

INTEGRATED ANNUAL REPORT

2019



SM SAAM

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- 02_Corporate Governance
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SOLID PRESENCE IN THE AMERICAS



BUSINESS DIVISIONS

- Port Terminals
- Towage
- Logistics

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01_ IDENTIFICACION



“

I have worked at Iquique Terminal Internacional (ITI) for the past 8 years. The chance the company gave us to participate in the Innovation Challenge (Itinnova) was a very important incentive. It allowed us to propose solutions, from an employee perspective, to improve different processes that we perform every day at the terminal and that can be applied at other ports, thus contributing to efficiency and safety. We see all the participating teams as winners and we thank the company for the opportunity it offered us to develop our skills and contribute to effectiveness at ITI and, in turn, in the Tarapacá Region.

”

JOSÉ MUÑOZ ZURITA
 Crane and Equipment Analyst
 Member of team that won ITINNOVA 2019 award

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COMPANY INFORMATION

Corporate Name: Sociedad Matriz SAAM S.A.
Taxpayer ID: 76.196.718-5
Type of Entity: Publicly traded corporation
Legal Address: Av. Avenida Apoquindo 4800, Torre II, piso 18, Las Condes, Santiago.
Postal Code: 7560969
Phone: 56- 2 2731 8240
Fax: 56- 2 2731 8250
Website: www.saam.com
Social Media: SAAM S.A.
SVS Registration Number: 1091

INDEPENDENT AUDITORS

PricewaterhouseCoopers Consultores, Auditores SpA (PWC)
Taxpayer ID: 81.513.400-1

CURRENT RISK RATINGS

AA- Feller Rate Clasificadora de Riesgo
AA- Humphreys Clasificadora de Riesgo

SECURITIES LISTINGS

Santiago Exchange: <https://www.bolsadesantiago.com>
Chilean Electronic Stock Exchange: <https://www.bolchile.com>
Ticker: SM SAAM

STOCK INDICES

SPCLXIGPA

General Stock Price Index.
 Groups the most important stocks listed on Santiago Exchange.

Dow Jones Sustainability Chile Index (DJSI Chile)

Launch date: September 28, 2015
Date SM SAAM joined index: September 19, 2016

Made up of leaders in environmental, social and governance (ESG) matters, the Dow Jones Sustainability™ Chile Index, known as DJSI Chile, is the first sustainability index in Chile, developed in conjunction with S&P Dow Jones Indices and RobecoSAM. This index uses the Dow Jones Sustainability Indices calculation methodology and the Selective Stock Price Index (IPSA) as a basis.

Dow Jones Sustainability MILA Pacific Alliance Index

Date SM SAAM joined index: September 13, 2018

Launched in 2017, this index tracks the performance of companies with the highest sustainability ratings as assessed by RobecoSAM for the Pacific Alliance region, including Chile, Colombia, Mexico and Peru.

MEMBER OF
Dow Jones Sustainability Indices
 In Collaboration with RobecoSAM



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CONTACT DETAILS

Shareholder Registry

DCV Registros S.A.
Nueva Torre Santa María, Av. Los
Conquistadores 1730 piso 24, Providencia,
Santiago, Chile.
Phone: 56-2 2393 9003
E-mail: atencionaccionistas@dcv.cl

Investor Relations

Contact: Paula Raventós, Head of
Investor Relations
E-mail: praventos@saam.cl
E-mail: ir@saam.cl
Address: Avenida Apoquindo 4800,
Torre II, piso 18, Las Condes, Santiago
Phone: 56-2 2731 8213
Website: www.saam.com

Media Relations

Contact: Cristina Schmidt, Head of
Corporate Affairs
E-mail: mschmidts@saam.cl
E-mail: press@saam.cl
Address: Avenida Apoquindo 4800,
Torre II, piso 18, Las Condes, Santiago
Phone: 56-2 2731 8286
Website: www.saam.com

ARTICLES OF INCORPORATION

Sociedad Matriz SAAM S.A. (SM SAAM) is a publicly held corporation that was spun off from Compañía Sud Americana de Vapores S.A. (CSAV) at an extraordinary shareholders' meeting held on October 5, 2011, whose minutes were summarized in a public instrument dated October 14, 2011, and legalized in the Valparaiso Notary of Mr. Luis Enrique Fischer Yávar. An extract of that instrument was registered on page 63,113 number 46,346 of the Commerce Registry at the Santiago Property Registrar for 2011 and was published in the Official Gazette on October 25, 2011.

The terms agreed at that extraordinary shareholders' meeting regarding spinning off CSAV and subsequently incorporating SM SAAM required the following conditions precedent to be fulfilled: (i) that at least US\$1,100 million of the capital increase in CSAV agreed at the same meeting be subscribed and paid; and (ii) that third-party approvals of this spin-off be granted, which are required under contractual obligations entered into by CSAV or its subsidiary, Sudamericana Agencias Aereas y Maritimas S.A.

Subsequently, these conditions precedent were fulfilled, so the spin-off of CSAV and the incorporation of SM SAAM were recorded in a public instrument dated February 15, 2012, legalized by the Santiago Notary of Mr. Eduardo Diez Morello and noted in the margin of the registration of SM SAAM's incorporation. For more details, the complete bylaws are available at www.saam.com.

Corporate Purpose

Acquiring and selling shares in public listed companies, shares or voting rights in other companies, bonds, debentures, commercial paper and other tangible securities; managing, transferring and benefiting from them, gaining from their sale; financing related companies; and providing services and advice.

ABOUT THE FIRST INTEGRATED ANNUAL REPORT

The year 2019 marks a milestone in SM SAAM's history with the publishing of its first Integrated Report. This publication is a reflection of the company's commitment to acting responsibly not only in its business doings but also in relation to environmental, social and governance matters. The company understands that its mission goes beyond financial returns and that it must respect its diverse stakeholders and contribute value for them.

SM SAAM is convinced that sustainability and stakeholder engagement are the right pathway to guide its management and daily activities.

Criteria Used to Prepare the Integrated Report

- Global Reporting Initiative (GRI), GRI standards, Core Version.
- Framework from the Integrated International Reporting Council (IIRC).
- Principles established in the AA1000 AccountAbility Principles on dialogue with stakeholders.
- General Character Standard No. 30 from the Financial Market Commission (CMF).
- Dow Jones Sustainability Index (DJSI)

Scope

This report covers the performance and results of SM SAAM and its subsidiaries for the period from January 1 to December 31, 2019.

Scope of financial reporting: Sociedad Matriz SAAM S.A. and subsidiaries contained in the Consolidated Financial Statements as of December 31, 2019, under International Financial Reporting Standards (IFRS).

Scope of environmental, social and governance (ESG) reporting: ESG or extra-financial information is for SM SAAM, subsidiaries and associates, unless indicated otherwise.

Reporting Period

This Integrated Report will be prepared annually.

Preparation and Approval Process

To prepare this first Integrated Report, the company formed a team of individuals from multiple areas led by the Corporate Finance and Corporate Affairs departments.

The team conducted a series of semi-structured, in-person interviews of senior executives, board members and investors in order to identify issues that are relevant to SM SAAM.

A digital version of the Integrated Annual Report will be available through the company's market information channel: the Investor section of its website, www.saam.com.

Note: Throughout this document, this report is referred to indistinctly as the Annual Integrated Report, the Integrated Report and the Annual Report.

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02_ CORPORATE GOVERNANCE



Since 2015 there has been a lot of involvement and community assistance from Portuaria Corral. The port and neighboring areas look nicer every day and enhance one of our main assets, tourism. Initiatives like training courses, sports programs and early childhood education have helped our children access more and better conditions.



LETICIA SLATER
President of Corral Environmental Foundation

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CHAIRMAN'S REPORT

Dear Shareholders:

I am proud to present our first Integrated Annual Report. This publication covers SM SAAM's performance during 2019 beyond financial aspects, conveying our firm intention to continue moving forward transparently and growing sustainably.

The year we just ended will always be remembered for a major milestone: the largest purchase in our company's history, by which we acquired Boskalis's stake in our joint operations in the towage business in Brazil, Mexico, Panama and Canada for US\$194 million.

This strategic step moves our business into the future, giving us one single entity throughout the Americas and an attractive position from which to continue growing and attaining a position of global leadership in the towage industry, where we are the largest operator in the Americas and one of the leading suppliers of towage services in the world. All these operations were grouped under the SAAM Towage brand with a common operating model, presence in nine countries in the Americas and a fleet of 152 vessels.

Another milestone during the period was the progress we made in implementing our new operating model, which in two years has involved more than 400 initiatives, including substantial progress in risk management and our processes model, helping improve the company's management and transform it into a more flexible, efficient, modern and competitive company.

We are convinced that in order to be sustainable over time we must be flexible and able to adapt. The driving force behind this new operating model were efforts to refocus the company's strategy in order to ensure its sustainable growth in a highly challenging context for foreign trade.

Time has proven us right: our vision of growth, diversification and leveraged internationalization, accompanied by a simplified structure that concentrates and strengthens support areas and a culture of operational excellence, leaves us on better footing to face the intense competition in our industry and the challenging economic and socio-political environment, particularly in Latin America.

This efficient and orderly management enabled us to attain good results in all business divisions. Today we are an international company but we have not forgotten our Chilean roots, which is why we are not indifferent to the recent civil unrest. The current context presents new challenges not only for political players but also for society as a whole, including companies. We are conscious of the role we play and the importance of dialogue to move forward as a country.

As for our results, as of year-end 2019, SM SAAM reported net income of US\$58 million, equivalent to a 17% increase in comparable earnings (i.e. US\$8.6 million more than last year) with an historical EBITDA of US\$177 million, which represents an increase of 21% over 2018, related mainly to earnings growth in our three business divisions and efficiencies generated by our new operating model.

For the Towage Division, the year 2019 saw important developments in its growth strategy, looking to play a leading role in the industry's consolidation process.



AS a company WITH 58 years in Business, TODAY we aim TO CONTINUE TO GROW IN TOWAGE AND LOGISTICS AND CONSOLIDATE OUR POSITION IN PORTS, WITH a SPECIAL EMPHASIS ON SUSTAINABLE management.

Óscar Hasbún M.
Chairman of the Board of SM SAAM S.A.

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In addition to the aforementioned acquisition of 100% of the operations in Brazil, Mexico, Panama and Canada, during the period operations began under the long-term contract to operate three tugs at the RIPET propane gas export terminal in Canada. One of these tugs was built specially for this project and is the first vessel with IMO Tier III emissions control certification in our fleet, and in Canada, making it one of the most ecological in the world.

Fleet upgrades continued with the arrival of the SAAM Itzá to the port of Quetzal, in Guatemala.

Along with that, we announced our entry into a new market in 2021: El Salvador, where we will provide services for the Energía del Pacífico (EDP) project at the port of Acajutla. This project will require three tugs, two of which will be new.

We began the year 2020 with the announcement of the purchase of 70% of Intertug S.A., a company with broad experience in the towage market in Colombia, Mexico and Central America. This deal strengthens our leadership position in the Americas and confirms our intention to play a key role in the industry consolidation process.

In 2019, the division saw an increase in special services and salvage operations. Thanks to this, the Towage Division increased its sales by 10% this year, compared to 2018, reaching US\$207 million, while its EBITDA reached US\$78 million, up +16% over 2018.

The Port Terminals Division also reported strong results. Sales reached US\$274 million and Ebitda was US\$105 million, which represents an increase of 1% and 17%, respectively. The division's transferred volumes held steady with respect to 2018, with 37.9 million tons and 3.4 million TEUs.

As part of our vision of consolidating our portfolio and managing our company more efficiently, the companies within this division also reported several milestones during the period. For example, San Antonio Terminal Internacional (STI) surpassed one million TEUs transferred for the eighth year in a row and exceeded 1.2 million TEUs for the second year in its history.

