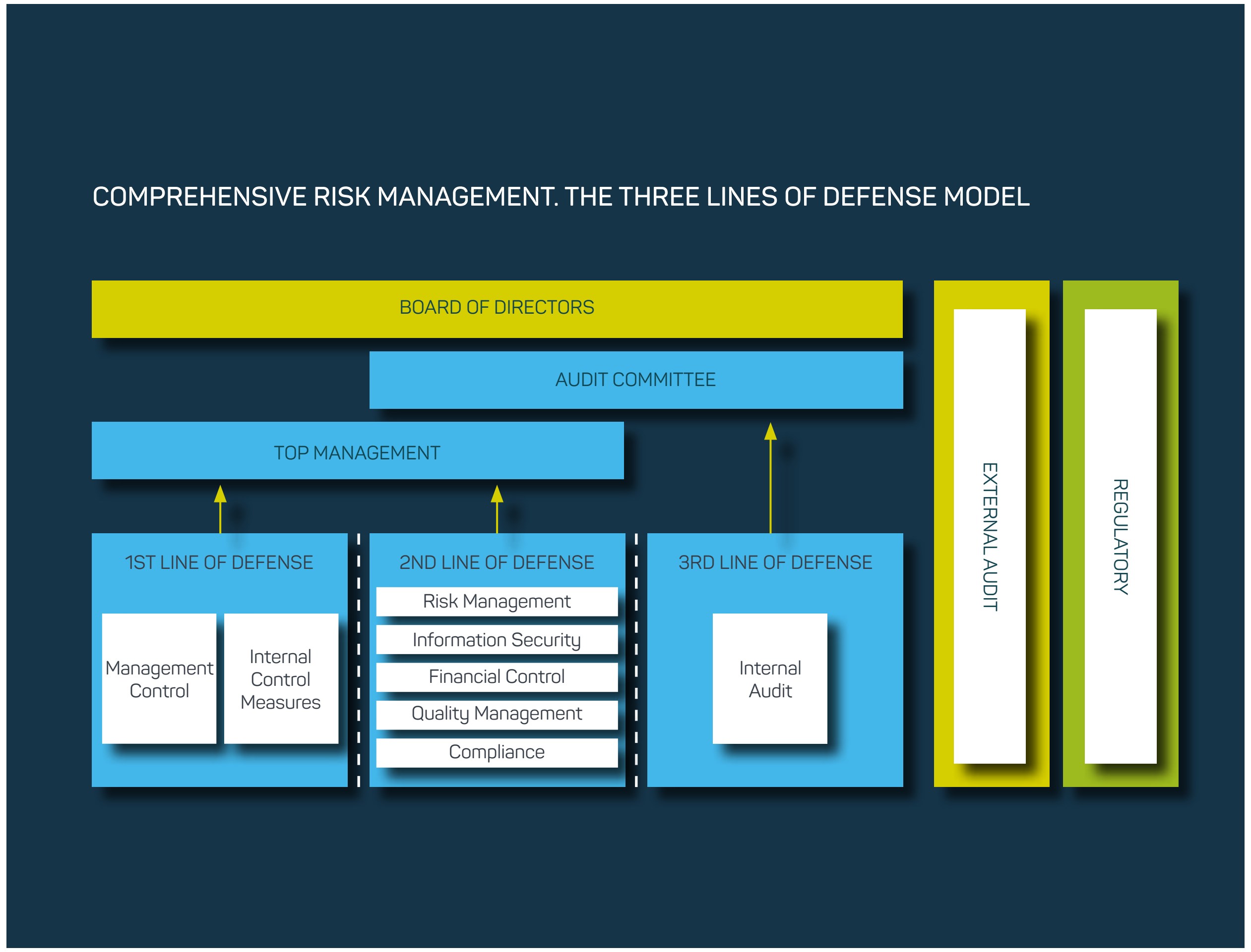
Comprehensive risk management at EGE Haina is a strategic and dynamic process, which is applied in all areas and levels of the business, in all its processes and activities as well as all the geographical locations in which the organization performs its functions.

A culture of comprehensive risk management is promoted by promoting attitudes, values and behaviors for strategic and operational decision-making. As a total, the risk management process consists of eight steps and is applied comprehensively to the three defined levels.

EGE Haina has based its comprehensive risk management framework on the three-line-defense model. The purpose of this management approach is to separate roles and responsibilities on the front line, represented by the owners of the risks, on the second line for the roles of supervision and follow-up, and in the third, for the independent review or internal audit. The purpose of this model is to allow the owners of the risk, or the first line of defense, to have all the tools to manage the risk properly, relying on the second and third.

The company will continue to develop its comprehensive risk management in the short, medium and long term, especially with emphasis on measuring, monitoring and strengthening the level of maturity of the risk management culture as an evaluation mechanism.





9 Economic results

Contribution to the country's economic development

As the main joint venture in the country (50% public and 50% private) in terms of assets, investment and contribution to the State, EGE Haina is a permanent ally of the social and economic development of the Dominican Republic. Between 1999 and 2020, the company has paid USD$ 950 million to the State in dividends and taxes.

In the environment where EGE Haina has a presence, it is a source of well-being through its tax contribution, promotion of equal opportunities, hiring of suppliers and contractors who work in each region, sponsorship of community infrastructure construction and the implementation of social projects for the benefit of the local communities.

By investing in these projects, the company expects that these communities develop their capacities and have tools to achieve their own development, thus generating a shared value.

In addition, the work carried out by the company contribute to the achievement of global goals worldwide, such as the Sustainable Development Goals (SDGs), promoted by the United Nations (UN).

DIRECT ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED BY EGE HAINA

(Amount in USD$)	2019	2020
Sales	473,134,464	305,452,792
Other income	34,210,274	5,467,161
Direct economic value generated	**507,344,738**	**310,919,953**
Operating expenses	(365,159,374)	(233,799,981)
Employee compensation	(19,574,668)	(18,262,556)
Payments to capital providers	(89,849,956)	(79,943,045)
Payments to general government	(25,037,642)	(11,927,591)
Investments to benefit communities	(536,603)	(832,424)
Distributed economic value	**(500,158,243)**	**(344,765,597)**
Economic value retained	**7,186,495**	**(33,845,644)**

Operation results

The year 2020 was filled with important achievements for EGE Haina which have cemented the economic future of the company and an excellent performance in the continuity of operations and the well-being of its people. The favorable operating results, added to the adequate collection levels of the distributors and the CDEEE, allowed the company to maintain healthy cash levels and a healthy net debt coverage ratio of 2.2 times EBITDA. As of December 2020, the liquidity situation was very favorable for the company, with a cash balance and cash equivalents of USD$ 111.3 million, similar to the average of the previous two years.

The company experienced a recomposition of its revenues with a significant increase in sales under contract from the conversion of Quisqueya 2 to natural gas and the entry into force, in August 2020, of the long-term PPA with CDEEE for the energy sale of this plant. For this reason, sales per PPP increased by 4% compared to the previous year, despite a significant reduction in energy prices due to the international drop in fuel prices.

During 2020, EGE Haina's total sales decreased by USD$ 167.7 million, 35.4% less than the previous year, due to lower energy prices, lower demand from certain customers and lower generation, even though it was partially offset by the CDEEE sales contract. The sales reduction had a smaller impact on EBITDA thanks

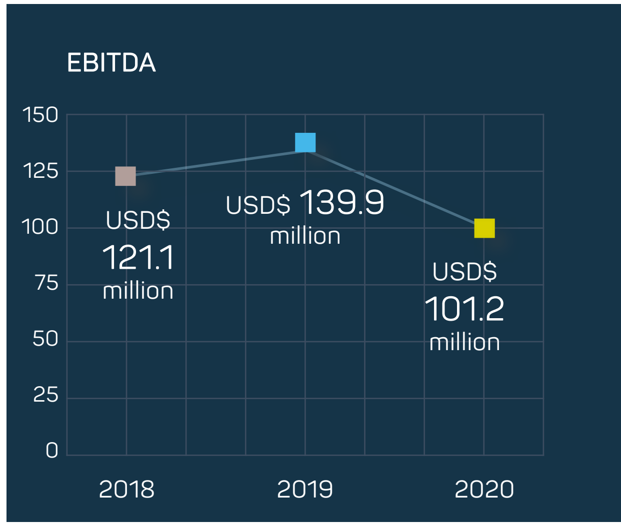
to the efficient operation of the business as a whole, which allowed a 21.2% increase in the margin on sales compared to the previous year.

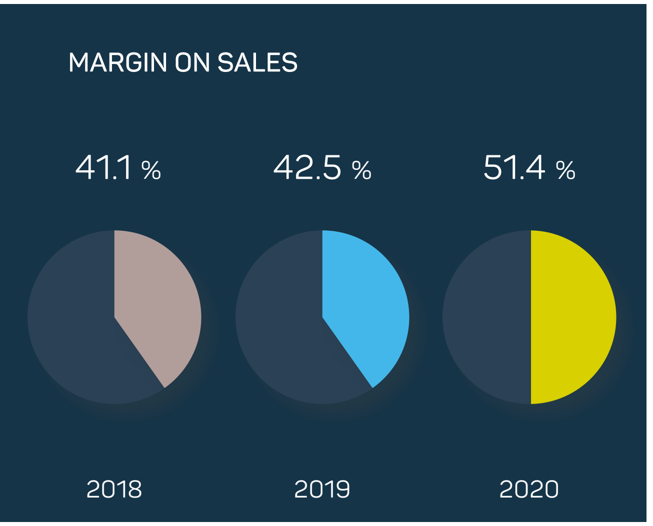
The incorporation of new competitive capacity to SENI, as well as a lower energy demand by CEPM, resulted in a 25% crease in total generation. The 2020 sales margin was 51.4%, up from 42.5% in 2019. This was due to several factors: (i) the Quisqueya 2 conversion to gas in July 2020; (ii) the PPA for natural gas with the CDEEE taking effect in August 2020; and, (iii) greater impact of renewable energies and power revenues in total sales and margin, as these revenues have a greater contribution to the margin on sales compared to other income because they do not have associated variable costs.

As a result of its operations, during 2020 the company obtained an EBITDA of USD$ 101.2 million, 27.6% (USD$ 38.6 million) lower than the value of 2019, which represents 33.1% of total sales, a figure that turns out to be higher than the 2019 index of 29.26%. The increase in the EBITDA margin is related to the reasons stated above, as well as to a greater efficiency in spending, with a decrease in operating and general expenses, plus total personnel expenses, going from USD$ 61.0 million in 2019 to USD$ 55.9 million in 2020, for a total cost reduction of USD$ 5.1 million, or 8.4% lower than the previous year.

At the end of fiscal 2020, the company reported a net profit of USD$ 33.1 million, or USD$ 39.1 million lower than the amount reported in 2019. The reduction in net profit was mainly due to a decrease in EBITDA and an increase in net financial expenses, mainly due to lower commercial interest income resulting from lower delays during the year of charges to distributors and the CDEEE that remained more up to date than the previous year, and higher interest expenses associated with higher levels of debt.

The detailed outcome resulted in a reduction in return on equity from 17.6% in 2019 to 8.3% in 2020.





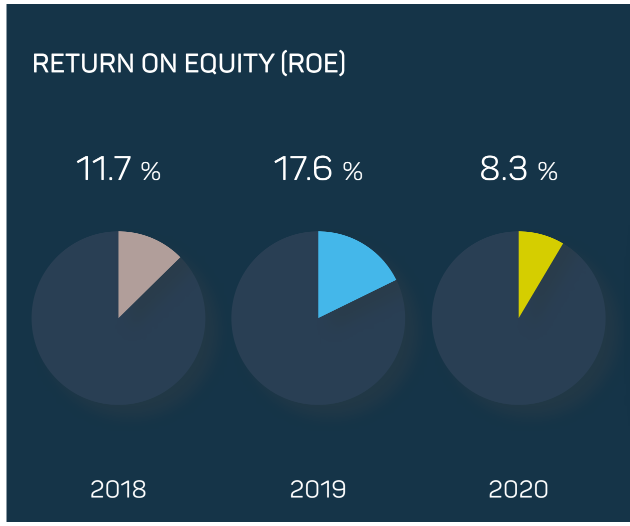
Financial situation

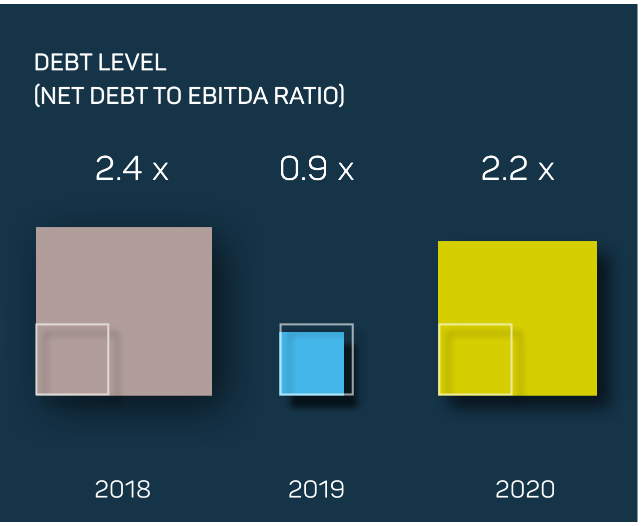
Working capital management

At the end of 2020, the company registered cash availability and cash equivalents of USD$ 111.2 million. These balances are adequate for the proper functioning of the business and sufficient to meet short-and medium-term commitments. Said balance represents a decrease of USD$ 66.9 million compared to the end of 2019, which is mainly due to the scheduled amortization of the debt placed in 2014, the distribution of dividends and the payments of investments in property, plant and equipment. These effects were partly offset by the net effect of short-term credit lines taken and partially repaid between the second and third quarters of 2020. Additionally, at the end of 2020, the company presents a restricted cash in escrow accounts for payments of property, plant and equipment additions for USD$ 400,000.

Debt management

The company's financial debt, at the end of 2020, consists of short-term credit lines of USD$ 75.0 million and corporate bonds issued in the Dominican Republic Securities Market amounting to USD$ 257.8 million, for a total financial debt of USD$ 332.8 million, with an increase of USD$ 25.3 million in relation to the financial debt reported as of December 31, 2019. The variation in total financial debt is mainly due to short-term credit lines taken during the second quarter of 2020, partially offset by the scheduled amortization of corporate bonds placed in 2014, the repayment at maturity of short-term credit lines and the impact of currency devaluation of debt in Dominican pesos.





Credit rating

EGE Haina holds national long-term ratings of AA- (dom) with a stable outlook by Fitch Ratings, and A+ with a stable outlook by the rating company Feller Rate.

These ratings take into consideration a greater relevance of renewable and less polluting sources in the company's generation matrix, as well as an adequate and growing diversification, both by geographical areas and by generation sources, together with a decreasing exposure to the spot market as a result of the company's commercial effort, which has focused on expanding its base of long-term contracts with clients in order to mitigate such exposure.

Both ratings show a solid credit quality with respect to other issuers or issues in the country, with a good capacity to pay their obligations in the terms and times agreed.