Iquique Terminal Internacional (ITI) once again saw a record increase in Bolivian cargo to 61%. Portuaria Corral, a terminal located in southern Chile used by the forestry industry, achieved a new transfer record of 1,242,651 metric tons, which translates into an increase of 13.5%.

Outside Chile, Florida International Terminal (FIT) achieved a record by transferring 269,692 TEU, the highest figure in 14 years in operation. This volume is 6.3% higher than 2018, and consolidates the growth trend seen at this terminal over the past four years, giving an accumulated increase of 54% over this period.

Worthy of particular mention are the wharf expansion works at Terminal Portuario Guayaquil and completion of dredging works on the access channel, which will enable the port to receive higher draft ships. San Vicente Terminal Internacional, in turn, received two state-of-the-art cranes to reinforce its operations. At Puerto Caldera, Costa Rica, dredging was moved up in order to optimize terminal operations. Here, we have also continued to work on the port modernization project.

Lastly, the Logistics Division also took important steps. For example, Aerosan now has one single name and image in Chile, Colombia and Ecuador. We also renewed the concession for the Export Distribution Center at the Santiago airport and began operating the new Import Distribution Center.

Logística Chile reported positive results during the period, while closing new retail industry contracts and continuing to lead in the bonded warehouse segment.

And, like the other divisions, the results of the new operating model become evident, driving Ebitda to US\$10 million, or 35% greater than 2018.

As a company with 58 years in business, today we strive to continue growing in towage and logistics and consolidate our position in ports, with a special emphasis on sustainable management that contributes value to all shareholders and stakeholders alike.

SM SAAM has 7,800 employees, with which the company maintains ongoing, constructive and honest dialogue, allowing it to build long-term, trust-based relationships. This was evidenced by the company successfully concluding 25 collective bargaining processes. We know that we face very important challenges in the country's new social context and that we can only resolve them in close collaboration with our workers, for which we must deploy all our efforts.

Our management based on ESG criteria was endorsed by our being listed for the fourth straight year on the Dow Jones Sustainability Index Chile (DJSI Chile) and for the second time on the Latin American Integrated Market Index (DJSI MILA), which particularly highlights our progress in environmental matters, a dimension where the company rose eight points with respect to 2018.

One of our focuses in 2020 will be to continue improving our safety standards. While we have taken important steps in this area, we know we can do more, convinced that people are the heart of our operations and their wellbeing is the foundation of a job well done.

The challenges in our industry are multiple: in addition to the consolidation process in the shipping industry, the coronavirus has altered trade with Asia and its evolution is still underway.

The commitment of our shareholders and strategic partners and the effort of each of our employees have enabled us to grow, strengthen our organization and provide our customers with good service. Thus, we continue to be a gateway between each of the twelve countries where SM SAAM operates and the world, generating jobs for thousands of people and opportunities in an increasingly competitive global context.



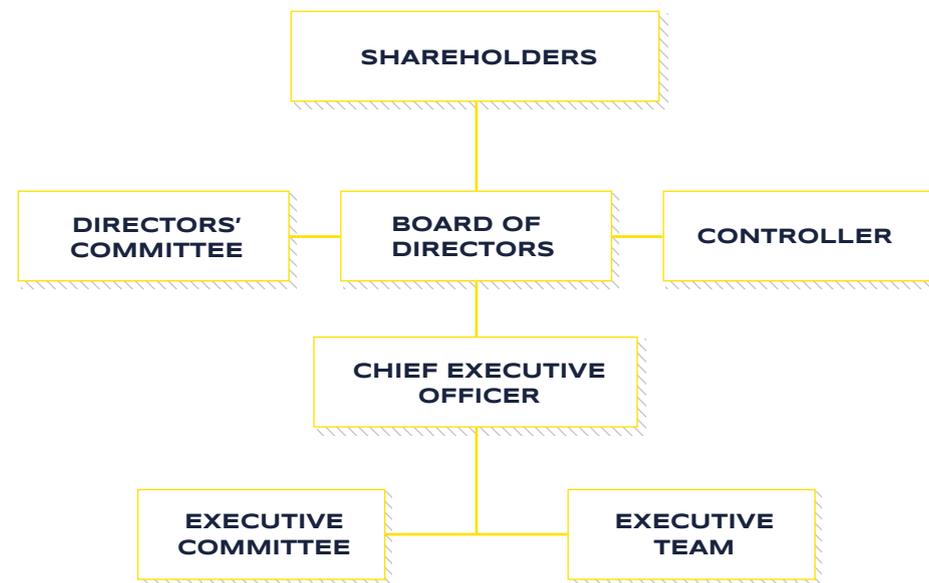
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CORPORATE GOVERNANCE MODEL

CORPORATE GOVERNANCE STRUCTURE

Corporate Governance at SM SAAM is led by shareholders through the Annual General Shareholder's Meetings, which delegate part of their authority to the board of directors. The board, together with the Directors' Committee, the Chief Executive Officer and the senior management team are the bodies responsible for ensuring proper governance at the company.



SM SAAM is managed by a seven-member board of directors. Directors hold their positions for three years and may be reelected. In compliance with Article 50 bis of Law No. 18,046, at least one of the directors must be independent. There are no alternate directors.

The **board of SM SAAM** and its senior management team are responsible for directing the businesses and maintaining investors informed of the activities of the company and its subsidiaries, ensuring compliance with all ethical and legal standards regarding the disclosure of information.

Election of Board of Directors

The current board was elected at the annual general shareholders' meeting held on April 9, 2018, where Óscar Hasbún Martínez, Jean-Paul Luksic Fontbona, Diego Bacigalupo Aracena, Francisco Gutiérrez Philippi, Jorge Gutiérrez Pubill (independent director) and Francisco Pérez Mackenna were re-elected, and Mr. Armando Valdivieso Montes (independent director) was elected. Mr. Hasbún was appointed chairman of the board of directors and Mr. Luksic was appointed vice-chairman at a board meeting held on April 16, 2018. The board secretary is Karen Paz Berdichewsky, attorney, Chilean ID number 8.129.981-1.

Regulation

Corporate governance at SM SAAM and its subsidiary SAAM S.A., as well as their respective practices, are governed by Law 18,046 on Corporations, the Corporations Regulations, Law 18,045 on the Securities Markets, regulations from the Financial Market Commission (CMF), their respective corporate bylaws and policies and procedures that have been voluntarily adopted by their boards.



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BOARD MEMBERS

This board was elected at the Annual General Shareholder's Meeting on April 9, 2018.



Óscar Hasbún Martínez
Chairman
Business
Administration
Chilean ID 11.632.255-2

Óscar Hasbún Martínez has been the chairman of the board of Sociedad Matriz SAAM S.A. since August 2017 and a director since 2015. He has also served on the board of Hapag Lloyd AG since 2014 and was Chief Executive Officer of Compañía Sud Americana de Vapores S.A. from 2011 to 2016. Between 2002 and 2011, he managed the Luksic family's businesses in Croatia, concentrated primarily in the tourism and real estate industries. Prior to that he was an executive at Michelin in France and Chile. Mr. Hasbún has a degree in business administration from Pontificia Universidad Católica de Chile.



Jean-Paul Luksic Fontbona
Vice-Chairman
Economist
Chilean ID 6.372.368-1

Jean-Paul Luksic Fontbona has been vice chairman of the board of Sociedad Matriz SAAM since 2013. He is also the chairman of the board of Antofagasta PLC and Antofagasta Minerals S.A., Vice-Chairman of Quiñenco S.A. and a director of Banco de Chile. He is also on the board of the Chilean Mining Council (Consejo Minero de Chile A.G.). Mr. Luksic holds a B.Sc. degree from the London School of Economics and Political Science in the UK.



Diego Bacigalupo Aracena
Director
Civil Engineer
Chilean ID 13.828.244-9

Diego Bacigalupo Aracena has been a director of Sociedad Matriz SAAM S.A. since August 2017. He has also been Development Manager at Quiñenco S.A. since 2017. Previously he was Corporate Development Manager at Compañía Cervecerías Unidas S.A., Associate Development Manager at Quiñenco S.A. and an investment banking executive at Santander Investment. Mr. Bacigalupo has a degree in civil industrial engineering from Pontificia Universidad Católica de Chile and an MBA from MIT.



Francisco Gutiérrez Philippi
Director
Civil Engineer
Chilean ID 7.031.728-1

Francisco Gutiérrez Philippi has been a director of Sociedad Matriz SAAM S.A. since 2012. He has also been on the board of Echeverría Izquierdo S.A. since 2013 and Forus S.A. since 2010. He was a financial advisor as partner and director of South Andes Capital SpA between 1994 and 2018. He has been a director of Sonda S.A. (2014-2017), of Sociedad de Inversiones Oro Blanco S.A. as an independent director (2012-2014), of Salfacorp S.A. as an independent director (2000-2012), of Sopraval S.A. (1996-2011) and Laboratorio Chile S.A. (1991-1995). Before that, he was Deputy Manager of Finance and International Investment at Empresas CMPC S.A. and an analyst at BICE Chileconsult and NM Rothschild & Sons Ltd. Mr. Gutiérrez has a degree in civil engineering with a minor in transportation from Pontificia Universidad Católica de Chile and a master's degree in economics and business management from IESE Business School, Universidad de Navarra in Barcelona, Spain.



Francisco Pérez Mackenna
Director
Business Administration
Chilean ID 6.525.286-4

Francisco Pérez Mackenna has been a director of Sociedad Matriz SAAM S.A. since its founding in 2011. He began working for the Luksic Group in 1991 and has been Chief Executive Officer of Quiñenco S.A. since 1998. He is chairman of the board at Compañía Sud Americana de Vapores S.A., Empresa Nacional de Energía Enex S.A., Invexans S.A. (formerly Madeco) and Tech Pack S.A. Prior to that, he was Chief Executive Officer at Compañía Cervecerías Unidas S.A. (where he remains a director), as well as Embotelladoras Chilenas Unidas S.A., Viña San Pedro Tarapacá S.A., Compañía Cervecerías Unidas Argentina S.A., Compañía Pisuera de Chile S.A., Cervecera CCU Chile Limitada, Inversiones y Rentas S.A., Banchile Corredores de Seguros S.A., LQ Inversiones Financieras S.A., Nexans, and Hapag-Lloyd S.A. Before 1991, he was the Chief Executive Officer of Citicorp Chile and Vice-President of Bankers Trust in Chile. Mr. Perez has a degree in business administration from Pontificia Universidad Católica and an MBA from the University of Chicago.

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Jorge Gutiérrez Pubill
Independent Director
Business Administration
Chilean ID 5.907.040-1

Jorge Gutiérrez Pubill is an independent director at Sociedad Matriz SAAM S.A., serving since 2016. He is also currently vice-chairman of the board at Sevilla Inversiones S.A., Marsol S.A. and Stars Investments Asesorías de Inversiones Limitada. He previously served on the board of Walmart Chile S.A. (2009–2014) and was co-founder and Executive Director of Viña Anakena (1999–2015). He was Executive Director and founder of Viña Porta S.A. (1991-1997), Productora y Exportadora de Frutas Agrícola San Isidro S.A. (1991-1998) and Pesquera Chile Mar S.A. (1987-1991). He was Deputy CEO of Pesquera Iquique S.A. and Operations Manager of Pesquera Eperva S.A. Mr. Gutiérrez has a degree in civil engineering and an MBA from Universidad de Chile.



Armando Valdivieso Montes
Independent Director
Business Administration
Chilean ID 8.321.934-3

Armando Valdivieso Montes has been a director of Sociedad Matriz SAAM S.A. since April 2018. Previously he was Senior Commercial Vice-President of LATAM from 2015 to 2017. He was also the Chief Executive Officer of LAN after its merger with TAM; CEO of the Passenger Division at LAN since 2006; and CEO of the Cargo Division for Lan Airlines from 1997 to 2005. Before that, he was the Chief Executive Officer of Fast Air from 1995 to 1997 and Vice-President of Fast Air in the United States from 1991 to 1994. Mr. Valdivieso has a degree in civil engineering from Pontificia Universidad Católica and completed the Advance Management Program (AMP) at Harvard University.

EXECUTIVE TEAM



Macario Valdés Raczynski
Chief Executive Officer
Chilean ID 14.123.555-9
With SAAM since: **April 2013**
In current position since:
March 2016

Mr. Valdés has a degree in business administration from Pontificia Universidad Católica and an MBA from the University of California, Berkeley. Before being appointed Chief Executive Officer, he served as Chief Development Officer since April 2013. He was Deputy Manager of Development at Quiñenco from 2011 to 2013. Before that, he worked at IM Trust, where he reached the position of Corporate Finance Manager.



Carmen Gloria Hernández Zúñiga
Controller
Chilean ID 10.023.302-9
With SAAM since: **January 2017**
In current position since:
January 2017

Ms. Hernández is a Certified Public Accountant with a degree from Universidad de La Frontera in Temuco. Prior to joining the company, she worked as Controller at Tech Pack and, before that, at Alusa S.A., where she began as an internal auditor and reached the position of Corporate Head of Risk and Auditing for Alusa and its subsidiaries in Latin America. She also worked at Nexans and Madeco in the internal auditing area.



Karen Paz Berdichewsky
Chief Counsel
Chilean ID 8.129.981-1
With SAAM since: **July 2012**
In current position since:
July 2012

Ms. Berdichewsky has a degree in law from Pontificia Universidad Católica de Valparaíso and a Master of Comparative Jurisprudence (M.CJ.) from New York University. She joined the company as Chief Counsel in 2012. From 1999 to 2003 she was an associate at the law firm Cruzat, Ortúzar & Mackenna, Baker & McKenzie and from 2003 to 2012 at Mackenna, Irarrázaval, Cuchacovich y Paz Abogados. She is a member of the Chilean Bar Association.

NOTE: Mr. Mario Da Bove Andrade, National ID 4.175.284-K, has a degree in business administration and served on the board of SM SAAM for the last two years but is not currently on the board. He was appointed on April 8, 2014, and stopped serving on April 9, 2018.

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Hernán Gómez Cisternas
Chief Financial Officer
 Chilean ID 15.312.759 k
 With SAAM since: **April 2016**
 In current position since: **September 2017**

Mr. Gómez has a degree in business administration from Pontificia Universidad Católica and an MBA from the University of Chicago. Before being appointed CFO, he served as Chief Development Officer starting April 2016. Before that, he was Deputy Manager of Development at Quiñenco S.A.



Javier Olivos Santa María
Chief Development Officer
 Chilean ID 15.366.356-4
 With SAAM since: **September 2016**
 In current position since: **May 2018**

Mr. Olivos has a degree in business administration from Pontificia Universidad Católica and an MBA from the London Business School. Prior to his current position, he was Deputy Manager of Management Control. Before that, he was Head of the Regional Public Transportation Division at the Chilean Ministry of Transportation. He also worked in asset management and project management at several companies.



Claudio Aguilera Cañete
Chief Information Officer
 Chilean ID 11.621.390-7
 With SAAM since: **July 2017**
 In current position since: **May 2018**

Mr. Aguilera has a degree in IT engineering from Pontificia Universidad Católica de Valparaíso, a graduate certificate in software project management from Pontificia Universidad Católica de Chile and a masters in IT from Universidad Técnica Federico Santa María. He joined the company as an IT business partner for the Port Terminals and Towage divisions. From 2016 to 2017, he worked an advisor and senior consultant in IT. Between 1996 and 2015 he worked at CCNI and then Hamburg Süd, reaching the position of Deputy Manager of IT.



Gastón Moya Rodríguez
Chief Human Resources Officer
 Chilean ID 8.090.156-9
 With SAAM since: **December 2012**
 In current position since: **December 2012**

Mr. Moya has a degree in psychology from Pontificia Universidad Católica de Chile and an MBA from Loyola College. Prior to being named Chief Human Resource Officer, he held the same position at Metro and IBM Chile and before that he was the Human Resources and Communications Manager at Minera Spence and Minera Cerro Colorado (BHP Billiton).



Fernando Encinas Ciesla
MD Logistics Division
 Chilean ID 12.862.395-7
 With SAAM since: **July 2017**
 In current position since: **July 2017**

Mr. Encinas has a degree in business administration from Universidad Gabriela Mistral. He is a supply chain executive with more than 15 years' experience. Before joining the company, he was Director of Operations and then Chief Executive Officer of APL Logistics, where he worked for eight years. Prior to that, he was Commercial Manager at DHL Supply Chain and Intermodal Manager at CSAV.



Felipe Rioja Rodríguez
MD Towage Division
 Chilean ID 8.245.167-6
 With SAAM since: **December 1991**
 In current position since: **January 2013**

Mr. Rioja has a degree in business administration from Universidad Adolfo Ibáñez and participated in the PMD program at Harvard Business School. Before being promoted to Managing Director of the Towage Division, he held several positions at the company, including International Business Manager, Domestic Business Manager and Deputy Manager of International Business. He joined the company as a Studies Engineer in the Development Department.



Enrique Brito Marín²
MD Port Terminals Division
 Chilean ID 7.551.141-8
 With SAAM since: **April 1999**
 In current position since: **October 2018**

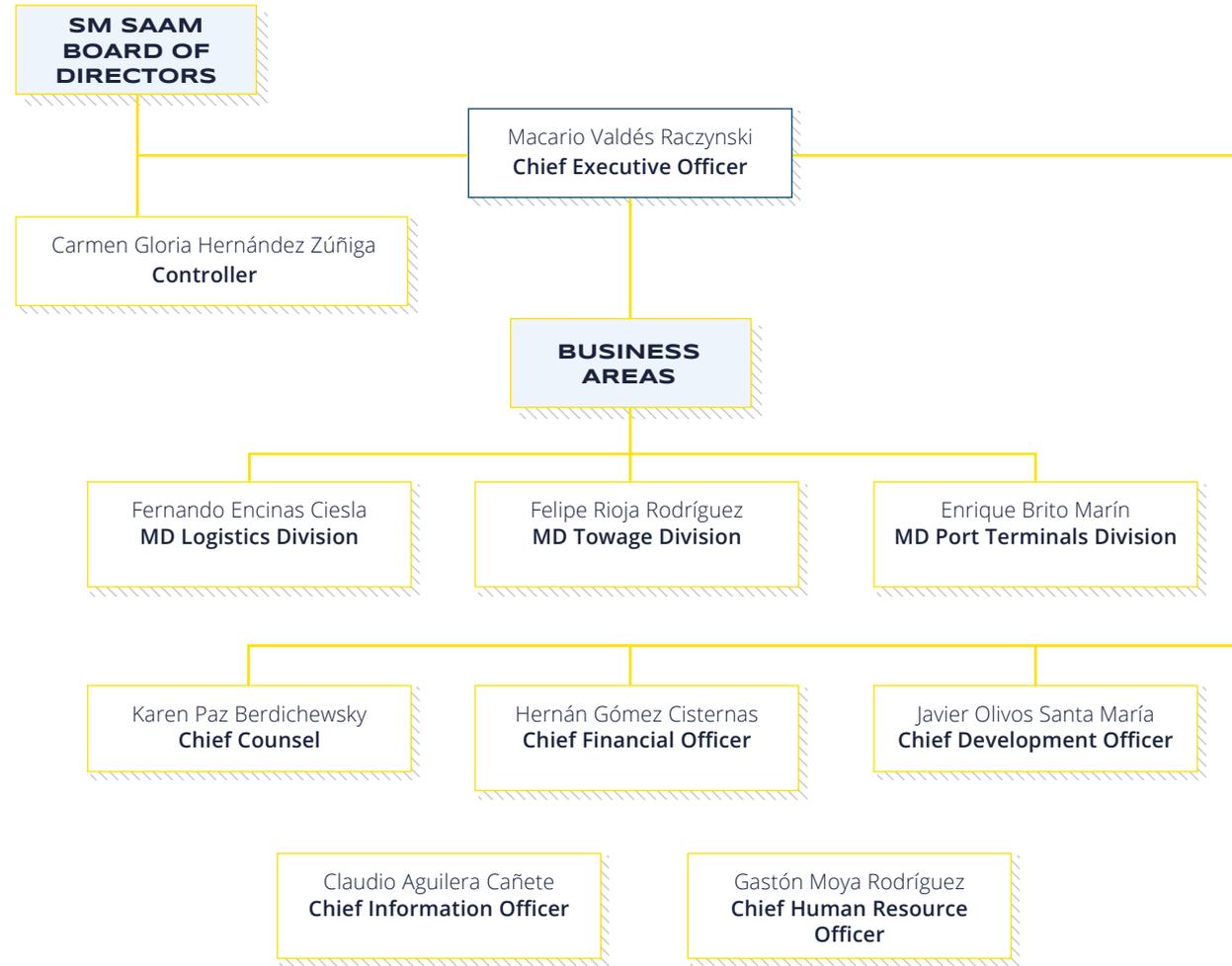
Mr. Brito is a Merchant Marine from the Escuela Naval Arturo Prat and has an MBA from IEDE. Before joining the company he was Chief Executive Officer of Marítima Altisol, and Logistics Manager at UTC S.A., among other positions. At the company he has held diverse roles, including Chief Executive Officer of SAAM Extraportuarios and, before becoming Managing Director of the Port Terminals Division, for 12 years he led the company's towage operations in Ecuador and managed the start-up and development of the port terminal in Guayaquil.

⁽²⁾ Provided services until December 31, 2019. On January 2, 2020, Mauricio Carrasco was appointed Managing Director of the Port Terminals Division.