Credit ratings

AA- (dom)
Fitch Ratings

A+
Feller Rate

Dividends

During the fiscal 2020 period, the company's General Shareholders' Meeting declared the payment of USD$ 67.0 million in dividends, equivalent to 70% of the retained earnings as of December 2019. That amount was paid in April 2020.

Financial risks

The management of financial risks in compliance with International Financial Reporting Standards ("IFRS") is described in Notes 4.16 and 29 of the audited consolidated financial statements accompanying this sustainability report.

Entities included in the financial statements

The consolidated financial statements, as of December 31, 2020 and 2019, include the financial statements of Empresa Generadora de Electricidad Haina, S.A., and Haina Overseas Corporation, Inc. ("HOC"), collectively "the Company". This information is described in Note 1 to the audited Consolidated Financial Statements.

Consolidated Financial Statements

Empresa Generadora de Electricidad v, S. A. and Subsidiary

December 30, 2020

Along with the Independent Auditors' Report

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Independent Auditors' Report

To the Shareholders and Board of Directors of
Empresa Generadora de Electricidad Haina, S. A.

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Empresa Generadora de Electricidad Haina, S. A. and its subsidiary (hereinafter "the Company") as at December 31, 2020 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statement of financial position as at December 31, 2020;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Instituto de Contadores Públicos Autorizados de la República Dominicana (ICPARD) that are relevant to our audit of the consolidated financial statements in the Dominican Republic. We have fulfilled our ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the ICPARD.

PricewaterhouseCoopers República Dominicana, S. R. L., Ave. Lope de Vega No. 29, Edificio Novo-Centro, Piso PwC, Apartado Postal 1286, Santo Domingo, República Dominicana
Teléfono (809) 567-7741, Telefax (809) 541-1210, RNC 132-09535-9

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To the Shareholders and
Board of Directors of
Empresa Generadora de Electricidad Haina, S. A.
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Key audit matters

They are matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in the audit
Evaluation of impairment of property, plant and equipment We consider the impairment assessment of property, plant and equipment, specifically the generation assets, as the main area of emphasis in our audit, due to: i) the relative importance of this item within the Company's total assets, ii) the critical and subjective judgments and assumptions used by management to determine the cash flow projections and the discount rate, and iii) the susceptibility of the projections to changes in industry conditions. The net balance of property, plant and equipment as of December 31, 2020 is US$636 million, which represents 70% of the Company's total assets. The generation assets, included in this category have a net balance of US$512 million, which represents 56% of the Company's total assets. Management reviews impairment annually or when facts or circumstances indicate that the recorded amounts may not be recoverable and are adjusted prospectively when appropriate. An impairment loss for property, plant and equipment is recognized when the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset fair value less selling expenses and its value in use. For the purpose of evaluating impairment, assets are grouped at the lowest levels for which the cash flows are highly independent (cash generation units) and the recoverable amount is estimated using the expected future cash flows discounted at present value.	The main audit procedures performed are the following: • We understood, through reading documents, publications and inquiries with management, about recent developments in the industry in which the Company operates. • We understood, through inquiries with management and reading of contracts with clients, the composition of the Company's revenues. • We obtained from management their assessment of the events and circumstances that could indicate an impairment of the generation assets, in addition, we read the minutes of the Board of Directors. • We obtained the calculations of the recoverable amount of the generation plans prepared by the management, based on its value of use, and with the assistance of our expert, we performed the following: - We evaluated the methodology of the valuation techniques applied by management for the estimation of the value in use of the cash generating units. - We evaluated the main assumptions used by management to calculate the recoverable amount, such as discount rate, energy sale prices according contracts and in the spot market, volume of energy projections, among others.

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To the Shareholders and
Board of Directors of
Empresa Generadora de Electricidad Haina, S. A.
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Key audit matter	How the matter was addressed in the audit
Evaluation of impairment of property, plant and equipment Management determined the property, plant and equipment recoverable amount based on the calculation of value in use. These calculations use projections of cash flows discounted at the Company's weighted average cost of capital rate, through the use of Capital Asset Pricing Model, for which some assumptions are required. *(See Notes 4.6, 4.8, 12 and 25 to the consolidated financial statements).*	- We performed a recalculation of the discounted cash flows expected, based on certain assumptions used by management and other assumptions determined on an independent basis. • We compared the result of the determined recoverable amount with the carrying amount of the asset as of December 31, 2020 and we determined that the value recorded at that date is the lower between the carrying amount and the determined recoverable amount.

Other information

Management is responsible for the other information. The other information comprises the "Informe de Sostenibilidad" (Sustainability Report), but does not include the financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Informe de Sostenibilidad, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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To the Shareholders and
Board of Directors of
Empresa Generadora de Electricidad Haina, S. A.
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Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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To the Shareholders and
Board of Directors of
Empresa Generadora de Electricidad Haina, S. A.
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats of safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Aneurys de los Santos.

PricewaterhouseCoopers

Registration Code SIV: SVAE-006

March 25, 2021

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Consolidated Statement of Financial Position
December 31, 2020
(Amounts expressed in United States dollars – US$)

	Note	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	7	111,232,092	178,093,891
Restricted cash	7	385,112	-
Trade receivables and other	8	78,499,441	67,521,869
Inventories	10	41,507,179	37,567,530
Income tax receivable	19	4,907,134	-
Prepaid expenses	11	9,675,177	2,760,179
Total current assets		246,206,135	285,943,469
Non current assets:			
Property, plant and equipment, net	12	636,084,898	611,371,627
Right of use assets	13	13,227,624	14,067,673
Intangibles and other assets	14	19,070,142	19,420,971
Total non current assets		668,382,664	644,860,271
Total Assets		**914,588,799**	**930,803,740**
Liabilities and Equity			
Current liabilities:			
Financial debt	15	75,000,000	33,333,260
Accounts payable	16	94,245,825	100,858,465
Income tax payable	19	-	9,161,560
Lease liabilities	13	1,036,297	431,129
Other liabilities	17	2,964,819	3,018,562
Total current liabilities		173,246,941	146,802,976
Non current liabilities:			
Financial debt	15	257,403,024	273,658,449
Deferred tax liability	19	83,452,532	75,128,419
Lease liabilities	13	14,069,679	14,660,115
Other liabilities	17	6,611,471	6,856,545
Total non current liabilities		361,536,706	370,303,528
Total liabilities		534,783,647	517,106,504
Equity:	20		
Share capital		289,000,000	289,000,000
Legal reserve		28,900,000	28,900,000
Retained earnings		61,953,714	95,801,757
Other comprehensive income		(48,562)	(4,521)
Total equity		379,805,152	413,697,236
Total Liabilities and Equity		**914,588,799**	**930,803,740**

The accompanying notes are an integral part of these consolidated financial statements.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Consolidated Statement of Comprehensive Income
For the year ended December 31, 2020
(Amounts expressed in United States dollars – US$)

	Note	2020	2019
Revenue from contract with customers	21	305,452,792	473,134,464
Cost of fuel and energy purchases	22	(137,570,311)	(255,693,652)
Operating and general expenses	23	(48,371,949)	(57,982,626)
Personnel expenses	24	(18,262,556)	(19,569,130)
Depreciation and amortization	12, 13 and 14	(46,395,462)	(44,796,995)
Loss on foreign currency exchange, net		(1,756,429)	(6,567,409)
Other expenses, net	25	(538,254)	(660,834)
Operating income		52,557,831	87,863,818
Financial income	26	5,467,161	34,210,274
Financial expenses	27	(29,350,876)	(33,960,286)
Gain on foreign currency exchange, net	28	16,405,432	9,108,349
Financial (expenses) income, net		(7,478,283)	9,358,337
Income before tax		45,079,548	97,222,155
Income tax expense	19	(11,927,591)	(25,037,642)
Net income		**33,151,957**	**72,184,513**
Other comprehensive income, net of tax:			
Items that may not be subsequently reclassified to profit or loss			
Actuarial (loss) gain	24	(44,041)	33,396
Comprehensive income		**33,107,916**	**72,217,909**

The accompanying notes are an integral part of these consolidated financial statements.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Consolidated Statement of Changes in Equity
For the year ended December 31, 2020
(Amounts expressed in United States dollars – US$)

	Note	Share capital	Legal reserve	Retained earnings	Other comprehensive income	Total equity
Balance at January 1, 2019		289,000,000	28,900,000	88,617,244	(37,917)	406,479,327
Net income		-	-	72,184,513	-	72,184,513
Declared dividends	20	-	-	(65,000,000)	-	(65,000,000)
Actuarial gain	24	-	-	-	33,396	33,396
Balance at December 31, 2019		**289,000,000**	**28,900,000**	**95,801,757**	**(4,521)**	**413,697,236**
Net income		-	-	33,151,957	-	33,151,957
Declared dividends	20	-	-	(67,000,000)	-	(67,000,000)
Actuarial loss	24	-	-	-	(44,041)	(44,041)
Balance at December 31, 2020		**289,000,000**	**28,900,000**	**61,953,714**	**(48,562)**	**379,805,152**

The accompanying notes are an integral part of these consolidated financial statements

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Consolidated Statement of Cash Flows
For the year ended December 31, 2020
(Amounts expressed in United States dollars – US$)

	Note	2020	2019
Cash flows from operating activities			
Income before tax		45,079,548	97,222,155
Adjustments to reconcile income before tax to net cash provided by operating activities:			
Depreciation and amortization	12, 13 and 14	46,395,462	44,796,995
Disposal and sale of property, plant and equipment	12 and 25	22,149	(98,624)
Financial expenses (income), net	15, 26 and 27	7,478,283	(9,358,337)
Unrealized (gain) loss on foreign currency exchange		(831,187)	25,055
Impairment of property, plant and equipment	25	535,913	273,721
Short term and low value leases		37,074	-
Tax on assets	19 and 23	596,048	-
Non cash adjustments		-	407,036
Changes in assets and liabilities:			
Trade receivables and other		(12,614,790)	133,274,266
Inventories		(5,096,427)	(3,927,592)
Prepaid expenses		(6,914,998)	(151,563)
Other assets		1,137,301	(1,087,680)
Accounts payable		(14,441,594)	(29,171,129)
Other liabilities		(42,017)	(73,343)
Cash provided by operating activities		61,340,765	232,130,960
Interest received		5,670,555	41,693,369
Interest paid		(27,791,633)	(31,852,775)
Taxes paid		(17,599,062)	(11,338,802)
Net cash provided by operating activities		21,620,625	230,632,752
Cash flows from investing activities			
Additions to property, plant and equipment	12	(61,255,245)	(5,372,941)
Cash received from the sale of property, plant and equipment		1,015	98,624
Additions of intangibles	14	(1,014,229)	(2,568,987)
Net cash used in investing activities		(62,268,459)	(7,843,304)
Cash flows from financing activities			
Debt proceeds	28	99,606,123	30,000,000
Debt repayments	28	(57,877,005)	(63,333,393)
Dividends paid	9	(66,997,601)	(64,998,018)
Lease payments	23 and 28	(945,482)	(1,464,488)
Net cash used in financing activities		(26,213,965)	(99,795,899)
Net (decrease) increase in cash and cash equivalents		(66,861,799)	122,993,549
Cash and cash equivalents at the beginning of the year		178,093,891	55,100,342
Cash and cash equivalents at the end of the year	**7**	**111,232,092**	**178,093,891**

The accompanying notes are an integral part of these consolidated financial statements.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2020
(Amounts expressed in United States dollars-US$)

1. CORPORATE INFORMATION

Empresa Generadora de Electricidad Haina, S. A. ("EGE Haina") was established on August 17, 1999 and incorporated on October 28, 1999 in conformity with the laws of the Dominican Republic, as part of the electric sector's capitalization process executed in that year.

The Company's registered office is located at Lope de Vega Avenue, Torre Novo-Centro, 17th floor, Naco, Santo Domingo, Dominican Republic. The shareholders of EGE Haina are Haina Investment Co. Ltd. ("HIC") (50%) - the controlling entity, Fondo Patrimonial de las Empresas Reformadas ("FONPER") - an entity of the Dominican State (49.993%), and other minority shareholders (0.007%).

The consolidated financial statements at December 31, 2020 include the financial statements of Empresa Generadora de Electricidad Haina, S. A. and Haina Overseas Corporation, Inc. ("HOC"), collectively referred to as "the Company".

HOC is a subsidiary 100% owned by EGE Haina; which was created in March 2015, under the laws of the Cayman Islands as a tax-exempt company, to venture into potential foreign investments.

1.1. OUR POWER PLANTS

EGE Haina owns nine generation facilities of 744.7 MW, eight of which are commercially available and distributed throughout the country with a generation capacity of 711.7 MW: Sultana del Este, Quisqueya 2 and Quisqueya Solar in the eastern part of the country, Haina and Barahona in the south, and Pedernales, Los Cocos and Larimar in the west. These facilities in commercial operations consist of a number of thermal units operated with natural gas (225.24 MW), fuel oil (258.1 MW) and coal (51.86 MW), four wind generation farms (175.0 MW) and a photovoltaic power plant (1.5 MW). The thermal units have different technologies: steam turbines, diesel engines, a simple cycle gas turbine and combined cycle engines.

EGE Haina operates three third party-owned power plants of 258.84 MW:

- Quisqueya 1 - a combined cycle plant with dual fuel (fuel oil and natural gas), with a net installed capacity of 225.24 MW, a 230/138KV substation, and a 230KV transmission line, according to the operation and maintenance services contracts signed with Pueblo Viejo Dominicana Corporation Branch ("PVDC"), a Dominican subsidiary of Barrick Gold Corporation and power plant owner.
- Palenque - under a lease agreement with DOMICEM, S. A. ("DOMICEM"). This power plant has four diesel engines, with a net installed capacity of 25.6 MW.
- Quilvio Cabrera wind farm - under the operation and maintenance contract signed with Consorcio Energético Punta Cana Macao. This park has five wind turbines, with a net installed capacity of 8 MW.

1.2. REGULATORY FRAMEWORK

The Company complies with all laws, regulations and standards that apply to its operations and constitution, as a public limited company, issuer of securities and agent of the electric sector in the Dominican Republic.

Electric sector

It is composed of regulatory entities, including the Ministry of Energy and Mines, the National Energy Commission, the Superintendence of Electricity ("SIE"), the Coordinating Office of the National Interconnected Electric System ("OCSENI" by its Spanish acronym) and entities that produce, transport, distribute and consume electricity.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2020
(Amounts expressed in United States dollars-US$)

Financial sector

As an entity of public interest, due to its condition of issuer in the Dominican Republic's financial market, the Company complies with all the regulatory provisions related to the right of access to the Company's financial information required by the regulatory entities, among which are the Securities Exchange Superintendence ("SIMV" by its Spanish acronym) and the Dominican Republic's Stock Exchange ("BVRD" by its Spanish acronym).

1.3. AUTHORIZATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors authorized Management the issuance of the consolidated financial statements on March 24, 2021. These consolidated financial statements must be submitted to the Shareholders' General Assembly for definite approval. They are expected to be approved without changes.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1. BASIS OF PREPARATION

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

The Company's consolidated financial statements have been prepared on a historical cost basis; except for items measured at fair value, and monetary assets and liabilities in foreign currency in conformity with IFRS.