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MANAGEMENT

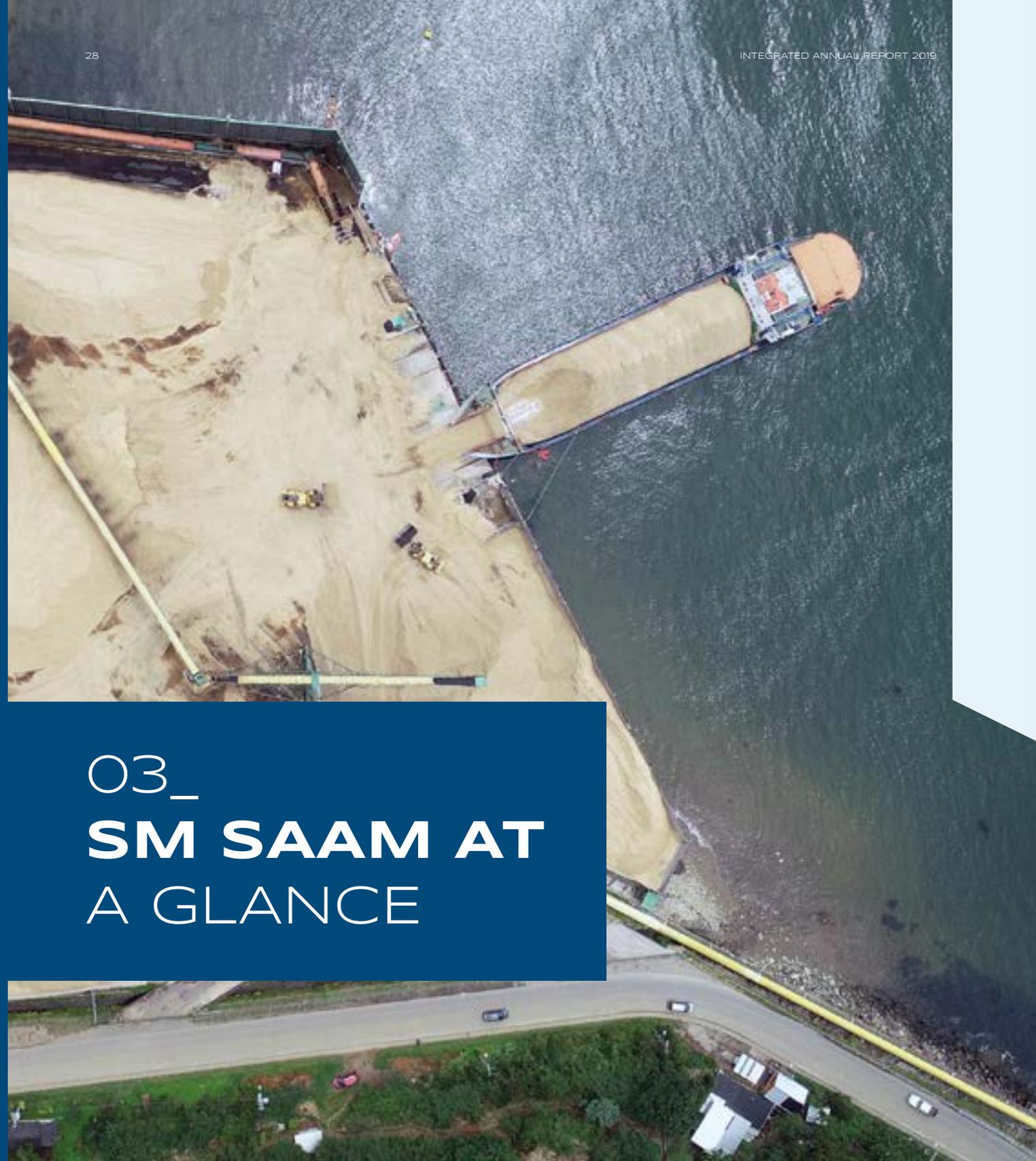


Both the board and the executive team meet in the form of committees. For more details, please see chapter 10 Corporate Governance Practices.



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03_ SM SAAM AT A GLANCE



The port of Caldera is one of the main maritime channels for international trade in Costa Rica, through which 80% of cargo is exported.

It is essential to the country, connecting us to major markets like Mexico and constituting a key component of our relations with the Asian market.

It is important to encourage and accelerate projects that help grow and improve the port, given the role it plays in the country's export strategy.



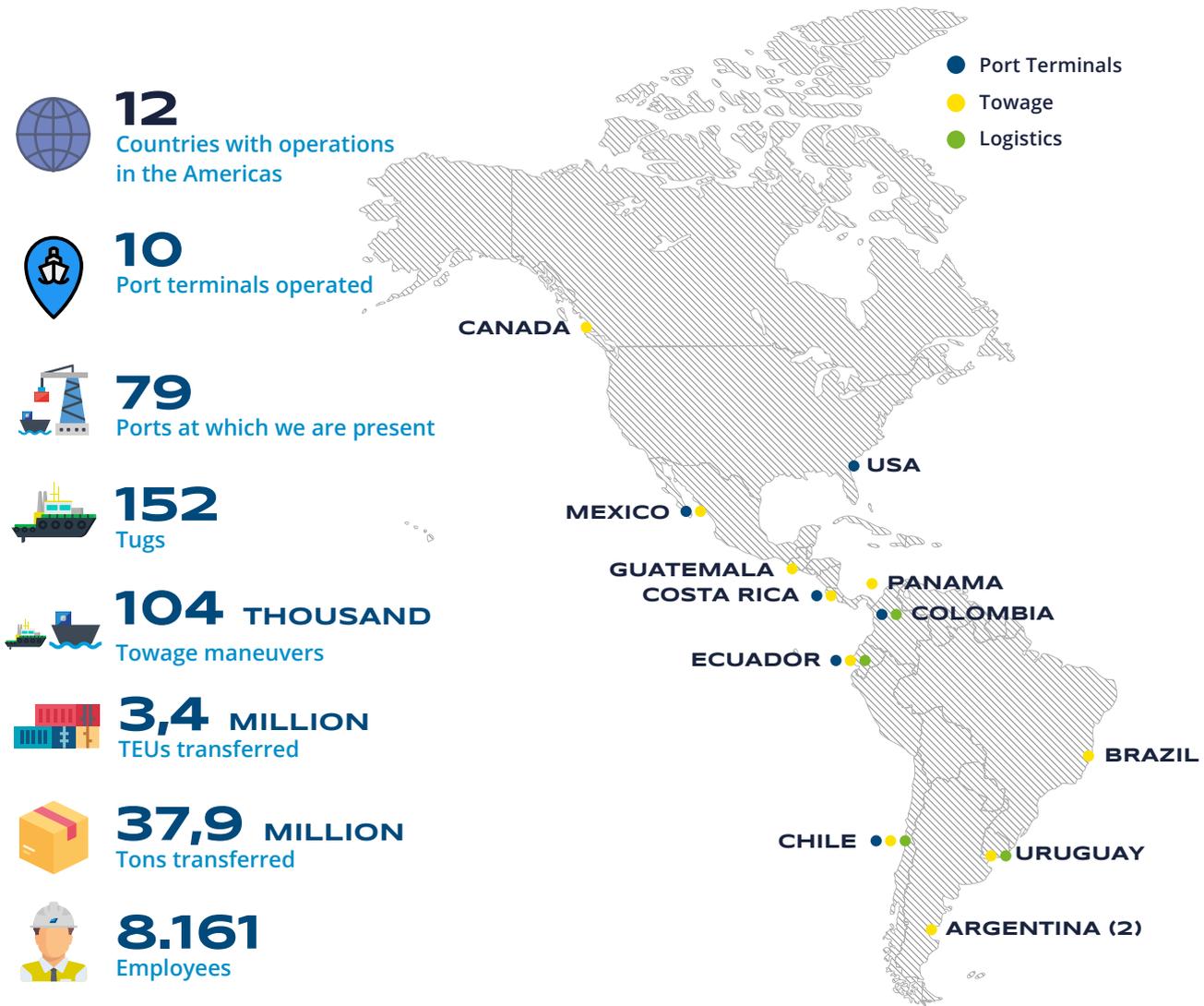
LAURA BONILLA
President of the Costa Rican Chamber of Exporters

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MAIN FIGURES⁽¹⁾

Broad diversification in the Americas



(1) Includes full figures for subsidiaries and associates.

(2) Operations with associate Transbordadora Austral Broom (TABSA), which provides catamaran and tourism services.



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Milestones and Figures from the Past Five Years

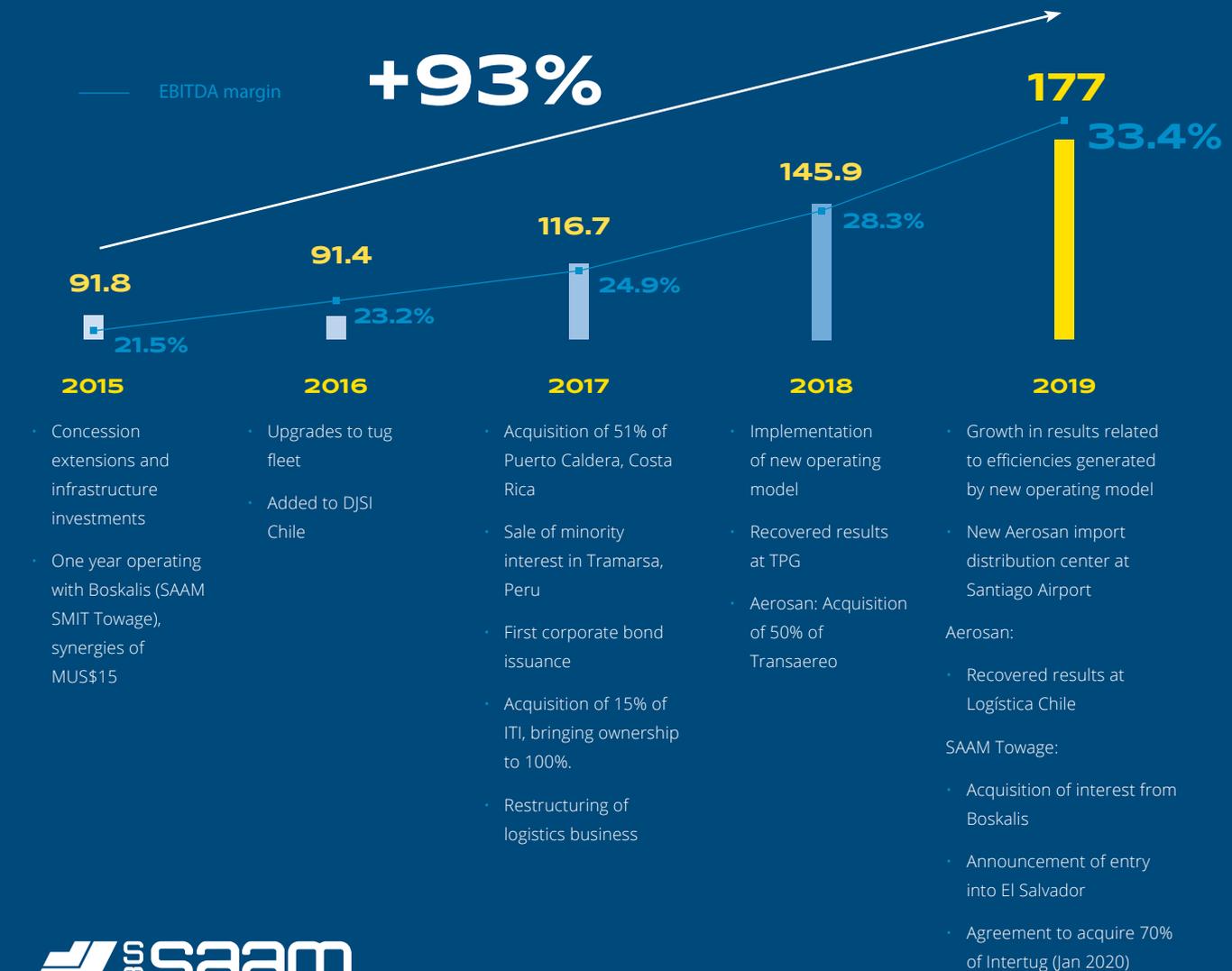
Consolidated Results ⁽¹⁾		2015	2016	2017	2018	2019
Revenue	MMUS\$	426,3	393,9	467,8	515,9	529,8
Net operating income	MMUS\$	41,1	40,8	48,0	74,7	96,2
EBITDA	MMUS\$	91,8	91,4	116,7	145,9	177,0
Net income (attributable to the controller)	MMUS\$	68,9	54,5	59,3	49,6	57,8
Minority interest	MMUS\$	11,1	8,8	8,5	12,2	12,2
Profitability						
Operating margin	%	9,6 %	10,4 %	10,3 %	14,5 %	18,2 %
EBITDA margin	%	21,5 %	23,2 %	24,9 %	28,3 %	33,4 %
Balance Sheet						
Total assets	MMUS\$	1.220,8	1.267,5	1.488,1	1.425,2	1.618,0
Total PP&E	MMUS\$	578,1	574,7	736,1	711,1	963,7
Financial debt ⁽²⁾	MMUS\$	211,8	241,0	328,0	290,6	537,0
Net equity	MMUS\$	717,2	748,2	762,3	772,4	786,6
Market capitalization	MMUS\$	617	753	1.045	838	773
Number of shares		9.736.791.983	9.736.791.983	9.736.791.983	9.736.791.983	9.736.791.983
Stock price (12.31)	\$	\$44,85	\$51,61	\$66,05	\$59,87	\$59,08
Closing US dollar (12.31)	\$	707,34	667,29	615,22	695,69	744,62

(1): Considers figures from SM SAAM consolidated.