The consolidated financial statements are presented in United States dollars (US$). Amounts do not include decimal places and have been rounded to the nearest unit of one dollar (US$1), unless otherwise stated.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates; it also requires Management to use its judgment while applying the Company's accounting policies. The areas that involve a greater degree of judgment or complexity, or areas where assumptions or estimates are important for the consolidated financial statements, are disclosed in Note 6.

2.2. BASIS OF CONSOLIDATION

A subsidiary is an entity over which EGE Haina has control. EGE Haina controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A subsidiary is consolidated as of the date on which control is transferred to EGE Haina, and it is deconsolidated from the date that control ceases.

The financial statements of the subsidiary were prepared at and for the same years as EGE Haina, using consistent accounting policies.

All balances, transactions, income, expenses, earnings or losses related to intercompany activities, have been fully eliminated in the consolidation process.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2020
(Amounts expressed in United States dollars-US$)

3. ADOPTION OF ACCOUNTING POLICES

The accounting policies adopted by the Company to prepare its consolidated financial statements at December 31, 2020 are consistent with those that were used for the preparation of the consolidated financial statements at December 31, 2019.

The Company adopted the following amendments and interpretations at January 1, 2020; without significant impact on the amounts recognized in the previous, current or future periods:

- Definition of Material - amendments to International Accounting Standards ("IAS") 1 and IAS 8.
- Definition of a business – amendments to IFRS 3.
- Conceptual Framework for Financial Reporting 2018.

Additionally, the Company evaluated the following amendments at January 1, 2020 and identified that they did not apply to the financial information presented in these consolidated financial statements.

- Interest Rate Benchmark Reform: amendments to IFRS 9, IAS 39 and IFRS 7.
- Amendments IFRS 16 – COVID-19 concessions related to leases (including changes to the IFRS taxonomy).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

4.1. CURRENCY, FOREIGN CURRENCY TRANSACTIONS AND FINANCIAL STATEMENTS CONVERSION

The items included in the consolidated financial statements are valued using the currency of the primary economic environment in which the Company operates ("functional currency").The Company determines as its functional currency, the currency which influences the way in which its main operating, financial and investment transactions are denominated and converted into cash.

The Company reviews its functional currency annually or when facts or circumstances so indicate. At December 31, 2020, the Company's functional currency is the United States dollar (US$).

The Company records its transactions in currencies other than the functional currency using the exchange rates prevailing on the date of the transaction ("spot exchange rate").

At the end of the reporting period, to determine its financial position and operating results, the Company remeasure and adjusts its monetary assets and liabilities in foreign currency using the closing period exchange rate. Foreign exchange differences that may result from the application of this policy are recognized in the consolidated statement of comprehensive income.

Non monetary items in currencies other than the functional currency and measured at historical cost, are translated to the functional currency using the spot exchange rates. Non monetary items in currencies other than the functional currency and measured at fair value, are translated to the functional currency using the spot exchange rates when the fair value was determined.

The exchange rates used by the Company at December 31, 2020, to translate balances in foreign currency (RD$ and €) to United States dollar were RD$58.40 (2019: RD$52.92) per US$1.00 and €1.25 (2019: €1.16) per US$1.00.

Empresa Generadora de Electricidad Haina, S. A. and Subsidiary
Notes to the Consolidated Financial Statements
December 31, 2020
(Amounts expressed in United States dollars-US$)

4.2. CLASSIFICATION CURRENT - NON CURRENT

The Company presents assets and liabilities in the consolidated statement of financial position based on a current or non current classification.

An asset is classified as current when:

- It is held primarily for the purpose of trading.
- It is expected to be realized or sold within the twelve months following the reporting period or in its normal cycle of operation.
- It is cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current.

A liability is classified as current when:

- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period or in its normal cycle of operation.
- There is no unconditional right to defer the settlement of the liability, for at least twelve months after the reporting period.

All other liabilities are classified as non current.

Deferred tax assets and liabilities are classified as non current assets and liabilities.

4.3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of cash and highly liquid short term investments, with a maturity equal to or less than three months from the date of acquisition. For purposes of the consolidated statement of cash flows, cash and cash equivalents are presented by the Company net of bank overdrafts, if any.

4.4. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company's financial assets include cash and cash equivalents and trade receivables and other. The trade receivables and other are non derivative financial assets with fixed or determined payments that are not quoted in an active market.

The Company's financial liabilities include financial debt, accounts payable, lease liabilities and other liabilities.

4.4.1. INITIAL RECOGNITION AND MEASUREMENT

Financial instruments are initially recognized when the Company becomes a contractual party to the instrument, with the exception of trade receivables and other that are initially recognized when they originate, according to the provisions of the contracts with the customers.

A financial instrument (asset or liability) - except for a receivable that does not contain a significant financing component - is initially measured at fair value through profit or loss, plus or less transaction costs directly attributable to its acquisition or issuance. Trade receivables and other that do not contain a significant financing component are initially measured at the amount of the unconditional consideration.

4.4.2. FAIR VALUE MEASUREMENT

Fair value estimates are calculated based on relevant market information and information related to the financial instruments. These estimates do not reflect a premium or discount that could result in holding financial instruments as available for sale.

The nature of these estimates is subjective and involves uncertain aspects and Management's judgment, thus these figures cannot be determined with absolute accuracy. Consequently, should there be changes in the assumptions on which the estimates are based, these could differ from the final results.

Fair value hierarchy

The Company uses the following hierarchy, at its lowest level of significant information, to determine and disclose the fair value of its financial instruments.

- Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.
- Level 2: Valuation techniques using inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.
- Level 3: Valuation techniques that include inputs with a significant effect on the fair value that are not based on observable market data.

4.4.3. OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement of financial position if currently there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis the assets and liabilities simultaneously.

4.4.4. FINANCIAL ASSETS

4.4.4.1. FINANCIAL ASSETS – BUSINESS MODEL

The Company performs an annual evaluation of its operations to determine how it manages its financial assets to generate cash flows and to designate business models by groups of assets that achieve a particular business objective; which do not depend on Management's intentions for an individual instrument, but on a higher level of aggregation.

The levels of aggregation considered by Management to evaluate the business model are four: 1) cash and cash equivalents; 2) accounts receivable from government distribution companies, Corporación Dominicana de Empresas Eléctricas Estatales ("CDEEE"), power generation companies and other electric market agents; 3) accounts receivable from unregulated users and other receivables; and 4) accounts receivable from related parties.

The business model consists of recovering contractual cash flows at maturity in order to fulfill Management's objectives. In situations of credit or liquidity risks, the Company may consider the sale of financial assets. However the frequency, value and timing of sales of financial assets in prior periods are evaluated to determine if they represent a change in the way financial assets are managed.

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4.4.4.2. FINANCIAL ASSETS – TEST OF SOLELY PAYMENT OF PRINCIPAL AND INTEREST ("SPPI")

As part of the classification process of its financial assets, the Company evaluates the contractual terms to identify if the SPPI test is met or not.

- Principal: The objective of this test is to define whether the fair value of the financial assets initially recognized has changed over the estimated life of the financial asset.
- Interest: The most significant elements to perform the evaluation of the SPPI are typically the time value of money and the credit risk. The Company apply estimates and other factors that are considered relevant for the test, such as: the currency in which the financial asset is specified and the period for which the interest rate is defined.

While executing this test, it is also evaluated whether the financial asset contains any contractual terms that could change the timing or amount of contractual cash flows in order to determine if the test is met or not, such as: contingent events, terms that can adjust the rate, payment characteristics and extension options; and convertibility.

A prepaid characteristic is consistent with the characteristics of solely payments of principal and interest if the prepaid amount represents substantially the outstanding amounts of principal and interest, which may include reasonable additional compensation for early termination of the contract.

4.4.4.3. FINANCIAL ASSETS – CLASSIFICATION AND SUBSEQUENT MEASUREMENT

The Company determines the classification of its financial assets at the date of its initial recognition.

Financial assets are not reclassified after initial recognition unless the Company changes the business model, in which case all affected financial assets are reclassified on the first day of the first reporting period after the model change.

Subsequent measurement considerations due to changes in the business model

a) A financial asset is subsequently measured at amortized cost if it meets the following two conditions:

   - It is managed within a business model whose objective consists in maintaining assets to recover contractual cash flows; and
   - Its contractual terms are only payments of principal and interest on the amount of outstanding principal.

   Financial assets at amortized cost are subsequently measured using the effective interest method (the calculation takes any premium or discount on the acquisition and includes transaction costs and fees that are an integral part of the effective interest rate). The amortized cost is reduced by impairment losses.

   Subsequent recognition: Interest income, and gains or losses on foreign currency exchange, disposal of assets or impairment are recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and it can be objectively related to an event subsequent to the recognition of the impairment, the impairment loss is reversed. Once the reversal has been recorded, the carrying amount of the financial asset must not exceed the original amount recorded. The amount of the reversal is recognized in profit or loss for the year in which it occurs.

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b) A financial asset is subsequently measured at fair value through other comprehensive income if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms are solely payments of principal and interest on the principal amount outstanding.

The fair value of an investment that is traded in an organized financial market is determined by references to quoted prices in that financial market of trades executed at the date of the consolidated statement of financial position. For those financial instruments of which there is no active financial market, the fair value is determined using valuation techniques. Such techniques include recent market transactions between concerned and informed parties that operate under conditions of mutual independence; references to the fair value of another substantially similar financial instrument; and discounted cash flows or other valuation models.

Investments in equity instruments recognized at fair value through other comprehensive income are subsequently measured at fair value.

Subsequent recognition: dividends are recognized as income in profit or loss, unless the dividend represents a recovery of the investment cost. When the assets are derecognized, gains or losses accumulated in other comprehensive income are reclassified to profit or loss.

c) All financial assets that are not measured at amortized cost or fair value through other comprehensive income, as described above, are measured at fair value through profit or loss. This category of measurement includes all financial derivative instruments.

The Company opts out to irrevocably designate the measurement of financial assets at fair value through profit or loss or other comprehensive income.

4.4.4.4. FINANCIAL ASSETS – IMPAIRMENT

A financial asset or group of financial assets is considered impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the financial asset and that the event of loss detected has an impact in the estimated future cash flows for the financial asset or group of financial assets that can be reliably estimated.

The Company recognizes an allowance for expected credit losses on all financial assets not measured at fair value through profit or loss, except for cash and cash equivalents due to their high liquidity or maturity date proximity. The expected credit losses matrix is based on the difference between the contractual cash flows and the cash flows that the Company expects to receive, discounted at the appropriate effective rate.

For the determination and valuation of the expected credit losses, the Company adopts the simplified approach and the rebuttable presumption of "default" after 90 days; except for assets in the second business model (accounts receivable from government distribution companies, CDEEE, power generation companies and other electric market agents) for which the default was defined after 365 days.

While estimating the impairment, the Company uses historical information on the portfolio's behavior and recoveries during the last three years, excluding balances with guarantees and payment agreements. This matrix is reviewed every three years, unless there are new conditions or changes that materially affect the behavior of the financial assets recovery.

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With the objective of incorporating forward-looking information, the Company analyzed variables that affect and help predict the behavior of the financial assets recovery; for which no adequate correlation was shown. However, the Company periodically performs qualitative risk analyses to identify changes in the estimated losses.

4.4.4.5. FINANCIAL ASSETS – DERECOGNITION

Financial assets are derecognized by the Company only when the contractual rights to receive cash flows from the asset have expired; or when the Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity and has transferred the contractual rights to receive cash flows from the asset; or when the Company retains the contractual rights to receive cash flows and assumes the obligation to pay them to one or more parties.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also an associated liability for amounts that reflect the rights and obligations that it has retained.

4.4.5. FINANCIAL LIABILITIES

4.4.5.1. FINANCIAL LIABILITIES – CLASSIFICATION AND SUBSEQUENT MEASUREMENT

The Company determines the classification of its financial liabilities at the date of its initial recognition.

After initial recognition, the financial liabilities are measured at amortized cost using the effective interest rate method. The Company recognized gains or losses in the period profit or loss when the financial liability is derecognized as well as through the amortization process.

4.4.5.2. FINANCIAL LIABILITIES – DERECOGNITION

Financial liabilities are derecognized when the obligation has been paid, canceled or expired. When a financial liability is replaced by another, the Company derecognizes the original and recognizes a new financial liability. Differences that may result from replacements of financial liabilities are recognized in profit or loss for the year in which they occur.

4.5. INVENTORIES

Inventories consist of spare parts and bulk fuels (coal, fuel oil and diesel); and are measured at cost or its net realizable value, whichever is less. The cost is determined using the average cost method.

Inventory costs include all costs derived from their acquisition, as well as other costs incurred to bring them to their present condition and location. Merchandise in transit is recorded at its invoiced cost.

If it is expected that inventories will not be recovered through operating income, the Company recognizes an impairment loss in the consolidated statement of comprehensive income. In addition, the carrying amount of spare parts inventories is reduced only if an obsolescence has been identified.

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4.6. PROPERTY, PLANT AND EQUIPMENT

Initial recognition and measurement

- Initial recognition costs, as well as subsequent ones, are included in the book value of the asset or as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will be transferred to the Company, that the cost of such item can be reliably measured and that such economic benefits are provided for more than one year.
- Property, plant and equipment are recorded at historical cost. The historical cost includes expenditures directly attributable to the acquisition of the items; also includes the estimated costs of decommissioning liabilities of assets on leased land, which are capitalized to the respective assets and amortized over the term of the land lease.
- Construction and installation costs are charged to temporary accounts and subsequently transferred to the respective asset accounts once the works are completed. These works in process include all disbursements directly related to the design, development and financial costs attributable to the asset.
- Interest expenses related to general and specific loans that are directly attributable to the acquisition or construction of property, plant and equipment, are capitalized as part of the cost until the assets are substantially ready for use.

Subsequent measurement

- After the initial recognition, the Company has chosen to use the cost model for the valuation of property, plant and equipment components, less accumulated depreciation and the accumulated amount of any impairment loss.
- The costs of maintenance expenses (including those incurred in the reconditioning of the generation assets as major and minor maintenance) are charged directly to the consolidated statements of comprehensive income in the period in which they are incurred.
- Depreciation is calculated on a straight-line basis, over the estimated useful life of each asset. The estimated useful lives of the Company's assets are as follows:

Category	Useful life (years)
Buildings	5 – 40
Generation assets, including capital spare parts*	+1 – 50
Transportation equipment	5 – 10
Furniture and office equipment	2 – 5
Minor equipment	3 – 15

* Capital spare parts, as opposed to inventory spare parts, are those that can be repaired and reused. Their estimated useful life is 5-20 years and do not exceed the useful life of the underlying generation assets.

- The impairment, estimated useful life, decommissioning obligations and depreciation methods of assets in this category are reviewed annually by the Company, or when facts or circumstances indicate that the values recorded may not be recoverable and are prospectively adjusted when it results relevant. To determine the fair value of the decommissioning, the Company makes estimates of the expected cost, the discount rate, and the expected date that these costs will be incurred.