(2): Does not consider concession agreement obligation.

“EBITDA margin increased from 28% in 2018 to 33% in 2019.”

Evolution of EBITDA and EBITDA MARGIN (US\$ millions)



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BUSINESS DIVISIONS

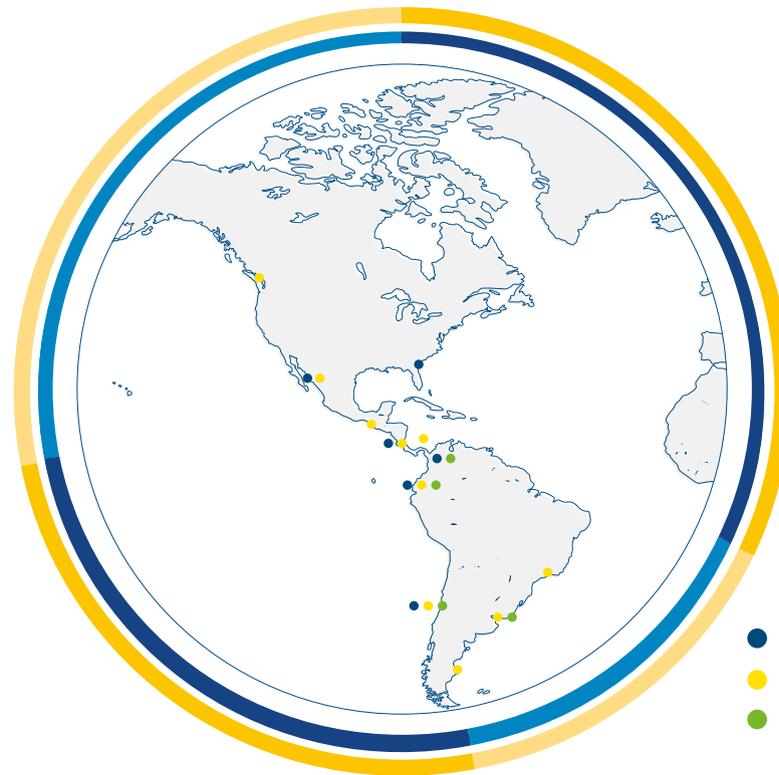
Solid Diversification

SM SAAM operates three business divisions: Towage, Port Terminals and Logistics, with operations in 12 countries and broad sector and geographic diversification.

Distribution of EBITDA by Geographic Area

23%
38%
Chile

28%
27%
South America
excl. Chile



27%
22%
North America

22%
13%
Central America

■ Considers consolidated figures for SM SAAM.

■ Geographic distribution at equity method value based on percent ownership in consolidated subsidiaries and associates.

Distribution of EBITDA by Business Area



TOWAGE

- Number 1 towage operator in the Americas
- Services at 70 ports in 9 countries
- 152 tugs
- +25,000 vessels serviced each year



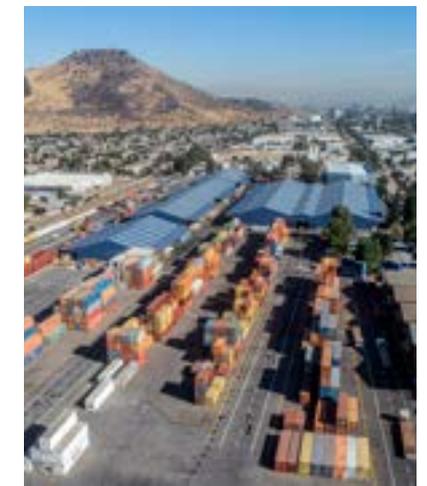
PORT TERMINALS

- 10 port terminals in 6 countries in the Americas
- 3.4 million TEUs transferred per year
- State-of-the-art infrastructure



LOGISTICS

- Operations in 4 countries in the Americas
- Warehousing and cargo trucking services for importers and exporters
- Airport services at 8 airports in 3 countries



■ Considers consolidated figures for SM SAAM.

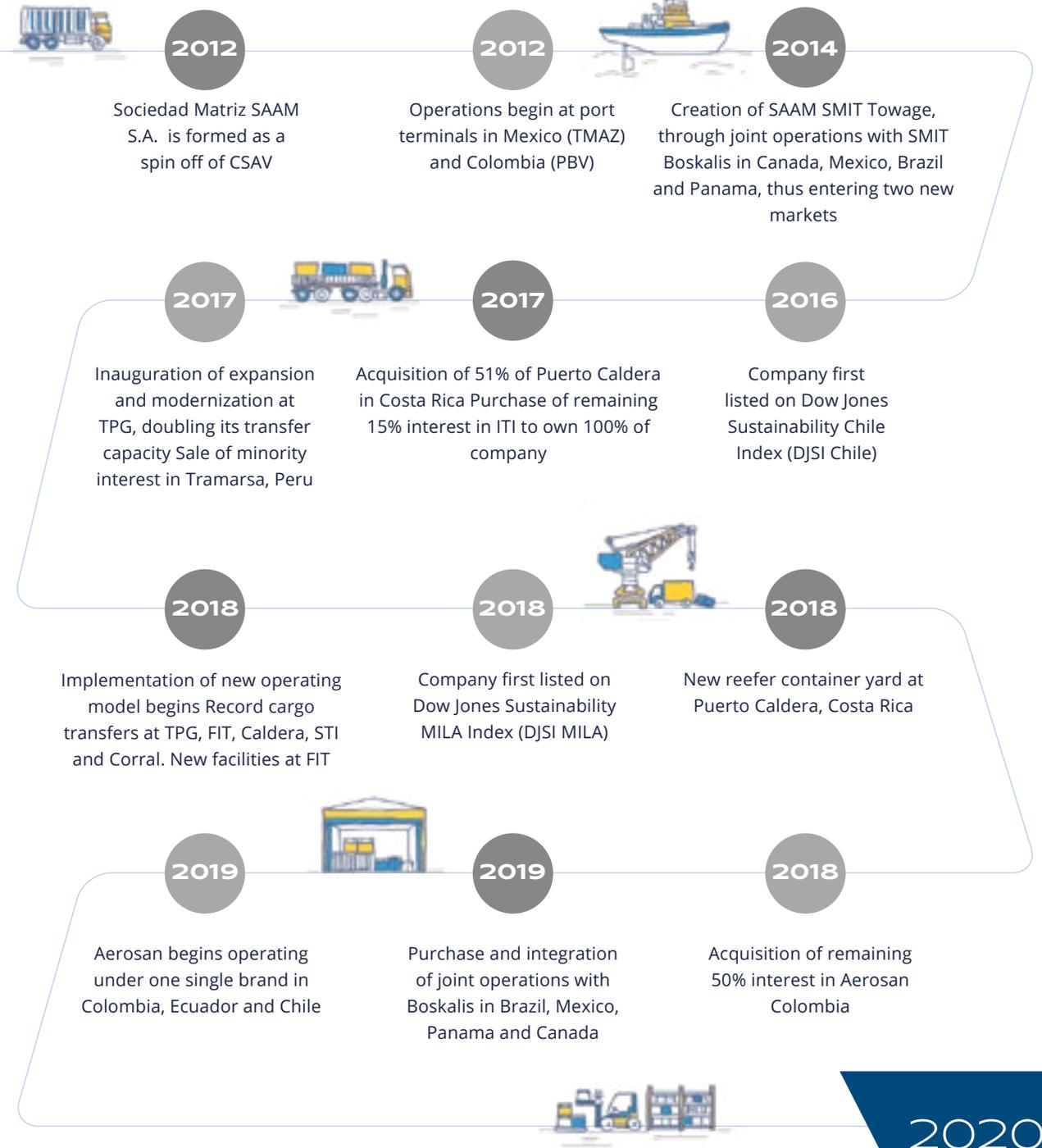
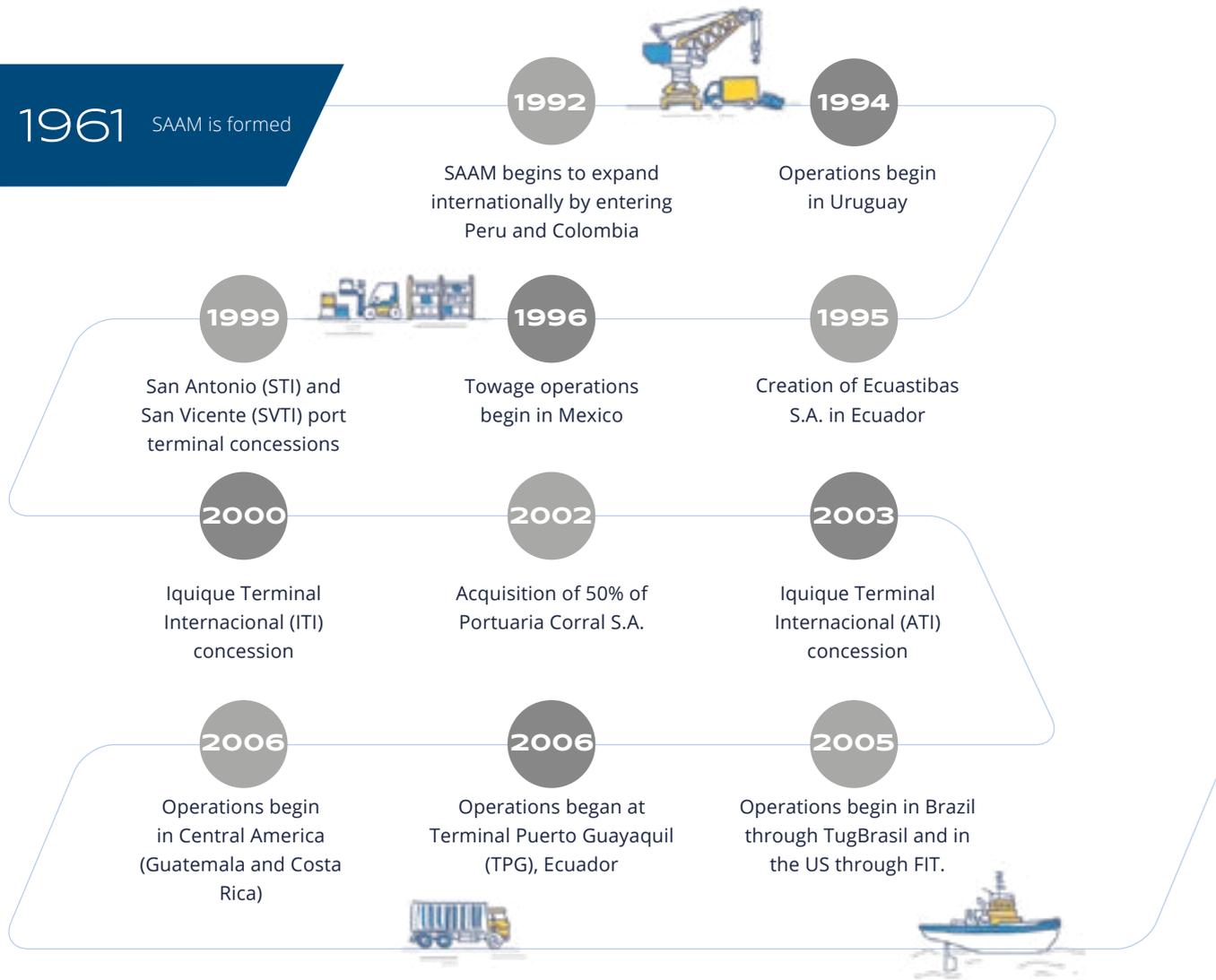
■ Business area distribution at equity method value based on percent ownership in consolidated subsidiaries and associates.

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HISTORY

1961 SAAM is formed



2020

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04_ CORPORATE STRATEGY



We have a long-standing relationship with San Antonio Terminal Internacional: it has supported educational initiatives from our Cultural Foundation since 2013, giving our children and youth access to top-rate activities that contribute to their integration formation. We have also worked together since 2005 on our program to collect used batteries to protect our surroundings.

Port activity is part of the spirit of our town, which is why joint efforts with STI are highly valued by our municipality and neighbors.



OMAR VERA
Mayor of San Antonio

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CORPORATE STRATEGY

SM SAAM is a multinational company founded in Chile in 1961 that provides a broad and efficient foreign trade support network.



Mission

To facilitate the exchange of goods that are essential to the wellbeing of people and to promote countries' economic and social development through efficient and excellent port, towage and logistics services that help make foreign trade competitive, create value for shareholders and provide opportunities to neighboring communities while respecting the environment.



Vision

To be the leading company in port operations and towage services, and to be recognized as an important logistics operator, standing out for our industry knowledge, geographic coverage, capacity for internationalization, service quality and commitment to our customers.



Values

To inspire with our corporate values: Honesty, Respect, Responsibility, Safety and Service.

CORPORATE STRATEGY

SM SAAM's strategy is based on the strategic principles defined by the company, which in turn give rise to strategic objectives.

STRATEGIC PRINCIPLES



Operational Excellence

To meet every requirement with quality service and state-of-the-art technology, and thus generate commitment and transparency.



Growth and Diversification

To consolidate our position as a multinational company and industry leader.



Integrated Sustainability

To incorporate and operate using environmental, social, governance and economic dimensions throughout SM SAAM's value chain.



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SM SAAM'S HALLMARK: THE WAY WE DO BUSINESS

Customer Service

The company is a partner in the foreign trade logistics chain and takes on this role with commitment and responsibility.

Efficiency and Productivity

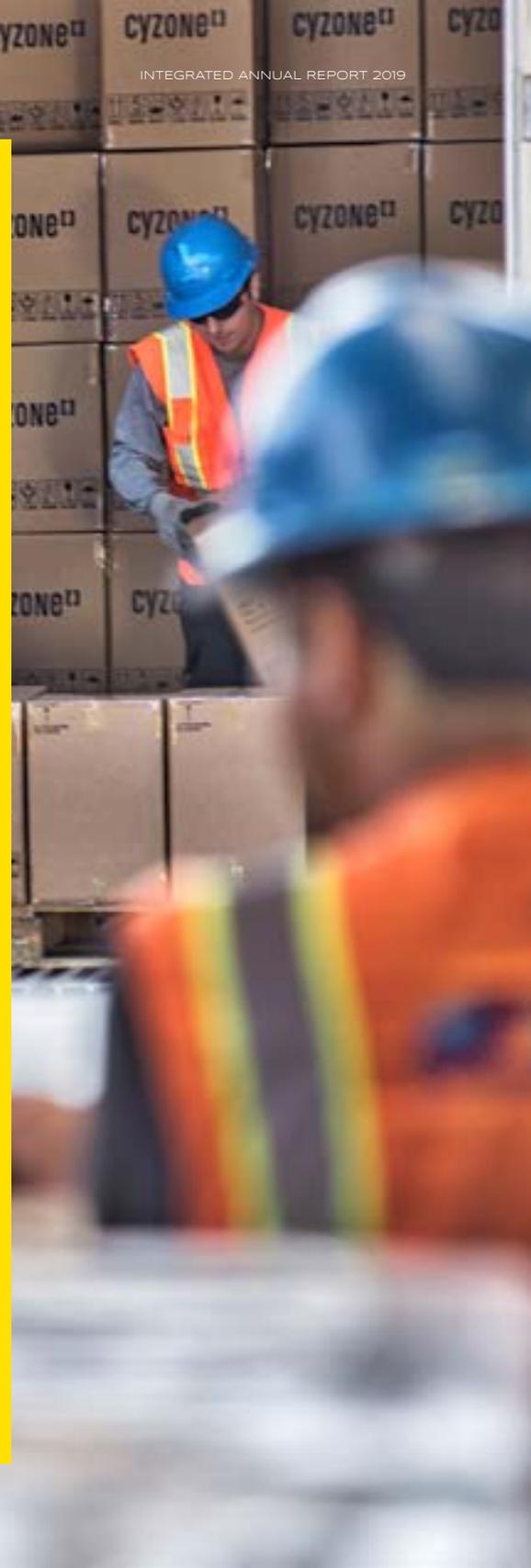
SM SAAM strives to be the best at what it does and, therefore, each day it makes a conscious effort to be more competitive, adding new technologies to make cargo traceable, schedule shipments, monitor each delivery and reduce wait times. In short, to provide service of excellence.

Close and Constructive Labor Relations and Safety

People are at the heart of its business. SM SAAM places special emphasis on the value of safety in its operations and encourages dialogue and trust as pivotal aspects of our labor relations.

Transparency and Sustainability

The company has implemented cutting-edge information systems for its stakeholders. It has strengthened structural tools such as codes of ethics, prevention models and risk management systems to ensure operational continuity for its customers. This effort has been recognized by being included in the DJSI Chile and DJSI MILA indices.



NEW OPERATING MODEL



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MARKET CONTEXT

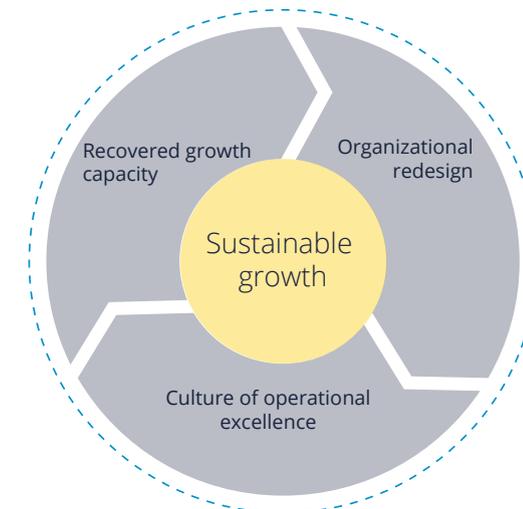
- The year 2019 ended with the least global growth since the Great Recession.
- US - China trade war.
- Drop in private demand and declining investments as a result of uncertainty prevalent in the market.
- Changes in the foreign trade industry.
- Reduction and new trends in consumption: importers and exporters have changed their requirements.
- In recent years there has been a consolidation process among shipping lines, searching for greater efficiency, geographic coverage and higher returns.
- Vessels are increasingly larger in size, demanding appropriate infrastructure and processes at port terminals.
- The use of ships with larger shipping capacity has reduced the frequency of routes offered by shipping lines, which in turn affects the entire logistics chain.
- Digitalization and climate change are two trends and structural factors that impact and will continue to impact global economic development across the board.

In the midst of this context, the company adjusted its strategy to ensure sustainable growth over time. With a clear mandate to boost returns and its competitive position in the markets where it does business, in 2018 SM SAAM began to profoundly change the way it does business.

This change must be seen as an continual transformation in how the entire company works. The objective is for SM SAAM to become an operationally integrated and, thus, more competitive, company with solid foundations for future growth.

With this logic, the objectives of this transformation are:

Organizational redesign	Implement a simplified governance structure that includes centralizing support areas and processes and standardizing with a greater focus on operations.
Culture of operational excellence	Attain operational cost savings, implement exceptional operating practices focused on the sustainability of business divisions and optimizing investments.
Recovered growth capacity	Boost competitiveness for future development opportunities.



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MAIN SAVINGS OBTAINED AND STEPS TAKEN

In order to achieve the objectives of the new operating model and implement a culture of operational excellence, the company undertook the following initiatives:

Corporate	<ul style="list-style-type: none"> • Simplify corporate governance model. • Centralize support areas: Procurement, Systems and Communications, Human Resources, Finance and Treasury. • Give corporate office greater presence in and control over operations through empowered central corporate areas and management indicators. • Strengthen operational functions in business divisions. • Fortify executive team. Business divisions and corporate areas will be housed together at corporate offices in Santiago as of March 2020. • Investment Committee: evaluates and approves material investments for SM SAAM and its subsidiaries and associates based on evaluation models and standardized parameters. The committee will also monitor projects it has approved. • Procurement: Substantially increase centralized management of expenses, standardize and significantly improve processes such as tenders and formalization of suppliers and contracts. • Standardize services such as environmental monitoring for operations in Chile, travel agencies, etc. • Award IT suppliers in aggregate. • Negotiate larger insurance policies at group level, both for tugs and port terminals.
Business Divisions	<ul style="list-style-type: none"> • Optimize costs • Economies of scale for operational inputs and equipment. • Group-level contracts • Facilities management

INITIATIVES AND EFFICIENCIES ARE REFLECTED IN THE GROWTH OF RESULTS AND MARGINS



EBITDA growth of 21% over 2018



Evolution of EBITDA (US\$ millions)



NOTE: Includes the full figures for consolidated companies

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The **Procurement & Insurance Department** is a strong example to grasp the depth of the changes made, as well as the positive outcomes from transforming the company's operating model.

Among its main objectives is to structure the supply strategy for large or organization-wide categories of purchases for the company and its subsidiaries, as well as negotiating these purchases. The department also generates central policies related to these processes for all companies in order to ensure the sustainability of the savings and the operating model defined by SM SAAM.

In order to achieve these objectives, the Procurement & Insurance Department is centralized, staffed by a group of purchasing experts that act as procurement partners for the business divisions, in addition to an area in charge of generating central policies and continuously improving processes and support systems.



Changes implemented by Procurement & Insurance Department:

Before

- Local decision for organization-wide or strategic categories of purchases (~ 5% of expenses centrally managed).
- Large number of scattered suppliers.
- Non-standard process for analyzing and awarding contracts.

Now

- Centrally negotiated categories (~95% of purchases centrally managed).
- Consolidation and strategy defined with suppliers considered to be strategic.
- Standardized and formal tender processes using a specialized platform.
- Supply operating model structured through policies distributed to and known by subsidiaries and associates.

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To safeguard the sustainability of companies that provide services to SM SAAM, the following tools have been prepared:

Code of Ethics	Supplier Assessment	Regulatory Compliance for Contractor Companies
<p>Code of Ethics</p> <p>This extends to suppliers, just like requirements for safety precautions at company facilities.</p> <p>Supplier Policy</p> <p>SM SAAM is committed to building relationships with suppliers based on trust, communication, collaboration and mutual benefit, expecting high levels of quality and added value from them and, at the same time, collaborating with their growth and development.</p>	<p>SM SAAM has a supplier assessment process in place that gathers information on critical aspects such as financial capacity, accident rates, quality certifications, environmental factors, risks and reputation in regards to business-sensitive issues. Likewise, sensitive matters related to ethics and compliance are checked, in accordance with the Prevention Model.</p>	<p>SM SAAM requires contractor companies to comply with all laws and regulations in force in each country. These requirements are part of the mandatory contractual clauses for contracting suppliers. A management and control system has also been incorporated to ensure compliance with labor matters.</p> <p>Subcontracting Policy</p> <p>In order to build a relationship with contractors and subcontractors, SM SAAM has established principles that enable it to guarantee the sustainability of the business based always on relationships of mutual cooperation and conduct framed by values and corporate ethics.</p>



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05_ 2019 MILESTONES



“

This was my first experience in the professional world and it has been very thorough: I learned about the basis for development of the logistics strategy.