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Derecognition of property, plant and equipment

A component of property, plant and equipment is derecognized when it is expropriated, sold, or when no future economic benefits are expected from its use or disposal. Any loss or gain arising from the derecognition of an item of property, plant and equipment (determined as the difference between its carrying amount and the sales proceeds) is recognized in profit or loss for the year in which the transaction occurs.

4.7. OTHER ASSETS

Intangible

Intangible assets acquired separately are measured on initial recognition at cost and are capitalized based on the amount incurred to acquire or put them into operation. The recognition of the costs in the carrying amount will end when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the Company.

The intangible assets held by the Company corresponds to:

- Software.
- Easement contracts, which correspond to payments to third parties for an indefinite period of time for the use of land. These assets are subject to amortization based on the useful lives of the underlying assets owned by the Company.
- Right of use contracts, which grant the Company the shared-use of assets such as substations and pipelines.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed and classified as either finite or indefinite.

Intangible assets with finite lives are amortized under the straight line method over the estimated useful economic life of the assets, which are reviewed annually by the Company. The amortization expenses on intangible assets are recognized in profit or loss for the year in which they are incurred. The useful lives of the intangible assets are as follows:

Category	Useful life (years)
Software	+1 – 10
Easement contracts	20 – 25
Right of use contracts	5 – 50

4.8 IMPAIRMENT OF NON FINANCIAL ASSETS

Impairment is recognized when the carrying amount of a non financial asset (property, plant and equipment, and intangible assets) exceeds its recoverable amount. A recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In order to assess for impairment, the assets are grouped at the lowest levels for which the cash flows are highly independent (cash generating units) and the recoverable value is estimated using the expected future flows discounted at present value.

If the impairment analysis indicates recoverable values higher than the existing carrying amount, the Company recognizes reversals up to the amount of impairment losses previously recognized as long as they do not exceed the original acquisition cost.

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4.9 LEASES

At the beginning of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company reevaluates whether a contract is, or contains, a lease only if the terms and conditions of the contract change.

The Company chose to apply the consideration of IFRS 16-Leases for the classifications of short term and low value lease contracts. Lease contracts for which the term of the lease ends within 12 months from the date of initial application and lease contracts for which the underlying asset is of low value are recognized as straight-line expenses in the consolidated statement of comprehensive income. In determining the lease term, the Company considers all the facts and circumstances that create an economic incentive to exercise an extension option or not to exercise it.

<u>For lease contracts in which the Company is a lessee:</u>

- A right of use asset and its corresponding lease liability are recognized on the date the leased asset is available for use.
- At the commencement date, a right of use asset is measured at cost and the lease liability is measured at the present value of the lease payments that have not been paid on that date.
- After the commencement date, the Company measure:
  - The right of use asset applying a cost model. The right of use asset depreciates in a straight line over the lesser of: the lease term or the estimated useful life of the asset; an impairment loss is recognized, when applicable; and is adjusted for any new measurement of the lease liability when the contract has been modified.
  - Its lease liability is recognized including the financial cost of the contract, the executed lease payments and the effect of modifications to the contract. The financial cost is recognized in the period profit or loss, for the remaining value of the liability in each period. Lease payments are discounted using the interest rate implicit in the contract or the incremental rate of the Company's financial debt.

The useful lives of the Company's lease contracts are as follows:

Category	Useful life (years)*
Land	18 – 20
Generation assets	6 – 50

* The maturities of the contracts are individually negotiated and contain different terms and conditions, which include renewal options that were evaluated by the Company to determine the maturity of the leases.

- The Company recognizes variable payments that do not depend on an index or rate at the time they are incurred and are presented as operating costs (i.e. costs of fuels and energy purchases, or operating and general expenses) in the consolidated statement of comprehensive income. This presentation applies to short term and low value leases.

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- At the commencement date, a right of use asset is measured at cost and the lease liability is measured at the present value of the lease payments that have not been paid on that date.
- After the commencement date, the Company measure:
  - The right of use asset applying a cost model. The right of use asset depreciates in a straight line over the lesser of: the lease term or the estimated useful life of the asset; an impairment loss is recognized, when applicable; and is adjusted for any new measurement of the lease liability when the contract has been modified.
  - Its lease liability is recognized including the financial cost of the contract, the executed lease payments and the effect of modifications to the contract. The financial cost is recognized in the period profit or loss, for the remaining value of the liability in each period. Lease payments are discounted using the interest rate implicit in the contract or the incremental rate of the Company's financial debt.

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4.10 PROVISIONS

Provisions are recognized: i) when the Company has a present obligation, either legal or implicit, as a result of a past event; ii) it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation; and iii) a reliable estimate of the obligation's amount can be made.

Long term provisions are recognized based on the present value of the disbursements expected to be required to settle the obligation using the incremental rate of the Company's financial debt and the specific risks of the obligation. The increase in the provision due to the passage of time is recognized as a financial expense.

The amount of recorded provisions is assessed periodically and the required adjustments are recorded in the period profit or loss.

4.11 EQUITY

Share capital

The Law 479-08 of the Dominican Republic, *Commercial and Limited Liability Corporations Law*, establishes that the amount of share capital is recognized when it is issued, in accordance with the value of all the contributions of its common shareholders.

Legal reserve

The Law 479-08 establishes that at least 5% of the annual net income should be segregated as part of the Company's legal reserve until the balance is equal to 10% of the outstanding capital. This reserve cannot be capitalized, reassigned to retained earnings or used for the payment of dividends. In 2016, the Company reached the maximum legal amount required.

Dividends

The Foreign Investment Law of the Dominican Republic establishes the right to repatriate share capital and remit benefits in freely convertible currencies. Dividends may be declared each fiscal year, up to the total amount of accumulated earnings and net benefits of the year, and are subject to a 10% withholding tax payment. Dividends distributed and not paid are recognized as a liability in the consolidated financial statements until the disbursements are made.

4.12 REVENUE

The Company classifies its operating income as revenue from contracts with customers. These operating income are sub classified as: revenue from direct contracts with customers and revenue from sales in the spot market.

The Company recognizes, in the period profit or loss, other non operating income related mainly to financial components of operating income, investment income and income from the sale of tangible assets.

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4.12.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue from contracts with customers under the terms and conditions established by *IFRS 15 – Revenue from Contracts with Customers.*

Revenue from direct contracts

The Company mainly classifies as revenue from direct contracts with customers, income related to:

- Revenue from sales of electricity. This category includes revenue from sales of energy, capacity and other ancillary services.
- Revenue from services. This category includes mainly the revenue from the operation and maintenance of third party assets, and the fuel storage service.
- Other operating income. This category mainly includes the sales of fuel's sub products.

For these contracts or any other included in this category, revenue is recognized when the control of the goods and services has been transferred to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue from sales in the spot market

Revenue from sales of electricity (energy, capacity and other ancillary services), both contracted directly with the customers and through transactions in the spot market, are recognized based on the electricity produced and demanded by customers on each calendar month.

OCSENI, which is the entity in charge of reporting system transactions, schedules the dispatch of the generating units declared available in the market in order of merit or economic dispatch, to match the supply and demand of energy at a particular time, optimizing the existing relationship between the cost of supplying the demand and the security of the system.

Each entity in the National Interconnected Electric System ("SENI" according to its acronym in Spanish) reports the end of month metering reading to the OCSENI. This entity reconciles the amounts of electricity injected (by generation) and withdrawn (by sales) in the system and determines the quantity of energy sold by direct contracts and energy sold in the spot market. Direct contracted energy sales are priced according to contract's specifications and those sales made in the spot market are priced according to the prices declared by the marginal generation units.

4.12.2 FINANCIAL INCOME

This category includes interest on financial instruments (mostly related to trade receivables) and investments considered as cash equivalents in the consolidated statement of financial position.

Income arising from financial instruments are recognized in relation to the passage of time, calculated over the average monthly balances for the invested principal and applying the interest rate applicable to each financial instrument.

4.13 SEGMENT INFORMATION

Operating segments are components that involve business activities that could obtain revenue or incur in expenses, whose operating results are regularly reviewed by Management, and for which discrete financial information is available. Management decides which resources should be assigned to an operating segment and assesses on a regular basis the Company's operational performance and returns based on cash flows, contracts and agreements with suppliers of equipment, services and operators, and plans for advertising and growth.

Management has determined on the basis of quantitative thresholds that the Company has a single operating segment: production and sale of electricity; therefore, the consolidated financial statements and their accompanying notes contain the information required to evaluate the nature and financial effects of the business activities in which the Company engages and the economic environments in which it operates.

4.14 EMPLOYEE BENEFITS

Post-employment and termination benefits

The Company maintains a defined contribution post-employment plan in accordance with the Dominican law, which is operated by independent administrators selected by the employees. In addition, the Company maintains an internal plan for the recognition of termination benefits ("mutual agreement").

- Pension plan: starting on the effective date of Law 87-01, which establishes the Dominican Social Security Administration ("SDSS" according to its acronym in Spanish), the Company recognizes as personnel expenses the monthly contributions. These contributions, as well as employee contributions, are remitted to the entity responsible for the collection, distribution and payment of the financial resources of the SDSS; which are deposited in the individual capitalization accounts of the employees managed by the fund administrators. Obligations are measured on an undiscounted basis.

  Under this defined contribution plan, the Company has no legal or implicit obligation to make additional contributions, in the event that the fund does not have sufficient assets to attend the benefits of employees that are related to the services they have provided in the current or past periods.

- Mutual agreement policy: to estimate this obligation, the Company uses an actuarial method under the projected credit unit method. These estimates are performed annually by an independent actuary.

  Remeasurements of gains or losses from actuarial reviews are recognized as other comprehensive income.

Other benefits

The Company grants other benefits to its employees, such as bonus, vacations, Christmas bonus, among others, in accordance with the provisions of the Dominican Labor Code and its internal policies. These benefits are recognized as a personnel expense when incurred.

4.15 TAXES

The Company recognizes taxes payable, withheld, or collected based on the provisions of Law 11-92, *Tax Code of the Dominican Republic*, its rules and modifications, and accepts exemptions that are attributable to the type of operation it executes.

The Tax Code requires taxpayers to maintain their accounting records and prepare tax returns in Dominican pesos (local currency). This requirement also applies for those who use a functional currency different from the Dominican peso. The tax authorities annually indicate the foreign exchange rate to be used in the measurement of monetary items originated in foreign currencies.

The subsidiary's operations are exempt from income tax in its country of incorporation, since its operations take place outside said jurisdiction.

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Current income tax

The Company calculates this amount by applying to income before tax the adjustments of certain tax deductible or nondeductible items, in accordance with current tax regulations. The current income tax is recognized by the Company as a liability net of tax advanced payments and the applicable carryforward of unused tax losses or credits. If the net amount paid at the end of the year exceeds the amount to be paid for that period, the excess is recognized as an asset.

Deferred income tax

Deferred income tax is recognized for the temporary differences that arise between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred tax is determined using tax rates in effect, or substantially in effect, at the date of the consolidated financial statements and which are expected to be applicable when the corresponding deferred tax asset is realized or the tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that there will be available future taxable income to apply against the temporary differences.

The Company offsets its assets and liabilities for deferred taxes, when it has the legally enforceable right to offset the amounts recognized before the same tax authority and when it intends to liquidate them for the net amount or to realize the asset and cancel the liability simultaneously.

Tax on assets

The tax on assets established by the Dominican legislature, is an alternative or minimum tax calculated for energy generation, transmission and distribution companies - as defined in the *General Electricity Law* No. 125-01, based on 1% of the balance in Dominican pesos of property, plant and equipment, net of depreciation.

Tax on assets co-exists with current income tax, and taxpayers must pay the higher of the two each year. If for the year, the Company's tax obligation is to pay tax on assets, the excess over the current income tax is recorded as an operating expense in the consolidated statement of comprehensive income.

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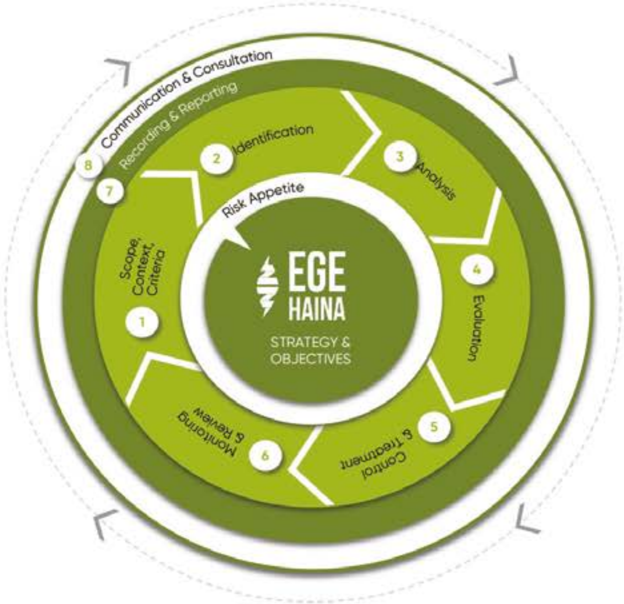
4.16 ENTERPRISE RISK MANAGEMENT

The Company is committed to a comprehensive enterprise risk management approach, which strives towards organizational resilience, and continuous improvement. Our risk management framework is based upon international standards and best practices on risk management, resilience, as well as internal control, and corporate governance. The Company's risk management model ensures the determination and management of its risks based on ISO 31000:2018 - *Risk Managemen*t and COSO ERM 2017 (Enterprise Risk Management), which are aligned with the organization's strategic framework. The Company has designed its risk management framework based on the three lines of defense model

The Company executes the risk management as a strategic and dynamic process, which is carried out at the different levels within the organization. The Company promotes a culture of integrated risk management, fostering attitudes, values, and risk-based behaviors for strategic and operational decision-making.



Enterprise Risk Management

To ensure that all risks are properly identified, assessed, and managed, the Company identifies risks to focus adequate financial and human resources on what is a priority, to guarantee the achievement of its short, medium, and long-term objectives. The Company is exposed to a universe of risks that may be of operational, financial, compliance, environmental or external nature (Note 29).

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5. FUTURE CHANGES IN ACCOUNTING POLICES

Standards, interpretations or amendments, that have been issued but have not become effective at December 31, 2020, are described below. The Company has the intention of adopting them when they become effective, if applicable.

Standard	Description	Adoption date	Status and/or estimated effect
FRS 17 – Insurance Contracts (including amendments of June 2020)	This standard replaces IFRS 4. It applies to all types of insurance contracts, regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; however, a few scope exceptions will apply.	01/01/2023 early application is permitted	Under evaluation; no early application or changes are expected
Amendments IAS 1 – Classification of Liabilities as Current or Non-current	This amendment modifies the conditions for classifying liabilities into current and non-current, and clarifies the right to defer liabilities and compensation.	01/01/2023 early application is permitted	Under evaluation; no early application or changes are expected s.
Amendments IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract	This amendment clarifies the costs that apply to fulfill contracts considered onerous and that can be included in the provision.	01/01/2022 early application is permitted	Under evaluation; no early application or changes are expected
Amendments to IAS 16 -Property, Plant and Equipment, Revenue before intended use	This amendment modifies the costs directly attributable to the asset. It clarifies the accounting of accrued income before the asset operates in the manner intended by the Administration.	01/01/2022 early application is permitted	Under evaluation; no changes are expected.
Interest rate benchmark reform– Phase 2	Interest rate benchmark reform: amendments to IFRS9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.	01/01/2021 early application is permitted	Under evaluation; no early application or changes are expected.
Annual Improvements 2018–2020 cycle	Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.	01/01/2022 early application is permitted	Under evaluation; no early application or changes are expected.