I was given the challenge of leading a project with guidance from the Export Manager, related to air exports, identifying opportunities for improvements in processes, in order to then present an action plan that optimizes results and enables the company to continue enhancing performance, including performance metrics. This project makes me feel like I am already an engineer.

”

JOSEFA CISTERNAS
Student intern at Aerosan

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2019 MILESTONES

Consistent with the company's future vision and its strategy of growth and internationalization, the year 2019 was marked by the largest acquisition in SM SAAM's 58 years in business.

ACQUISITION OF BOSKALIS'S STAKE FOR US\$ 194 MILLION

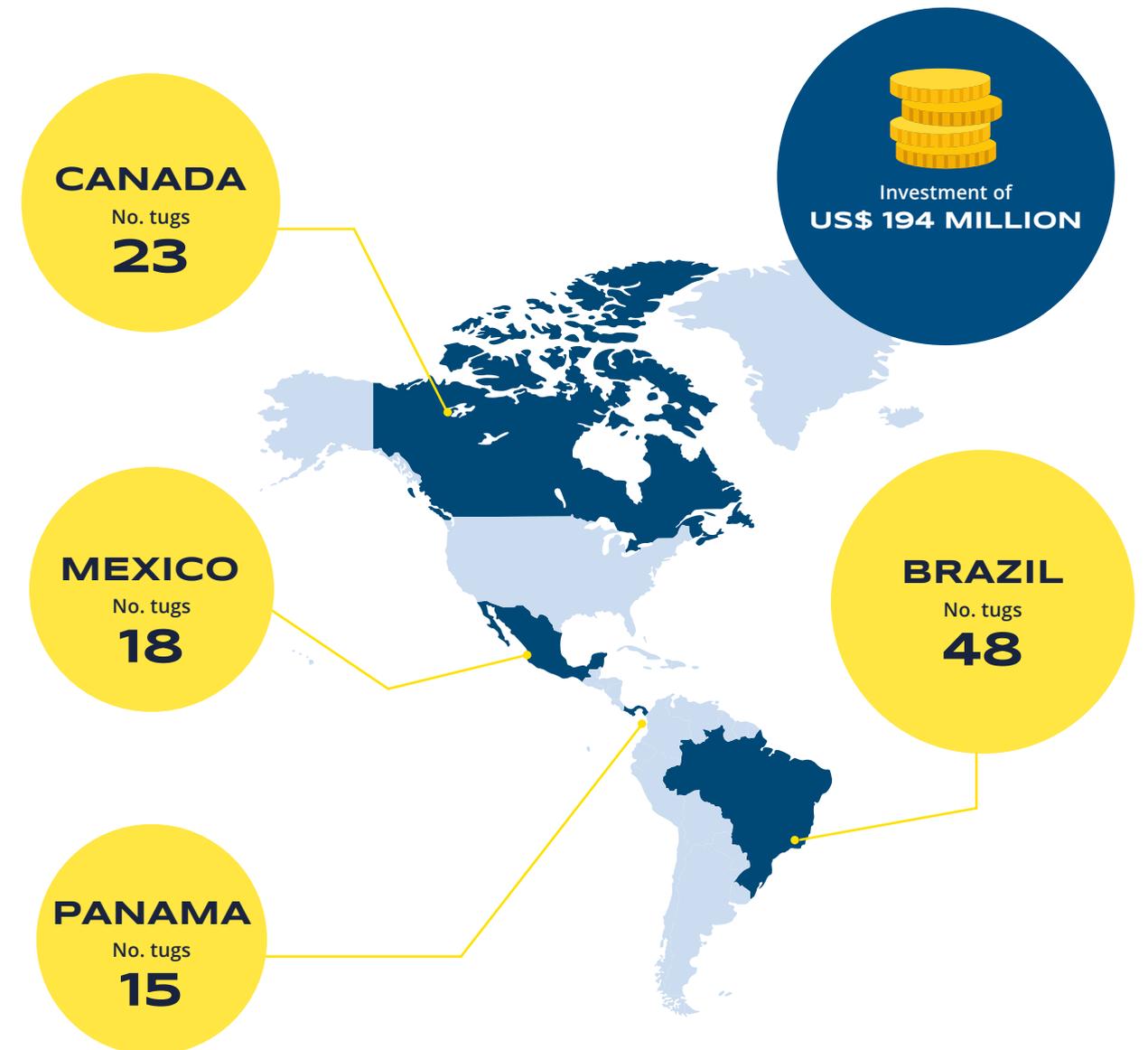
- In October 2019 SM SAAM acquired Boskalis's interest in their joint operations for the towage business: 50% of Brazil and 49% of Mexico, Panama and Canada.
- After closing this deal, SAAM now owns 100% of the operations in those countries.
- The transaction entailed an investment of US\$ 194 million.
- This division's operations are now conducted under one single operating model, which will help generate synergies.
- The company will now group all towage operations under a new brand: SAAM Towage.
- SAAM Towage is the largest towage operators in the Americas and one of the leading operators in the world, giving it an attractive position for industry consolidation.
- With this acquisition, its fleet totals 152 tugs with operations in nine countries in the Americas.

"This is the largest acquisition in our history and a strategic step in moving our business into the future, giving us a single entity providing coverage in the Americas and an attractive position to continue growing within the towage industry."

Macario Valdés
CEO, SM SAAM

- SAAM Towage's fleet performs more than 100 thousand maneuvers each year at the 70 ports where it operates.
- Its main services are harbour towage, oil & gas, salvage and special services.

OPERATIONS OF ACQUIRED TUGS AT 100% AFTER DEAL WITH BOSKALIS.



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2019 MILESTONES

IMPLEMENTATION OF NEW OPERATING MODEL

LISTING ON DJSI CHILE AND DJSI MILA

for the fourth and second straight year, respectively

PORT TERMINALS DIVISION

Chile

Closes sale of minority interest in Terminal Puerto Arica (TPA).

Two state-of-the-art cranes begin to operate at San Vicente Terminal Internacional (SVTI) to reinforce service at the port.

Ecuador

Wharf expansion works at Terminal Portuario de Guayaquil (TPG) and inauguration of dredged access channel.

TOWAGE DIVISION

El Salvador

Announcement of entry into new market through signing of contract to operate three tugs in El Salvador beginning in 2021 for the Energía del Pacífico (EDP) project at Puerto Acajutla.

Canada

Start of operations on long-term contract for three tugs at AltaGas propane gas export terminal.

Guatemala

Acquisition and commissioning of new tug Itzá.

Colombia and Central America*

Signing of an agreement with Intertug S.A., a towage services company operating in Colombia, Mexico and Honduras, to acquire 70% of its operations, valued at US\$54.5 million.



LOGISTICS DIVISION

Logística Chile

30 years operating bonded warehouses.

10% increase in volume of containers mobilized by trucking service as compared to 2018.

Earned CO2 Equivalent Quantification Certificate from Huella Chile.

Aerosan

Begins operating under one single brand in Colombia, Ecuador and Chile.

Operations begin at new Import Distribution Center in Chile.

Awarding of Export Distribution Center.



(*)Note: Agreement announced January 16, 2020.

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06_ FINANCIAL RESULTS



Women are gradually taking on a more important role within maritime and port activity and ITI has opened up opportunities to participate in initiatives that further gender parity. Being the first vessel operator in our company's 20 years in business is a source of pride, a dream come true and, also, it opens the door for other women to join the team at port terminals. We have a lot to give and I am thankful to the company for the opportunity to develop myself and demonstrate my capacities.



CAROLINA NÚÑEZ
 Maritime Transport and Port Engineer, Vessel Operator at ITI

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FINANCIAL RESULTS 2019

+21%
EBITDA GROWTH

+16%
PROFIT

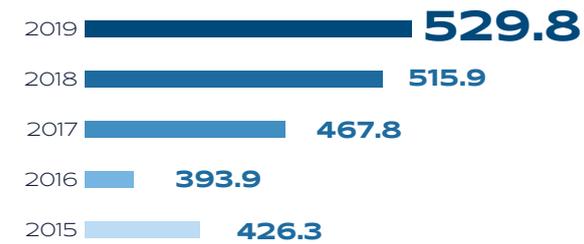
+5 PERCENTAGE POINTS
EBITDA MARGIN

versus consolidated results in 2018.

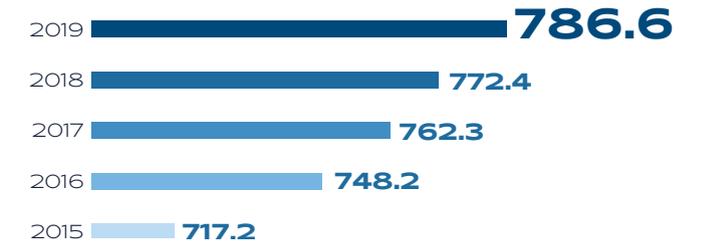
A new management structure and strict cost discipline enabled us to close 2019 with positive numbers and net income of US\$ 57.8 million, 16% higher than last year. Sales for the year totaled US\$ 529.7 million (+3%) and consolidated EBITDA was US\$ 177 million (+21%).

In the last few years we have implemented a strategy that allows us to better face the highly challenging context in foreign trade. The results for the year 2019 are positive thanks to work we have done to improve efficiency at our operations and the geographic diversification of our assets.

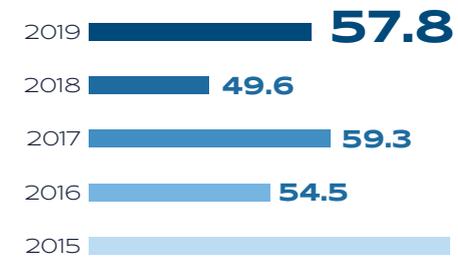
Consolidated revenue (US\$ million)



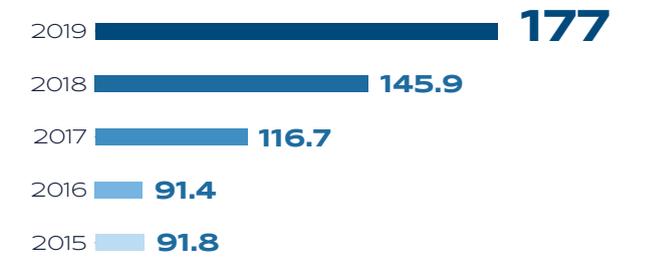
Controlling equity (US\$ million)



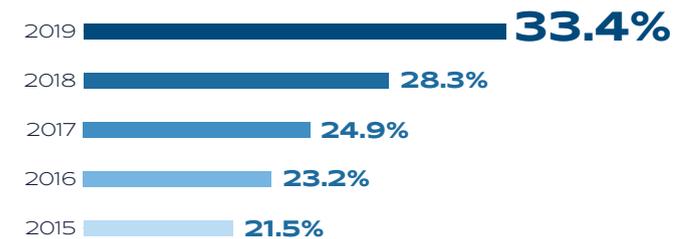
Net income (US\$ million)



Consolidated EBITDA (US\$ million) (*)



Ebitda margin



* Consolidated Ebitda includes corporate expenses.

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07_ ONE COMPANY, ONE VISION AND BROAD DIVERSIFICATION



This public-private alliance between AIA and Antofagasta Terminal Internacional (ATI) is a success case: as a trade association, we represent companies before the Sustainability and Climate Change Agency, a Corfo committee that coordinated the Antofagasta Port-Mining-Logistics Clean Production Agreement, attaining 100% compliance with commitments made and encouraging companies to not only comply with environmental standards but also to make continuous improvements beyond legally binding obligations. Worth highlighting among the measures adopted is the final elimination of trucks covered with tarps and the reduction of 85% of PM10 emissions into the atmosphere.