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6. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements requires Management to conduct judgments, estimates and assumptions affecting the reported figures of revenue, expenses, assets and liabilities and their corresponding disclosures, as well as the disclosure of contingent liabilities. However, given the implicit uncertainty of these judgments, estimates and assumptions, it could derive in situations requiring adjustments of significant impact on the amounts of assets and liabilities recognized in future periods.

In the process of applying its accounting policies for the consolidated financial statements at December 31, 2020, the Company has considered the following relevant judgments, estimates or assumptions:

Significant judgments, estimates and assumptions	Note
Functional currency	4.1
Fair value, business model and the expected credit losses on financial instruments	4.4
Estimated useful life and decommissioning provision of property, plant and equipment	4.6
Impairment of non financial assets	4.8
Leases term	4.9
Actuarial valuation of mutual agreement policy	4.14
Deferred tax assets	4.15

7. CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH

	2020	2019
Cash on hand:		
Denominated in United States dollars	1,500	1,500
Denominated in Dominican pesos	13,442	14,834
Denominated in euros	1,745	1,619
Cash in banks[1]:		
Denominated in United States dollars	21,026,429	16,555,452
Denominated in Dominican pesos	4,484,752	5,198,750
Denominated in euros	81,369	11,300
Cash equivalents[2]:		
Denominated in United States dollars	85,397,653	20,022,713
Denominated in Dominican pesos	225,202	136,287,723
Cash and cash equivalents	111,232,092	178,093,891
Restricted cash in United States dollars[3]	385,112	-
Cash and cash equivalents, and restricted cash	**111,617,204**	**178,093,891**

At December 31, 2020, there was no difference between the carrying amount and the fair value of these financial assets.

[1] The deposits earn interest based on daily rates determined by the corresponding banks. These accounts generated an interest of US$0.3 million in 2020 (2019: US$0.3 million) (Note 26)
[2] Certificates of deposit that expire in three months or less, which accrue interest at weighted average annual rates in Dominican pesos of 6.4% (2018: 8.4%) and 0.6% (2019: 3.1%) in United States dollars. These certificates, and those canceled during the year, generated interest of US$2.5 million in 2020 (2019: US$1.3 million) (Note 26).
[3] Restricted cash in escrow accounts for additions of property, plant and equipment.

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8. TRADE RECEIVABLES AND OTHER

	Note	2020	2019
Trade receivables:			
Related parties	9	2,932,203	21,140,776
Third parties[4]		74,310,774	45,950,376
		77,242,977	67,091,152
Other receivables:			
Third parties		33,631	108,929
Related parties	9	23	90,755
Advances to suppliers		896,350	316,883
Fuel tax[5]		512,313	100,003
		1,442,317	616,570
Expected credit losses allowance	25 and 29	(185,853)	(185,853)
		78,499,441	**67,521,869**

The detailed maturity of the trade receivables and other is as follows:

Year	Not past due	31-60 days	61-90 days	> 90 days	Total
2020	63,331,791	3,194,024	3,930,776	8,042,850	**78,499,441**
2019	34,967,869	14,457,148	5,128,219	12,968,633	**67,521,869**

Past due trade receivables generate interest equivalent to the average commercial banking active rate published by the Central Bank of the Dominican Republic. At December 31, 2020, the average rate was 9.9% (2019: 12.4%) for balances in Dominican pesos and 4.8% (2019: 6.1%) for balances in United States dollars.

During the year ended December 31, 2020, interest generated by trade receivables amount US$2.7 million (2019: US$32.6 million) (Note 26). This interest is reported as financial income in the consolidated statement of comprehensive income.

[4] See Note 21 a-b, d, f-n, q-r and u-w for more detail.
[5] After the enactment of Decree No. 275-16, which regulated the reimbursement process of selective consumption taxes on fossil fuels and petroleum derivatives created through Law 253-12, the payment of taxes for import of fuels began. These amounts are reimbursed to the extent that fuels are consumed.

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9. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Company has significant balances and transactions with related parties. These transactions are conducted under terms agreed by the parties, equivalent to transactions' terms with independent parties.

The transactions that the Company conducts with related entities and shareholders consist mainly of energy and capacity sales, operation services, payment of management fees, fuel purchases, land leases, among others.

The balances and transactions with related parties and shareholders are as follows

	Relationship	2020	2019
Balances			
Trade receivables:			
Gerdau Metaldom, S. A.[6]	Related	1,202,801	406,681
DOMICEM[6]	Related	1,170,386	1,045,345
Pasteurizadora Rica, S. A. ("RICA")[6]	Related	559,016	422,802
Empresa Distribuidora de Electricidad del Este, S. A. (Edeeste)[7]		-	6,660,821
EDENORTE Dominicana, S. A. (Edenorte)[7]		-	6,414,225
EDESUR Dominicana, S. A. (Edesur)[7]		-	6,190,902
		2,932,203	21,140,776
Other receivables:			
San Pedro Bio Energy, SRL[6]	Related	23	90,755
Balance of accounts receivable		**2,932,226**	**21,231,531**
Trade payables:			
HIC	Shareholder	1,626,347	828,214
DOMICEM[6]	Related	122,791	171,950
V Energy, S. A.[6]	Related	26,207	14,130
Cristóbal Colon, S. A.[6]	Related	13,500	4,500
		1,788,845	1,018,794
Dividends payable to non controlling interests	Shareholder	19,453	17,059
Balance of accounts payable		**1,808,298**	**1,035,853**

[6] Entities related through members of the Boards of Directors of HIC, shareholder of EGE Haina, or direct or indirect relationship through it.
[7] Entities related in 2019 through of FONPER, minority shareholder with significant influence in EGE Haina. In 2020, the minority shareholder indicated the cessation of its significant influence on these entities.

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	Relationship	2020	2019
Transactions			
Revenue[8]			
Electricity sales and interest charges			
DOMICEM	Related	11,454,185	12,286,097
Gerdau Metaldom, S. A.	Related	5,372,922	2,865,415
RICA	Related	1,765,482	3,430,844
San Pedro Bio Energy, SRL	Related	7,912	-
Edeeste		-	157,092,067
Edesur		-	82,550,503
Edenorte		-	66,603,677
		18,600,501	**324,828,603**
Costs and expenses			
HIC[9] – Management fees	Shareholder	9,010,857	13,957,467
V Energy, S. A.[10]	Related	1,441,016	518,106
DOMICEM[11]	Related	653,819	587,640
San Pedro Bio Energy, SRL	Related	232,863	-
Gerdau Metaldom, S. A.	Related	139,817	-
RICA	Related	131,192	-
Cristóbal Colón, S. A.	Related	54,000	576,327
LEXGEO, S.R.L.[6]	Related	48,722	-
Escuela de Alta Dirección BARNA, Inc.[6]	Related	33,923	-
Oficina de Abogados OMG[6]	Related	20,359	-
		11,766,568	**15,639,540**
Compañía Anónima de Explotaciones Industriales (CAEI)[6 12]	Related	**1,854,087**	**-**
Dividends paid:			
HIC	Shareholder	33,500,000	32,500,000
FONPER	Shareholder	33,495,626	32,495,756
Minority	Shareholder	1,975	2,262
		66,997,601	**64,998,018**

Compensation to key personnel

During the year ended December 31, 2020, the expenses related to salaries and compensations paid to key personnel and severance benefits amounted US$6.5 million (2019: US$8.3 million), which apply to personnel occupying the positions of General Manager, Senior Directors, Directors and Managers.

[8] The revenue from contracts associated with related parties are detailed in Note 21.
[9] Company's operational management agreement signed as part of the capitalization process, by which the Company pays to the controlling shareholder a percentage of its annual net revenue (Note 23). This contract expired in December 2020.
[10] Diesel supply contract is detailed in Note 22.
[11] Lease agreement of generation facilities signed in September 2015 for 6 years, starting in August 2018.
[12] Land lease agreement signed in December 2020.

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10. INVENTORIES

	2020	2019
Spare parts	23,381,622	24,469,289
Fuels:		
Fuel oil	8,625,327	9,921,615
Coal	1,687,314	1,605,646
Diesel	773,658	862,789
Inventory of spare parts in transit [13]	7,039,258	708,191
	41,507,179	**37,567,530**

For the year ended December 31, 2020, the Company recognized US$1,926 (2019: US$0.6 million) in obsolescence and impairment losses for its inventories (Note 25)

11. PREPAID EXPENSES

	2020	2019
Advances for fuel purchases*	6,832,401	-
Insurances	2,524,547	2,361,150
Other	318,229	399,029
	9,675,177	**2,760,179**

* Corresponds to prepayments for the following month's estimated consumption of natural gas and other associated charges, net of accounts payable related to this fuel purchase contract.

[13] Correspond to spare parts inventories, which were in transit at year end. These include specific import costs at that date. 100% of the inventory in transit was received on or before March 25, 2021 (2019: 100% was received on or before February 28, 2020).

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12. PROPERTY, PLANT AND EQUIPMENT, NET

	Land	Buildings	Generation Assets[14 and 15]	Transportation Equipment	Furniture and Office Equipment	Minor Equipment	Assets under Construction[14]	Total
Acquisition cost:								
At January 1, 2019	14,198,258	64,010,605	774,241,845	3,267,400	5,114,871	1,751,486	1,570,500	864,154,965
Additions	2,528	133,210	671,571	300,934	97,468	267,365	3,046,511	4,519,587
Disposals	-	(88,800)	(9,765,404)	(531,170)	-	-	-	(10,385,374)
Transfers	-	75,112	490,460	-	-	857,460	(1,423,032)	-
Adjustments and reclassifications	-	-	(1,365,607)	-	-	-	-	(1,365,607)
At December 31, 2019	**14,200,786**	**64,130,127**	**764,272,865**	**3,037,164**	**5,212,339**	**2,876,311**	**3,193,979**	**856,923,571**
Additions	2,033,693	75,728	766,812	137,926	109,942	238,720	67,170,172	70,532,993
Disposals	-	-	(89,531)	(101,493)	-	(29,516)	-	(220,540)
Transfers	-	-	4,683,419	-	(2,758,909)	2,899,975	(4,824,485)	-
Adjustments and reclassifications	-	1,071	(798,036)	13,456	-	(508)	-	(784,017)
At December 31, 2020	**16,234,479**	**64,206,926**	**768,835,529**	**3,087,053**	**2,563,372**	**5,984,982**	**65,539,666**	**926,452,007**
Accumulated depreciation:								
At January 1, 2019	-	(18,019,082)	(186,084,309)	(2,215,882)	(4,605,362)	(735,455)	-	(211,660,090)
Depreciation for the year	-	(3,579,770)	(39,264,311)	(347,564)	(189,622)	(421,507)	-	(43,802,774)
Disposals	-	-	9,379,750	531,170	-	-	-	9,910,920
At December 31, 2019	**-**	**(21,598,852)**	**(215,968,870)**	**(2,032,276)**	**(4,794,984)**	**(1,156,962)**	**-**	**(245,551,944)**
Depreciation for the year	-	(3,542,711)	(40,502,431)	(356,916)	(152,549)	(445,877)	-	(45,000,484)
Disposals	-	-	81,566	101,493	-	14,317	-	197,376
Transfers	-	-	-	-	2,611,882	(2,611,882)	-	-
Adjustments and reclassifications	-	(1,071)	413	(13,456)	-	2,057	-	(12,057)
At December 31, 2020	**-**	**(25,142,634)**	**(256,389,322)**	**(2,301,155)**	**(2,335,651)**	**(4,198,347)**	**-**	**(290,367,109)**
Net carrying amount:								
At December 31, 2020	**16,234,479**	**39,064,292**	**512,446,207**	**785,898**	**227,721**	**1,786,635**	**65,539,666**	**636,084,898**
At December 31, 2019	**14,200,786**	**42,531,275**	**548,303,995**	**1,004,888**	**417,355**	**1,719,349**	**3,193,979**	**611,371,627**

[14] In February 2020, EGE Haina signed an Engineering, Procurement and Construction contract for the construction of Girasol photovoltaic solar plant. At December 31, 2020, from the total amount shown, the Company has capitalized US$64.7 million related to this project.
In August 2019 and September 2019, EGE Haina signed Engineering, Civil and Electromechanical Works and Commissioning Construction contracts for the conversion to natural gas of Quisqueya 2. The Company capitalized this project in July 2020 with a total investment of US$4.7 million of the total amount transferred.
[15] The adjustments and reclassifications include: 1) adjustment related to the annual review of Quisqueya 2 decommissioning provision. The impact was recognized in other non current liabilities. 2) impairment of San Pedro de Macorís plant, which operations have been discontinued (Note 25).

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Property, plant and equipment, net includes US$0.8 million (2019: US$1.0 million) corresponding to the present value of Quisqueya 2 decommissioning provision, net of depreciation. The market rate adjusted used to discount future flows of such liability was 6.4% (2019: 5.9%). At December 31, 2020 a depreciation of US$0.1 million (2019: US$0.1 million) was recorded for this concept, which is presented as depreciation and amortization in the accompanying consolidated statement of comprehensive income.

Out of the total amount of acquisitions in 2020 of US$70.5 million (2019: US$4.5 million), US$11.1 million (2019: US$0.1 million) do not represent cash outflows. Additionally, during 2020 were paid US$0.1 million (2019: US$1.0 million) related to outstanding balances from the previous year.

Property, plant and equipment, net includes fully depreciated assets in use with an acquisition cost of US$25.5 million (2019: US$20.8 million).

For the year ended December 31, 2020, the Company recognized approximately US$0.5 million (2019: US$0.3 million) of impairment losses of property, plant and equipment (Note 25).

At December 31, 2020, property, plant and equipment, net includes capitalized interest on loans attributed to assets under construction amounting to US$1.6 million (Note 27). The average capitalization rate used was 8.2%.

13. LEASES

The following table shows the leases' right of use assets:

	Land	Generation assets	Others	Total
Right of use:				
At January 1, 2019	8,887,533	2,537,559	1,145,676	12,570,768
Additions	2,066,084	308,780	564,855	2,939,719
At December 31, 2019	**10,953,617**	**2,846,339**	**1,710,531**	**15,510,487**
Additions	20,860	-	-	20,860
At December 31, 2020	**10,974,477**	**2,846,339**	**1,710,531**	**15,531,347**
Accumulated amortization:				
At January 1, 2019	(235,988)	(738,831)	(129,583)	(1,104,402)
Amortization for the year	(308,686)	(474,390)	(74,356)	(857,432)
Adjustments and reclassifications[16]	(76,114)	521,402	73,732	519,020
At December 31, 2019	**(620,788)**	**(691,819)**	**(130,207)**	**(1,442,814)**
Amortization for the year	(312,163)	(474,389)	(74,357)	(860,909)
At December 31, 2020	**(932,951)**	**(1,166,208)**	**(204,564)**	**(2,303,723)**
Net carrying amount:				
At December 31, 2020	**10,041,526**	**1,680,131**	**1,505,967**	**13,227,624**
At December 31, 2019	**10,332,829**	**2,154,520**	**1,580,324**	**14,067,673**

[16] Reviews performed on the contracts terms and payments for the right of use assets. The impact was recognized as depreciation and amortization expense for the period.

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The following table shows the carrying amount of lease liabilities[17]:

		2020	2019
Current		1,036,297	431,129
Non current		14,069,679	14,660,115
		15,105,976	**15,091,244**

Lease payments are discounted using the market rate, adjusted to reflect the specific risks of such liability, of 11.0% and 12.0% for leases in pesos and 6.5% for leases in dollars.

The following table shows the value recognized in the consolidated statements of comprehensive income for lease contracts:

	Note	2020	2019
Amortization expense for right of use assets		860,909	338,412
Interest expense on lease liabilities	27	1,064,825	1,220,350
Short term lease expenses	23	-	4,336
Low value lease expenses	23	37,074	14,160
		1,962,808	**1,577,258**

14. INTANGIBLES AND OTHER ASSETS

	Intangibles			Other asset		Total
	Right of use[18]	Easements	Software	Leasehold improvements	Other[19]	
Other non current assets						
At January 1, 2019	10,329,245	668,285	1,182,554	274,418	294,328	12,748,830
Additions	8,420,844	-	164,632	-	1,094,021	9,679,497
Disposals	-	-	-	-	(6,341)	(6,341)
At December 31, 2019	**18,750,089**	**668,285**	**1,347,186**	**274,418**	**1,382,008**	**22,421,986**
Additions	519,690	38,384	34,744	-	615,290	1,208,108
Disposals	-	-	-	-	-	-
Adjustments and reclassifications	-	-	-	-	(1,024,868)	(1,024,868)
At December 31, 2020	**19,269,779**	**706,669**	**1,381,930**	**274,418**	**972,430**	**22,605,226**
Accumulated amortization:						
At January 1, 2019	(1,263,892)	-	(913,671)	(30,682)	-	(2,208,245)
Amortization for the year	(393,544)	(29,766)	(185,316)	(47,183)	-	(655,809)
Adjustments and reclassifications[20]	(136,961)	-	-	-	-	(136,961)
At December 31, 2019	**(1,794,397)**	**(29,766)**	**(1,098,987)**	**(77,865)**	**-**	**(3,001,015)**
Amortization for the year	(300,940)	(29,766)	(156,154)	(47,209)	-	(534,069)
At December 31, 2020	**(2,095,337)**	**(59,532)**	**(1,255,141)**	**(125,074)**	**-**	**(3,535,084)**
Net carrying amount:						
At December 31, 2020	**17,174,442**	**647,137**	**126,789**	**149,344**	**972,430**	**19,070,142**
At December 31, 2019	**16,955,692**	**638,519**	**248,199**	**196,553**	**1,382,008**	**19,420,971**

[17] The annual monetary and non monetary movement of lease liabilities, plus the future commitments of lease payments and associated interest are detailed in Note 28.
[18] Corresponds to intangibles for the shared-use rights of the pipeline and the transmission line (owned by PVDC), related to the fuel supply and connection of Quisqueya 2 power plant, respectively. These contracts expire in 2037 with a renewal option until 2062, with deferred payments which are recognized against other liabilities.
[19] Cash flows from investing contains US$1.8 million of advances paid to suppliers of property, plant and equipment, which are presented under other assets.
[20] Reviews performed on deferred payments, right of use contracts term, and right of use of assets under construction. The impact was recognized as operating and general expenses for the period, and as other liabilities.

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15. FINANCIAL DEBT[21]

	Note	2020	2019
Current financial debt			
Credit lines		75,000,000	-
Current portion of non current debt		-	33,333,260
		75,000,000	33,333,260
Non current financial debt			
Local bonds	28	257,823,803	307,500,116
Less: current portion of non current debt		-	(33,333,260)
Less: debt issuance costs		(420,779)	(508,407)
		257,403,024	273,658,449
		332,403,024	**306,991,709**

The following table shows in detail the listings of the local unsecured bonds, approved by the SIV:

Offering	Tranches	Amount in RD$	Amount in US$	Annual rate	Issuance date	Maturity date	Repayment calendar
SIVEM-105	1-4	933,192,000	-	11.50%	28-06-2017	28-06-2027	At maturity
SIVEM-105	5-14	2,332,980,000	-	11.25%	14-08-2017	14-08-2027	At maturity
SIVEM-105	15-20	1,399,788,000	-	11.00%	04-10-2017	04-10-2027	At maturity
SIVEM-095	1-3	682,642,500	-	12.00%	27-06-2016	27-06-2026	At maturity
SIVEM-095	4-10	1,592,832,500	-	11.50%	21-07-2016	21-07-2026	At maturity
SIVEM-095	11-16	1,365,285,000	-	11.25%	10-08-2016	10-08-2026	At maturity
SIVEM-095	17-20	910,190,000	-	11.15%	19-09-2016	19-09-2026	At maturity
SIVEM-084	1	-	10,000,000	7.00%	23-01-2015	23-01-2025	At maturity
SIVEM-084	2	-	10,000,000	6.50%	25-02-2015	25-02-2025	At maturity
SIVEM-084	3-5	-	30,000,000	6.25%	25-03-2015	25-03-2025	At maturity
SIVEM-084	6-8	-	30,000,000	6.00%	28-04-2015	28-04-2025	At maturity
SIVEM-084	9-10	-	20,000,000	5.75%	11-06-2015	11-06-2025	At maturity
		9,216,910,000	100,000,000				

The financial debt payable balance for listings of local unsecured bonds and credit lines is as follows:

	Note	2020	2019
Current financial debt			
Credit lines		75,000,000	-
SIVEM-078		-	33,333,260
Non current financial debt			
SIVEM-084		100,000,000	100,000,000
SIVEM-095		77,927,228	85,996,788
SIVEM-105		79,896,575	88,170,068
	28	**332,823,803**	**307,500,116**

[21] The annual monetary and non monetary movement of financial debt, plus the future commitments for financial debt and associated interest payments are detailed in Note 28.

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16. ACCOUNTS PAYABLE

	Note	2020	2019
Fuel purchases		64,033,770	88,114,425
Local energy suppliers		3,647,328	1,285,962
Other local suppliers		8,769,267	4,643,607
Other international suppliers		13,662,926	3,430,846
Trade payables to related parties and dividends	9	1,808,298	1,035,853
Withholding payables and accruals		2,324,236	2,347,772
		94,245,825	**100,858,465**

From the total accounts payable, US$64.0 million (2019: US$88.1 million) correspond to outstanding balances on fuel purchases, with due dates up to 180 days and accruing annual interest of LIBOR plus 2.0% (2019: LIBOR 180 days plus 0.9% annual). Most of the remaining accounts payable have maturities from 0 to 30 days. At December 31, 2020, fuel suppliers have executed monetization of these accounts through international commercial banks of US$61.8 million (2019: US$73.0 million). Most of the remaining accounts payable have maturities from 0 to 30 days.

17. OTHER LIABILITIES

	Note	2020	2019
Current:			
Provision for personnel compensation		2,355,315	2,437,121
Provision mutual agreement policy	24 and 28	557,655	503,206
Provision for legal contingencies	18	-	28,345
Other liabilities	14	51,849	49,890
		2,964,819	3,018,562
Non current:			
Decommissioning provision	28	981,460	1,172,033
Deposits received in guarantee		3,000	3,000
Other liabilities	14	5,627,011	5,681,512
		6,611,471	6,856,545
		9,576,290	**9,875,107**

18. CONTINGENT ASSETS AND LIABILITIES

At December 31, 2020, the Company is involved in certain claims, lawsuits and legal proceedings that arise in the normal course of business. The Company recognizes a provision for litigation when a liability may have been incurred, and the amount of the loss can be reasonably estimated.

The following list shows the summary of the legal cases in which at December 31, 2020 the Company is involved:

- On September 11, 2020, the Company filed an international arbitration in order to recover the payment of bills owed by a local power generation and distribution customer according to the Power Purchase-Sale Agreement ("PPA") signed between the parties. At December 31, 2020, no contingent provision was made for this concept in accordance with the estimates of its resolution.

The Company believes that it has meritorious defenses to all lawsuits and claims made against it and will vigorously defend itself in these cases; however, there are no guarantees that the efforts will be successful. Although the final result cannot be established with certainty, the Company - based on the review of the facts and representations of its legal advisors - considers that the final resolution of these procedures will not result in a material adverse effect on the consolidated financial statements.

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19. INCOME TAX

Income tax expense

		2020	2019
Current income tax		3,603,478	17,336,728
Deferred income tax		8,324,113	7,700,914
		11,927,591	**25,037,642**

Current income tax

Below is a reconciliation between income before tax, at the current tax rate, and the expense of the year for this concept; as well as a reconciliation of the Company's effective current income tax rate.

		2020	2019
Income before tax		45,079,548	97,222,155
Income tax calculated at the statutory rate		12,171,478	26,249,982
Taxes and other nondeductible expenses		283,825	202,268
Foreign exchange differences		(4,417,300)	(1,811,597)
Share of losses in subsidiary		31,858	102,987
Exempt income, net[22]		(1,263,863)	(1,771,901)
Adjustment of tax depreciation		(3,054,082)	(5,571,908)
Other adjustments		(148,438)	(63,103)
Current income tax		**3,603,478**	**17,336,728**

		2020	2019
Statutory income tax rate		27.0%	27.0%
Taxes and other nondeductible expenses		0.6%	0.2%
Foreign exchange differences		(9.8%)	(1.9%)
Share of losses in subsidiary		-	0.1%
Exempt income, net[22]		(2.8%)	(1.8%)
Adjustment of tax depreciation		(6.8%)	(5.7%)
Other adjustments		(0.3%)	(0.1%)
Effective current income tax rate[23]		**7.9%**	**17.8%**

The movement of the income tax (receivable) payable is as follows:

	Note	2020	2019
Balance at the beginning of the year		9,161,560	3,529,631
Unrealized foreign exchange differences		(669,158)	(365,997)
Advanced tax payments for the year		(17,599,062)	(11,338,802)
Current income tax expense		3,603,478	17,336,728
Tax on assets expense	23	596,048	-
Income tax (receivable) payable		**(4,907,134)**	**9,161,560**

[22] The activities related to Los Cocos I and II wind farms benefit from a 100% income tax exemption until 2020, according to Law No. 57-07 *Incentivo al Desarrollo de Energía Renovable (Incentive for Development of Renewable Energy).*
[23] The effective tax rate of the total income tax expense at December 31, 2020 was 26.5% (2019: 25.8%).

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Deferred income tax

The movements of the deferred income tax expense and the composition of the deferred tax assets and liabilities are as follows:

		2020	2019
Tax base difference of property, plant and equipment		6,422,933	7,100,493
Impairment of inventories		-	260,974
Other non monetary assets[24]		1,889,398	275,711
Provisions and others		11,782	63,736
Deferred income tax		**8,324,113**	**7,700,914**

		2020	2019
Deferred tax assets:			
Provisions and others		217,110	228,892
Total deferred tax assets		217,110	228,892
Deferred tax liabilities:			
Tax base difference of property, plant and equipment		78,481,561	72,058,628
Other non monetary assets		5,188,081	3,298,683
Total deferred tax liabilities		83,669,642	75,357,311
Deferred tax liability, net		**83,452,532**	**75,128,419**

Tax on assets

In 2020, the tax on assets (alternative minimum tax) turned out to be higher than the income tax, so the tax was paid on this basis. This tax is detailed as follow:

	Currency	2020	2019
Property, plant and equipment, net		28,337,894,943	26,330,612,315
Exempt assets[22]		(3,981,744,470)	(4,341,377,928)
Revaluation of assets		(424,367,027)	(424,367,027)
Assets subject to taxation	RD$	23,931,783,446	21,564,867,360
Tax rate		1%	1%
Tax on assets	RD$	239,317,834	215,648,674
Average foreign exchange rate		58.40	51.40
Tax on assets	**US$**	**4,097,908**	**4,195,499**

20. EQUITY

Share capital

At December 31, 2020 and 2019, the share capital consisted of 45,951,000 common shares issued and outstanding, with a nominal par value of RD$100 (US$6.29). Below is an itemization of the distribution and class of shares of the Company:

		Shares issued	Class of Shares		Total Amount
HIC		22,975,500	B		144,500,000
FONPER		22,972,500	A		144,481,132
Other shareholders		3,000	A		18,868
		45,951,000			**289,000,000**

[24] This category corresponds mainly to inventory and prepaid expenses.

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Dividends declared

In April 2020, the Company declared dividends for its shareholders of US$67.0 million (in April 2019: US$65.0 million) of which US$19,453 (2018: US$17,059) have not being paid. At December 31, 2020, the dividends declared per share is US$1.46 – RD$79.96 (2019: S$1.41 – RD$71.51).

Earnings per share

The determination of earnings per share is as follows:

		2020	2019
Net income		33,151,957	72,184,513
Number of shares		45,951,000	45,951,000
Net income per share for the year		**0.72**	**1.57**

21. REVENUE FROM CONTRACTS WITH CUSTOMERS

		2020	2019
Revenue from direct contracts		195,499,935	189,249,774
Revenue from sales in the spot market		109,952,857	283,884,690
		305,452,792	**473,134,464**

The composition of revenue from sales in the spot market[25], is as follows:

		2020	2019
Energy sales		66,333,322	240,492,181
Capacity sales		43,619,535	43,392,509
		109,952,857	**283,884,690**

The composition of revenue from direct contracts, is as follows:

		2020	2019
Energy sales (a–t)		169,890,450	163,801,861
Capacity sales (a–t)		22,902,372	22,801,982
Operation and maintenance services (u)		1,357,234	1,375,414
Fuel storage service (v-w)		1,061,812	1,039,861
Other		288,067	230,656
		195,499,935	**189,249,774**

[25] The Company participates in the Dominican electricity spot market, as a seller or buyer. From the energy dispatched to the SENI, the portion that is not fully contracted results in a sale to the spot market; otherwise, when the sale contracts exceed the dispatched energy, this results in a purchase to the spot market. During 2020, the Company sold excess energy for 827.8 GWh (2019: 1,882.3 GWh.

Energy sales in the spot market include US$2.3 million (2019: US$6.5 million), which correspond to a compensation service fee charged by the Superintendence of Electricity ("SIE Compensation") and US$6.5 million (2019: US$7.8 million), which correspond to the frequency regulation service.

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The following table summarizes the characteristics of the agreements included as revenue from direct contracts:

Ref	Customer	Contract Date	Term / Maturity	Type	Conditions	Results impact (in millions of US$)
a	Distribution companies	December 2018	April 2022	Energy, capacity, (40 MW) and connection rights.	Price in United States dollar and indexed by CPI of the United States of America and associated fuel prices.	2020: US$28.4 2019: US$29.8
b	Distribution company	August 2018	December 2020	Energy, capacity (3.97 MW) and connection rights.	Price in United States dollar and indexed by CPI of the United States of America and fuel oil prices.	2020: US$2.7 2019: US$3.3
c	Related dairy industry company	December 2019	November 2023	Energy demanded by its operations.	Price in United States dollar and indexed by CPI of the United States of America and coal prices.	2020: US$1.8 2019: US$3.0
d	Local power generation and distribution company	July 2008	September 2033	85MW of de capacity and associated energy.	Price in United States dollar and indexed by CPI of the United States of America.	2020: US$36.6 2019: US$68.5
e	Local related cement company	March 2014	July 2025	Energy demanded by its operations.	Price in United States dollar and indexed by CPI of the United States of America.	2020: US$11.5 2019: US$12.2
f	State electric company	April 2016	July 2036	Energy generated by the Larimar I wind farm.	Fixed price in United States dollar, with an increase of 1.67% per year and a 20% cap on the base price.	2020: US$21.9 2019: US$21.5
g	State electric company	February 2019	January 2039	Energy generated by the Larimar II wind farm.	Price partially indexed by CPI for the first 10 years, then fixed in United States dollar.	2020: US$13.2 2019: US$13.2
h	State electric company	August 2020	July 2030	Energy generated by Quisqueya 2 power plant.	Price in United States dollar and indexed by CPI of the United States of America and the Nymex Henry Hub price futures indicator.	2020: US$55.8 2019: US$0.0
i	Local duty free zone	January 2020	December 2021	Energy demanded by its operations.	Price in United States dollar and indexed by CPI of the United States of America and coal prices.	2020: US$5.9 2019: US$6.3
j	Local metallurgical company	June 2017	January 2020	Energy demanded by its operations.	Price in United States dollar and indexed by CPI of the United States of America.	2020: US$0.2 2019: US$0.2
k	Local commercialization company	July 2020	June 2023	Energy demanded by its operations.	Price in United States dollar and indexed by CPI of the United States of America.	2020: US$0.3 2019: US$0.4
l	Local agroindustry	January 2019	December 2023	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America.	2020: US$0.3 2019: US$0.2
m	Local construction materials company	February 2019	January 2024	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America	2020: US$0.3 2019: US$0.3

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Ref	Customer	Contract Date	Term / Maturity	Type	Conditions	Results impact (in millions of US$)
n	Local mining production company	March 2019	April 2024	Energy demanded by its operations. Capacity of 23MW revised annually.	Fixed energy price in United States dollar indexed by fuel oil and CPI of the United States of America.	2020: US$3.7 2019: US$16.3
o	Local fuel import and export company	April 2019	March 2022	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America.	2020: US$0.7 2019: US$0.6
p	Local related metallurgical company	July 2019	June 2023	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America.	2020: US$0.3 2019: US$0.2
q	Local related metallurgical company	July 2019	June 2023	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America.	2020: US$4.1 2019: US$2.1
r	Local manufacturing and packaging company for mass consumption products	October 2020	October 2022	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor, indexed by a coal prices and CPI of the United States of America.	2020: US$4.8 2019: US$1.0
s	State electric company	March 2019	December 2019	Multiple short term agreements for operations and backup of Haina Turbo Gas.	Fixed price on supplied energy, in United States dollar.	2020: US$0.0 2019: US$7.1
t	Production and marketing company of food and beverages for mass consumption	February 2020	January 2023	Energy and capacity demanded by its operations.	Fixed energy price in United States dollar by node factor and indexed by CPI of the United States of America.	2020: US$0.7 2019: US$0.0
u	Local related power generation company	July 2015	February 2018	Plant operation and maintenance services.	Fixed price, in United States dollar.	2020: US$1.4 2019: US$1.4
v	Local power generation and distribution company	November 2013	One year with automatic renewal.	Fuel oil #6 storage and dispatch services.	Fixed price plus a variable amount per dispatched barrel, in United States dollar and indexed by CPI of the United States of America.	2020: US$0.2 2019: US$0.2
w	Local power generation and distribution company	April 2013	Two years with annual renewal.	Fuel oil #6 storage and dispatch services.	Fixed price plus a variable amount per dispatched barrel, in United States dollar and indexed by CPI of the United States of America.	2020: US$0.8 2019: US$0.8
	Other	-	-	Minor contracts.	-	2020: (US$0.1) 2019: US$0.6
	TOTAL					**2020: US$195.5** **2019: US$189.2**

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22. COST OF FUEL AND ENERGY PURCHASES

		2020	2019
Fuel (a–d)		119,941,754	241,928,412
Energy and capacity purchases (e–f)		5,710,536	1,419,503
		125,652,290	243,347,915
Connection rights		11,918,021	12,345,737
		137,570,311	**255,693,652**

Ref	Cost	Type	Characteristics	Results impact (in millions of US$)
a	Fuel	Gas	Contract with a local supplier for the purchase of Gas according to the volumes nominated annually based on projected generation. This contract establishes minimum and maximum commitments for each contractual or fractional year for the first and last year, which can be mitigated. Consumption: 2020: 5,160 million de BTU (British Thermal Units) 2019: 0.00 million de BTU	2020: US$40.4 2019: US$0.0
b	Fuel	Fuel oil	Annual agreement with a foreign supplier for a one-year purchase of fuel oil #6. Consumption: 2020: 1.5 million barrels 2019: 3.3 million barrels	2020: US$62.4 2019: US$199.8
c	Fuel	Coal	Coal spot market purchases by 191 mil MT (2019: 170 mil MT) to a foreign supplier. Contract purchases during 2019 by 22 thousand metric ton ("MT") Consumption: 2020: 188 thousand MT 2019: 196 thousand MT	2020: US$12.2 2019: US$15.5
d	Fuel	Gasoil	Contract with a related local supplier to purchase a maximum of 720 thousand gallons of regular diesel for one year (2019: 720 thousand gallons). The price under contract is market established by the Ministry of Industry and Commerce of the Dominican Republic, less a discount. During 2020 and 2019, the Company purchased diesel in the spot market. Consumption: 2020: 85 thousand barrels 2019: 307 thousand barrels	2020: US$5.0 2019: US$26.6
e	Energy and capacity purchases	Spot Market	The Company participates in the Dominican electricity spot market, as a seller or buyer. During 2019, the Company only incurred in the SIE Compensation service. Purchases: 2020: 97.9 GWh	2020: US$5.1 2019: US$0.2
f	Energy and capacity purchases	PPA	In October, 2013 the Company signed a 20 year PPA with a local generation and distribution company, for the purchase of the energy produced by its wind farm, at a spot price less a discount per Kwh. Energy purchased: 2020: 14.9 GWh 2019: 13.2 GWh	2020: US$0.6 2019: US$1.2
			TOTAL	**2020: US$125.7** **2019: US$243.3**

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23. OPERATING AND GENERAL EXPENSES

	Note	2020	2019
Maintenance expenses		17,060,503	21,323,795
Management fees	9	9,010,857	13,957,467
Insurance		6,698,128	5,659,170
Chemicals and lubricants		2,926,936	4,537,345
Fees to Superintendence of Electricity and OCSENI[26]		1,737,633	2,585,553
Office operating costs		1,889,213	2,322,887
Security services		1,444,893	1,617,188
Research and development expenses		1,793,374	1,370,436
Professional services		1,977,642	1,731,578
Technical services		809,795	1,238,643
Tax on assets	19	596,048	-
Low value and short term leases	13	37,074	18,496
Other		2,389,853	1,620,068
		48,371,949	**57,982,626**

24. PERSONNEL EXPENSES

		2020	2019
Employee benefits		16,995,621	18,101,588
Social charges		1,072,383	1,175,566
Severance benefits		15,512	44,893
Other expenses related to personnel		179,040	247,083
		18,262,556	**19,569,130**

Mutual agreement policy

The Company performed the best estimate of its obligation under the mutual agreement policy (Note 4.14). The movement of this provision is as follows:

	Note	2020	2019
Balance at the beginning		503,206	476,727
Service cost		15,512	44,893
Interest cost		42,115	38,674
Foreign exchange rate effect		(47,219)	(23,692)
Actuarial loss (gain)		44,041	(33,396)
	17 and 28	**557,655**	**503,206**

[26] Contribution to regulatory entities of the Dominican electricity sector according to the requirements of Law 125-01-*General de Electricidad* (General of Electricity), Law 57-07-*Incentivo al Desarrollo de Energía Renovable y sus Regímenes Especiales* (Incentive for Development of Renewable Energy and their Special Regimes), and their regulations.

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25. OTHER EXPENSES, NET

	Note	2020	2019
Obsolescence and impairment of inventories	10	1,926	606,298
Impairment of property, plant and equipment	12	535,913	273,721
Impairment loss on financial assets	8	-	185,853
Tax on checks and transfers		98,817	96,342
Disposals of property, plant and equipment		23,164	88,800
Gain on sale of property, plant and equipment		(1,015)	(98,624)
Other income, net		(120,551)	(491,556)
		538,254	**660,834**

26. FINANCIAL INCOME

	Note	2020	2019
Interest on trade receivables	8	2,705,431	32,555,140
Interest on certificates of deposit	7	2,509,891	1,320,296
Other financial income	7	251,839	334,838
		5,467,161	**34,210,274**

27. FINANCIAL EXPENSES

	Note	2020	2019
Interest on financial debt		27,305,129	29,060,875
Interest on trade payables due to local energy suppliers		18,425	92,717
Capitalized interest	12	(1,564,825)	-
Interest subject to capitalization, net		25,758,729	29,153,592
Interest on fuel purchases financing		1,578,118	2,859,229
Lease interest	13	1,064,825	1,220,350
Intangibles interest		372,624	422,266
Amortization of debt issuance costs	15	87,628	136,521
Interest related to decommissioning		69,587	(63,742)
Other financial expenses		419,365	232,070
		29,350,876	**33,960,286**

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28. FINANCIAL INSTRUMENTS

Derivative financial instruments

At December 31, 2020, the Company does not have derivative financial instruments subject to hedge accounting

Fair value

The following table shows the Company's financial instruments measured and classified as lever 3 fair value (Note 4.4.2):

	2020	2019	Valuation method and unobservable significant inputs
Lease liabilities	15,105,976	15,091,244	Discounted cash flows • Future contractual flows • Discount rate
Decommissioning provision	981,460	1,172,033	Discounted cash flows • Future flows • Discount rate • CPI
Mutual agreement policy provision	557,655	503,206	Projected credit unit • Discount rates and salary increase • Payment history • Demographic assumptions • CPI
	16,645,091	**16,766,483**	

The following table shows a comparison of the carrying amount and the fair value for the Company's financial instruments, excluding those when carrying amount approximates their fair value.

The fair value of these instruments was measured and classified at level 2 of the fair value hierarchy. The valuation is done using the annual average of the prices of the transactions executed by tranche, according to the lists of the secondary market operations published by BVRD, or at its registered value for those that were not traded.

	2020		2019	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial debt – local bonds	**332,823,801**	**346,925,027**	**307,500,115**	**320,993,661**

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Changes in liabilities derived from financing activities

	Movement type	Financial debt	Dividends	Lease liabilities	Total
January 1, 2019		349,296,930	15,077	11,932,733	361,244,740
Additions-declarations	Non-monetary	-	65,000,000	3,402,649	68,402,649
Amortizations	Non-monetary	136,521	-	1,220,350	1,356,871
Foreign exchange differences	Non-monetary	(9,108,349)	-	-	(9,108,349)
Cash inflows	Monetary	30,000,000	-	-	30,000,000
Cash outflows	Monetary	(63,333,393)	(64,998,018)	(1,464,488)	(129,795,899)
December 31, 2019		**306,991,709**	**17,059**	**15,091,244**	**322,100,012**
Additions-declarations	No monetary	99,606,123	-	20,860	99,626,983
Amortizations	No monetary	87,629	67,000,000	1,064,825	68,152,454
Foreign exchange differences	No monetary	(16,405,432)	(5)	(162,545)	(16,567,982)
Cash outflows	Monetary	(57,877,005)	(66,997,601)	(908,408)[27]	(125,783,014)
December 31, 2020		**332,403,024**	**19,453**	**15,105,976**	**347,528,453**

Future commitments associated with financial liabilities

The table shows the financial commitments of the Company based on the contractual non discounted contractual cash flows and grouped according to their remaining contractual maturity:

Balances 2020	**< 1 year**	**1 - 2 years**	**3 - 5 years**	**> 5 years**	**Total**
Financial debt	75,000,000	-	100,000,000	157,823,803	332,823,803
Interest on financial debt	24,050,473	48,100,945	43,506,631	19,886,266	135,544,315
Accounts payable	94,245,825	-	-	-	94,245,825
Other liabilities	2,964,819	99,964	152,454	5,377,593	8,594,830
Decommissioning provision	-	-	-	981,460	981,460
Lease liabilities	1,036,297	1,131,786	493,650	12,444,243	15,105,976
Interest on leases	1,007,656	1,910,660	2,624,336	20,842,355	26,385,007
	198,305,070	**51,243,355**	**146,777,071**	**217,355,720**	**613,681,216**

Balances 2019	**< 1 year**	**1 - 2 years**	**3 - 5 years**	**> 5 years**	**Total**
Financial debt	33,333,260	-	-	274,166,856	307,500,116
Interest on financial debt	26,472,006	51,803,046	51,874,009	43,186,904	173,335,965
Accounts payable	100,858,465	-	-	-	100,858,465
Other liabilities	3,018,562	53,132	148,984	5,482,396	8,703,074
Decommissioning provision	-	-	-	1,172,033	1,172,033
Lease liabilities	431,129	482,374	1,517,941	12,659,800	15,091,244
Interest on leases	1,050,837	1,020,456	2,840,505	22,632,615	27,544,413
	165,164,259	**53,359,008**	**56,381,439**	**359,300,604**	**634,205,310**

[27] The consolidated statement of cash flows includes, in addition to these outflows, the short-term, low-value lease payments (Notes 12 and 22).

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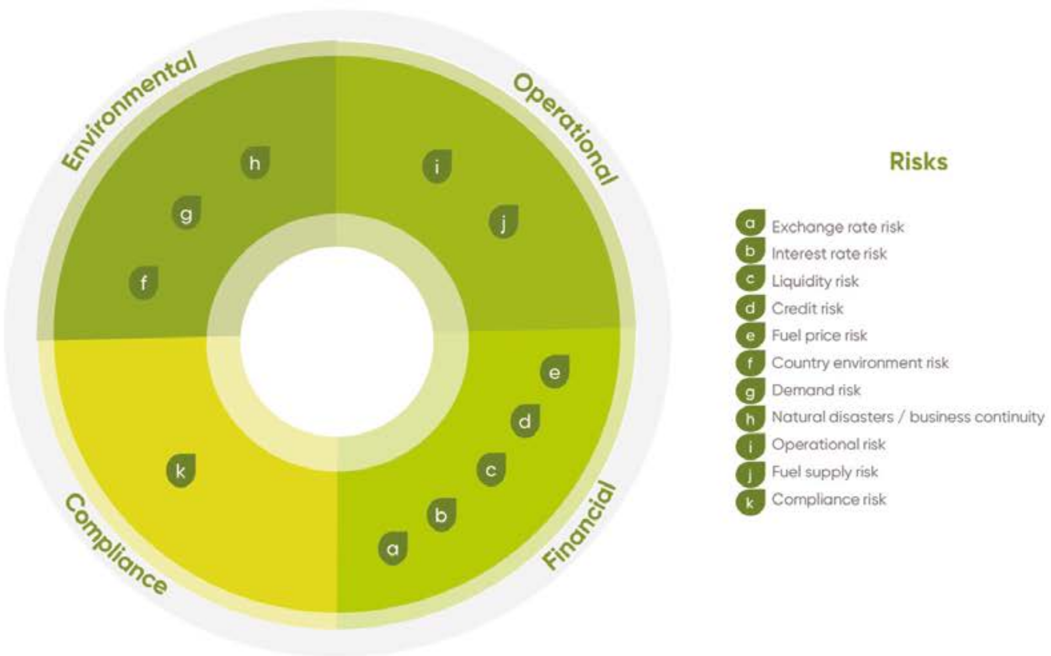
29. FINANCIAL RISK MANAGEMENT

The Company has identified 11 main risks for the year ended December 31, 2020, which mitigation measures are aligned with the organization's strategy



The key actions to manage risks included in the financial quadrant are detailed below.

Financial risk management

a) Exchange rate risk

As a result of the Company's operations in foreign currency, it is exposed to exchange rate risk when the values of its assets and liabilities are denominated in a foreign currency (different from functional); therefore, their periodic measurement depends on the foreign currency exchange rate in effect in the financial market, mainly the Dominican peso and the euro. The exchange rate risk consists of the recognition of foreign exchange differences in the Company's profit or loss, resulting from exchange rates variations between the functional currency and the respective foreign currency.

This risk depends on the net position in foreign currency. To reduce its exposure to the exchange rate risk, the Company makes debt offerings in the local stock market in Dominican pesos which offset the assets in this currency, mainly comprised of spot market trade receivables.

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A summary of the monetary financial assets and liabilities denominated in foreign currency, included in various categories of the consolidated statements of financial position, is presented below:

	2020	2019
Denominated in Dominican pesos		
Monetary assets:		
Cash and cash equivalents	4,723,396	141,501,307
Trade receivables and other	6,206,797	6,909,373
Income tax receivable	4,833,449	-
	15,763,642	148,410,680
Monetary liabilities:		
Accounts payable	4,128,828	4,042,117
Income tax payable	-	9,161,560
Other current liabilities	1,603,209	1,889,181
Financial debt	157,823,801	174,166,856
Lease liabilities	1,310,365	1,293,051
	164,866,203	190,552,765
Excess of monetary liabilities	**(149,102,561)**	**(42,142,085)**

	2020	2019
Denominated in euros		
Monetary assets:		
Cash and cash equivalents	83,114	12,919
Trade receivables and other	12,538	23,068
	95,652	35,987
Monetary liabilities:		
Accounts payable	6,857,697	2,474,688
Excess of monetary liabilities	**(6,762,045)**	**(2,438,701)**

The following table [28] shows a sensitivity analysis of the effect on income before tax, presented in the consolidated statement of comprehensive income, derived from a reasonable variation in the exchange rate of the Dominican peso and the euro versus the United States dollar:

		Exchange Rate Variance	Effect on results
2020	**RD$**	**+5%**	**(7,100,122)**
2020	**RD$**	**-5%**	**7,100,122**
2019	RD$	+5%	(2,008,180)
2019	RD$	-5%	2,008,180
2020	**€**	**+5%**	**(322,002)**
2020	**€**	**-5%**	**322,002**
2019	€	+5%	(116,129)
2019	€	-5%	116,129

[28] The positive exchange rate variation (+ 5%) indicates devaluation and the negative (-5%) indicates an appreciation of the foreign currency against the US dollar. The effect on results is presented according to the excess of monetary liabilities: negative balances represent estimated exchange gains; and positive balances, estimated exchange losses.

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b) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument could fluctuate as a result of variations in market interest rates. The Company's exposure to this risk is basically related to long term obligations with variable interest rates.

The Company maintains a limited exposure to the risk of variable interest rates, in the use of current credit lines, which can periodically review their price, according to market conditions. Also trade receivables past due accounts accrue interest at market active rates or higher, thus covering the cost of their financing.

At December 31, 2020, the Company's non current debt and its current portion is agreed at fixed rates, thus the Company is not exposed to this risk.

c) Liquidity risk

Liquidity risk is the risk that the Company is unable to fulfill its financial obligations. To mitigate this risk, the Company monitors its liquidity needs so that it has enough cash in banks and short term investments to fulfill its operational requirements, and also maintains the availability of credit lines with local and international banks to be used if their need it.

In order to mitigate the liquidity risk associated with the credit risk assumed through trade receivables, the Company performed the following activities:

- Second quarter of 2020: funds obtained from credit lines for US$100.0 million, of which US$25.0 million were repaid at maturity. At December 31, 2020, financial debt related to short term credit lines amounts to U$$75.0 million.
- First quarter of 2019: funds obtained from credit lines for US$30.0 million. This debt was fully repaid in April 2019.
- Fourth quarter of 2019: financial assets factoring (trade receivables) for a total of US$37.0 million. Out of the total amount transferred, 0.1% of the instruments were traded at a premium over their par value and the remaining 99.9% were traded at par value.

At December 31, 2020 based on the evaluation of the future cash flows of its operations and the expected credit losses, the Company expects to meet the commitments of its financial instruments (Note 28) until the date of their contractual maturity.

d) Credit risk

Credit risk is the risk that one of the counterparts does not comply with the obligations derived from a financial instrument or sale-purchase contract, and this translates into a financial loss. The credit risk arises mainly from cash and cash equivalents, and trade receivables.

The financial assets that potentially expose the Company to credit risk concentration consist primarily of accounts receivable from energy and capacity dispatched through the SENI to the government distribution companies and CDEEE (main buyers). Although these accounts show delay in their current payments, the Company has had no history of uncollectibility with those companies. Additionally, the Company maintains contracts with important industrial customers in the country, which maintain their accounts payable up to date.

Regarding the risks of cash and cash equivalents, the Company's maximum exposure from a non-compliance by a counterpart would be the carrying value of these assets. The credit quality of financial assets are assessed based on equity levels and the credit rating given by credit agencies to the institutions where these financial assets are located.

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The credit quality of the financial assets that have not matured and that have not suffered impairment losses can be assessed in relation to the credit rating ("rating") granted by external entities, as follows:

	2020	2019
Cash in banks::		
Local credit rating - Fitch/Feller		
AAA	616	444
AA+	91,257,429	157,784,575
A+	684	993
A-	2,066	2,307
BBB+	236	3,779,684
	91,261,031	161,568,003
International credit rating – Fitch		
AAA	5,010	16,507,933
A+	20,334,036	-
BB	441	-
	20,339,487	16,507,933
Cash on hand	16,686	17,955
	111,617,204	**178,093,891**

The Company performed an impairment analysis for its accounts receivable at the end of 2020 and 2019, using a provision matrix which measures the expected credit losses and evaluates other objective impairment conditions. The Company estimates that the accounts receivable credit risk concentration for all its business models is low based on its historical collectability, and did not recognized an impairment credit loss expense in 2020 (2019: US$0.2 million). The revenue for transactions in the spot market with a private distribution company in the process of financial restructuring and legally claimed, for which an impairment credit loss expense was recognized in 2019, was not recognized during 2020 due to their recoverability assessment.

The expected credit loss matrix is presented below:

At December 31, 2020	**0-90 days**	**+ 90 days**	**+ 365 days**		**Total**
Expected credit loss rate	0%	0%	0%	100%	
Customer in restructuring and legally claimed	-	-	-	185,853	185,853
Business model - Level 2	69,498,262	-	37,825	-	69,536,087
Business model - Level 3	5,992,014	39,114	-	-	6,031,128
Business model - Level 4	2,932,203	23	-	-	2,932,226
Gross balance - trade receivables and other	78,422,479	39,137	37,825	185,853	78,685,294
Expected credit losses allowance	**-**	**-**	**-**	**185,853**	**185,853**

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At December 31, 2019	0-90 days	+ 90 days		+ 365 days	Total
Expected credit loss rate	0%	0%	0%	100%	
Customer in restructuring and legally claimed	-	-	-	185,853	185,853
Business model - Level 2	57,036,006	-	-	-	57,036,006
Business model - Level 3	8,704,302	222,677	-	-	8,926,979
Business model - Level 4	1,558,884	-	-	-	1,558,884
Gross balance - trade receivables and other	67,299,192	222,677	-	185,853	67,707,722
Expected credit losses allowance	**-**	**-**	**-**	**185,853**	**185,853**

	2020	2019
Allowance at the beginning of the year	185,853	-
Impairment loss recognized in profit or loss	-	185,853
Expected credit losses allowance	**185,853**	**185,853**

e) Fuel price risk

The Company is exposed to the risk resulting from the fluctuation of international fuel prices. Since the Dominican Republic is not a fuel producer, the Company purchases natural gas and fuel oil for energy generation from local and international suppliers at prices based on international indexes plus a transportation charge and other associated charges. In general, the natural gas cost is determined by reference to the index published by Nymex Henry Hub, and the index published by Platts for the fuel oil. Both indices are used in the indexation formulas in the power sale-purchase agreements. Additionally, the energy prices declared for spot market transactions include the fluctuations of fuel prices. As a result, the Company has a natural hedge against these fluctuations.

The Company is also exposed to the risk resulting from changes in the cost of coal. Currently, it acquires the coal necessary for the operation of the Barahona power plant from the best market offer. The variable cost of this plant has historically been cheaper than the marginal price of the system.

30. IMPACT EVALUATION OF COVID-19

The World Health Organization declared the coronavirus disease "COVID-19" as a pandemic on March 11, 2020; therefore, the Company activated its crisis response plan. Measures designed to safeguard personnel and guarantee the continuity of operations were put in place, including financial, commercial, legal and supply safeguarding.

The preventive plan implemented by the Company in the face of this health challenge has been successful. Electricity generation has not stopped. The operation, maintenance and administrative tasks have been carried out effectively, prioritizing the safety, health and well-being of our personnel and of all the groups of interest with which we interact. Likewise, the Company has extended its solidarity to the communities close to its power plants, and to vulnerable groups and institutions.

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Relevant facts

The appearance of COVID-19 on the institutional agenda has not prevented the strategic plan progress, nor the achievement of the budgeted results; however, the following relevant facts should be highlighted as pandemic effects:

- In 2020, the electricity demand has undergone a change in the consumer sectors: commercial and industrial demand decreased due to the reduction in working hours as a result of the state of emergency decreed by the Dominican State, and residential demand increased as a result of the quarantine imposed by the Government. During 2020, the total electricity demand in the interconnected system experienced an increase of 1.4% compared to 2019.
- The partial delay in the collection of capacity from a customer (local energy generation and distribution company). At December 31, 2020, accounts receivable due for this concept amounted to US$7.1 million and are in an international arbitration process (Note 18). No provision was made for credit losses related to this concept.
- Minor expenses disbursements amounting to US$0.6 million, incurred mainly in the crisis response plan measures to safeguard personnel and maintain the continuity of operations. This impact was recognized as operating and general expenses for the period.
- Among the measures adopted by the Dominican Government to mitigate the economic impact of COVID-19, the fiscal authority (Dirección General de Impuestos Internos - "DGII") implemented a series of relief measures to comply with tax obligations. The Company took advantage of the provisions issued by the DGII in its Notice 23-20 *Reliefs for taxpayers compliance in the face of the economic impact of the coronavirus (COVID-19)*, regarding the split into four equal and consecutive payments of the income tax corresponding to the fiscal year 2019 without these being subject to compensatory interest.

Risks and uncertainties

No significant risks related to COVID-19 have been materialized that could impact the Company's consolidated financial position, comprehensive income, changes in equity and cash flows at December 31, 2020. Although it is not possible to estimate with certainty the future impacts of COVID-19, the estimates evaluated up to the date of issuance of these consolidated financial statements indicate that there is no objective evidence that could affect the Company's presumption of going concern.

31. SUBSEQUENT EVENTS

The Company has evaluated subsequent events until March 25, 2021, the date of issuance of these consolidated financial statements, and there are no significant subsequent events requiring disclosure.

10 About this report

How was this GRI report produced?

This is the second Sustainability Report produced by EGE Haina in accordance with the Essential option of the Global Reporting Initiative (GRI) Standards, and this time, for the 2020 period. The company's reporting cycle is annual. Prior to this, the first Report prepared under the GRI methodology, corresponding to the work of the company during 2019, was published in 2020. For the Report corresponding to 2019, the definition of materiality was carried out with the active collaboration of the stakeholders, based on the evaluation of the economic, social and/or environmental impact of each one of them and the consideration of internal and external factors. For this second Report, a process of assessment of each of the material topics was carried out from the perspective of both the business strategy and the stakeholders' expectations, which resulted in the inclusion of a new material topic that is added to the six material topics reported last year: commitment to our communities and society.

The issues identified are significant for EGE Haina, they are being worked on, or in specific cases, the company has assumed the commitment to manage them in the short or medium term.

To define the relevant contents of this volume, the GRI Standards were used for the preparation of sustainability reports. These standards defined the steps to determine the aspects and topics to be included, as well as the principles for establishing and exposing the contents.

For this report, there has not been a reformulation of the information included with respect to the previous report and its coverage. For comments, suggestions or inquiries regarding this document or its contents, please contact: sostenibilidad@egehaina.com

GRI Standard	Content	Number of pages or URL	Omissions
GRI 101: 2016 FUNDAMENTALS			
GENERAL CONTENT			
GRI 102: 2016 GENERAL CONTENT			
1. ORGANIZATION PROFILE			
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102-2	Events, brands, products and services	22	
102-3	Headquarters address	22	
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102-5	Property and legal form	24	
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102-7	Organization size	26, 89, 90, 91, 118, 121, 163	
102-8	Information about employees and other workers	118, 119	
102-9	Supply chain	87, 88	
102-10	Significant changes in the organization and the supply chain	-	No significant changes are reported on the organization and its supply chain during the period covered by this report.
102-11	Precautionary principle or approach	102, 103	
102-12	External initiatives	57-61	
102-13	Membership of associations	73	
2. STRATEGY			
102-14	Statement of senior executives responsible for decision-making	6-9	
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4. GOVERNANCE			
102-18	Governance structure	10-19	
5. STAKEHOLDER'S PARTICIPATION			
102-40	List of stakeholders	64-67	
102-41	Collective bargaining agreements	Does not apply	To date, no collective bargaining agreements have been signed
102-42	Identification and selection of stakeholders	64	
102-43	Focus on stakeholder's engagement	64	

GRI Standard	Content	Number of pages or URL	Omissions
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102-47	List of material topics	70	
102-48	Restatement of information	Does not apply	No restatement of information is reported during the reporting period.
102-49	Changes in reporting	Does not apply	As this is the first report prepared under the GRI Standards, no changes are reported.
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102-56	External verification	Does not apply	No external verification was carried out for the reported period.

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GRI Standard	Content	Number of pages or URL	Omissions
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