MARKO RAZMILIC
 President, Antofagasta Industrial Association (AIA)

TOWAGE: LEADERSHIP AND FOCUS ON GROWTH

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Consolidated as the largest towage operator in the Americas and one of the leading providers in the world, SM SAAM operates as SAAM Towage at 70 ports in 9 countries. It has a fleet of 152 tugs, of which 80% are azimuth (state-of-the-art technology propellers that rotate through 360°), providing high maneuverability and bollard pull. These tugs provide berthing and deberthing services for ships, plus assistance, salvage and towage services. They also provide specialized services for ships at offshore terminals, and for positioning and anchoring oil and gas platforms.

SAAM Towage has highly skilled teams, rigorous safety standards and a continuously upgraded fleet that have allowed it to expand its towage service throughout the Americas, playing an active role in the industry's consolidation process around the world.

The year 2019 marked a significant milestone in this process with the purchase of Boskalis's interest in the joint operations initiated in 2014 in Brazil, Panama, Mexico and Canada. SM SAAM acquired 49% of the business in Mexico, Panama and Canada, and 50% in Brazil, attaining 100% ownership of these operations.

This deal—valued at US\$ 194 million (equity *value* at close)—is the largest in the company's history and consolidates it as a regional leader with a single entity providing coverage in the Americas and an attractive position from which to continue growing in the towage industry.

This acquisition also initiated the process of implementing the company's new operating model in all towage operations in order to ensure standardized common processes and generate efficiencies and synergies that leverage its development. All operations were also grouped under a common brand: SAAM Towage.

In line with SAAM Towage's growth and internalization strategy, during the period the company announced its entry into El Salvador to help with the Energía del Pacífico (EDP) project in 2021. In early 2020 it also disclosed the signing of an agreement to purchase 70% of Intertug S.A., a company with 25 years' experience providing harbour towage, offshore services and special services in Colombia, Mexico and Central America.

SERVICES

Harbour towage: harbour towage is one of SAAM Towage's core businesses. Its strategic regional network of tugs and experienced crew allow it to attend over 25,000 ships of all types each year, always adhering to the highest safety standards.

Salvage: The company's tugs respond quickly and efficiently to reduce the impact of emergencies such as salvaging wrecked or grounded vessels, stabilizing shipwrecks, evacuating crew, fighting fires and protecting the environment against spills. Thanks to its broad network in the Americas, SAAM Towage is capable of responding quickly and efficiently in emergency situations.

Oil & Gas: SAAM Towage is an experienced provider of marine services for LNG and oil terminals. It has a proven track record delivering offshore services, oil and gas terminal services, assisting vessels at offshore terminals and conducting Single Point Mooring (SPM) operations. Its offshore tugs are equipped with fire fighting systems and can respond to help control oil spills. These services are provided on the spot market and through long-term contracts. Its main customers include oil companies, gas terminals, government entities and ship operators.

Special services: The company's fleet and specialized personnel assist barges and civil construction projects, along with other special services such as bay and ocean towage, contributing with excellence to the objectives of the respective project.

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ANNUAL MANEUVERS

104 THOUSAND

TOTAL TUGS

152

80%

AZIMUTH FLEET

EMPLOYEES

1,434

COUNTRIES WHERE WE OPERATE¹
10

PORTS WHERE WE OPERATE²
70

¹In addition to the 9 countries where SAAM Towing operates, Austral Broom has operations in Argentina.

²70 ports including Austral Broom's operations in Argentina.



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OPERATING PRESENCE

SM SAAM—through SAAM Towage—is the number 1 towage operator in the Americas. Its network covers a large number of ports and countries on the Atlantic and Pacific coasts, enabling it to provide its customers a comprehensive offering of towage services from Canada to Chile. As of year-end 2019,

SAAM Towage operates a fleet of 152 state-of-the-art tugs in 9 countries, leading the main markets where it does business.

The associate Transbordadora Austral Broom is also part of the Towage Division, providing catamaran and tourism services in southern Chile and Argentina.



(*) Operations with associate Transbordadora Austral Broom, which provides catamaran and tourism services.

The following chart details the locations of SAAM Towage's operations:



(1) Mexico includes tugs under construction. (2) Operations with associate Transbordadora Austral Broom, which provides catamaran and tourism services.

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MILESTONES IN 2019

Acquisition of Boskalis's interest in Canada, Mexico, Brazil and Panama

Start of operations at RIPET in Canada

During the second quarter of 2019 we began to operate at the Ridley Island Propane Gas Export Terminal (RIPET), a new propane gas terminal that will export to the Asian market. SAAM closed a long-term contract with the project that required building a new tug—the first with IMO Tier III emissions control certification—making it one of the most ecological tugs in the world. Additional support is provided by two other vessels in the Canadian fleet.

Acquisition of new tug in Guatemala

The SAAM Itzá was acquired during the third quarter of 2019. This high-power vessel, purchased from the Med Marine shipyard, has great maneuverability. It will be used to assist ships with berthing and deberthing operations at the port of Quetzal and the San José terminals in Guatemala.

Entry into El Salvador

SM SAAM announced its 2021 entry into a new market through the signing of a service agreement for the Energía del Pacífico (EDP) project at the port of Acajutla. The long-term agreement with EDP calls for allocating three tugs, two of which are new, to power plant operations. The 378 MW plant will be powered by liquefied natural gas and includes a floating storage and regasification platform.

COMPETITION

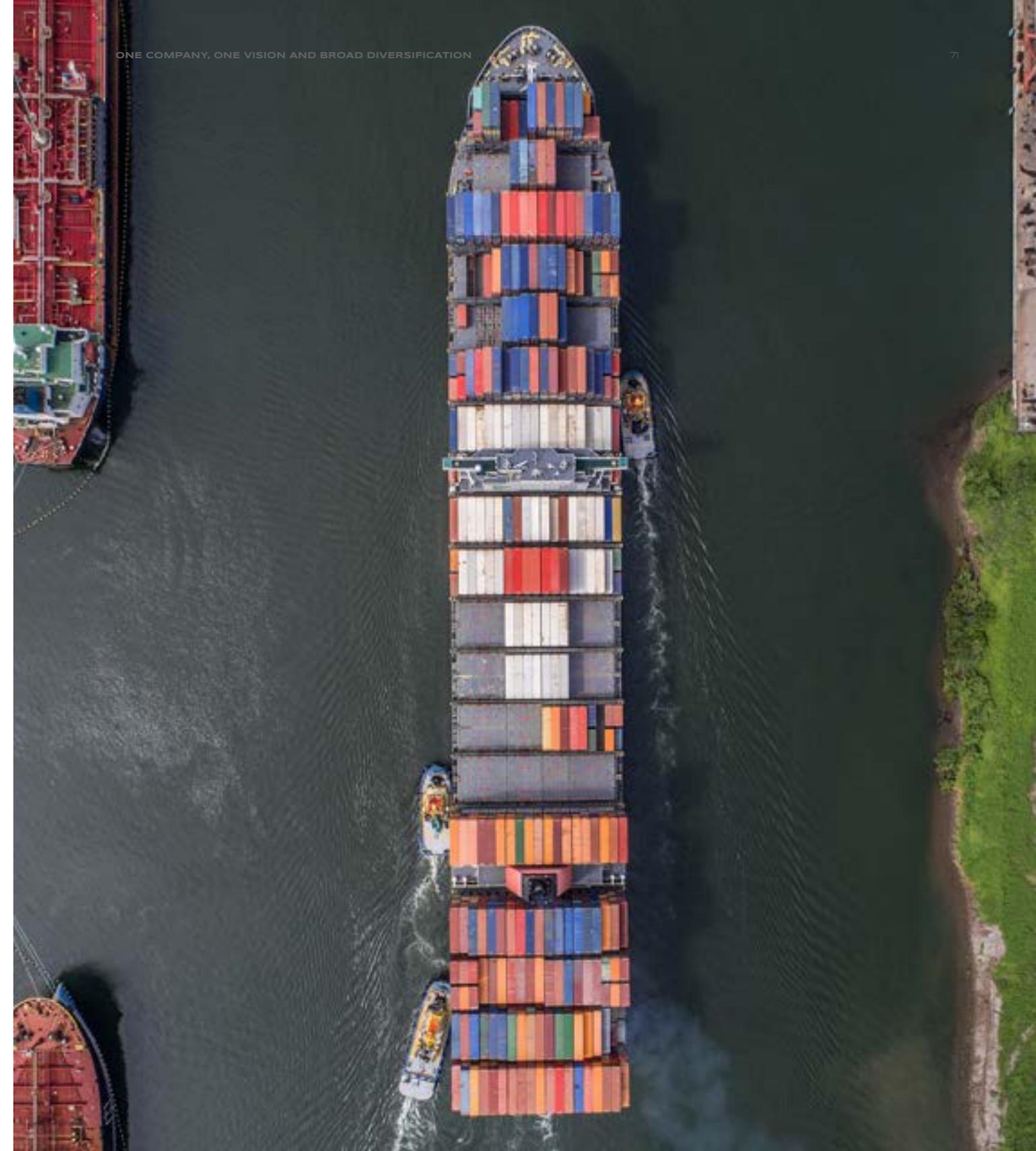
SM SAAM—through SAAM Towage—is the leading tug operator in the Americas, by number of active tugs and by geographic coverage.

Worldwide, towage service provision models are governed by very different regulations. Some markets are open while others are closed, awarding concessions for services or through individual contracts. In this context, SAAM Towage competes with the principal global tug operators such as Svitzer and Boluda, and regional operators such as Wilson Sons, Sea Span, Ultratug Ltda., CPT Remolcadores S.A., and other operators.

CUSTOMERS AND SUPPLIERS

The main customers for towage services are shipping and oil companies. No customer represents more than 10% of total consolidated revenue for 2019.

The main suppliers are fuel and maintenance services companies. In 2019 no supplier represents more than 10% of total supplies of goods and services.

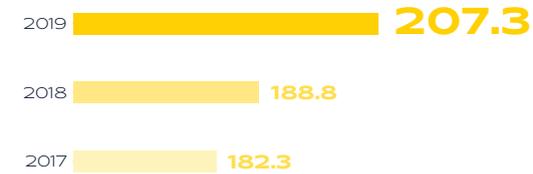


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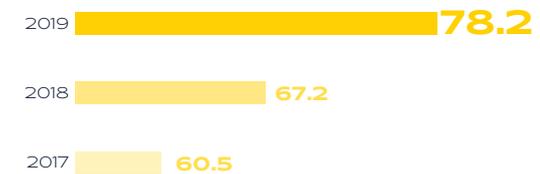
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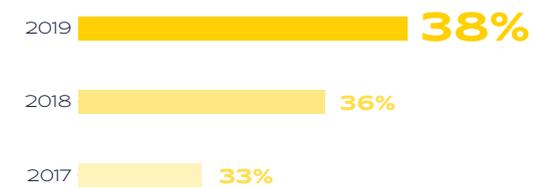
Consolidated revenue (US\$ million)



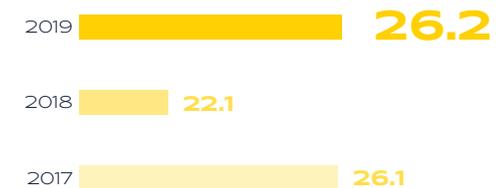
Consolidated EBITDA (US\$ million)



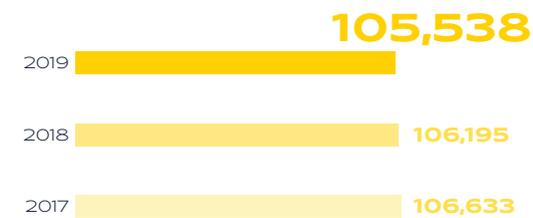
Ebitda margin



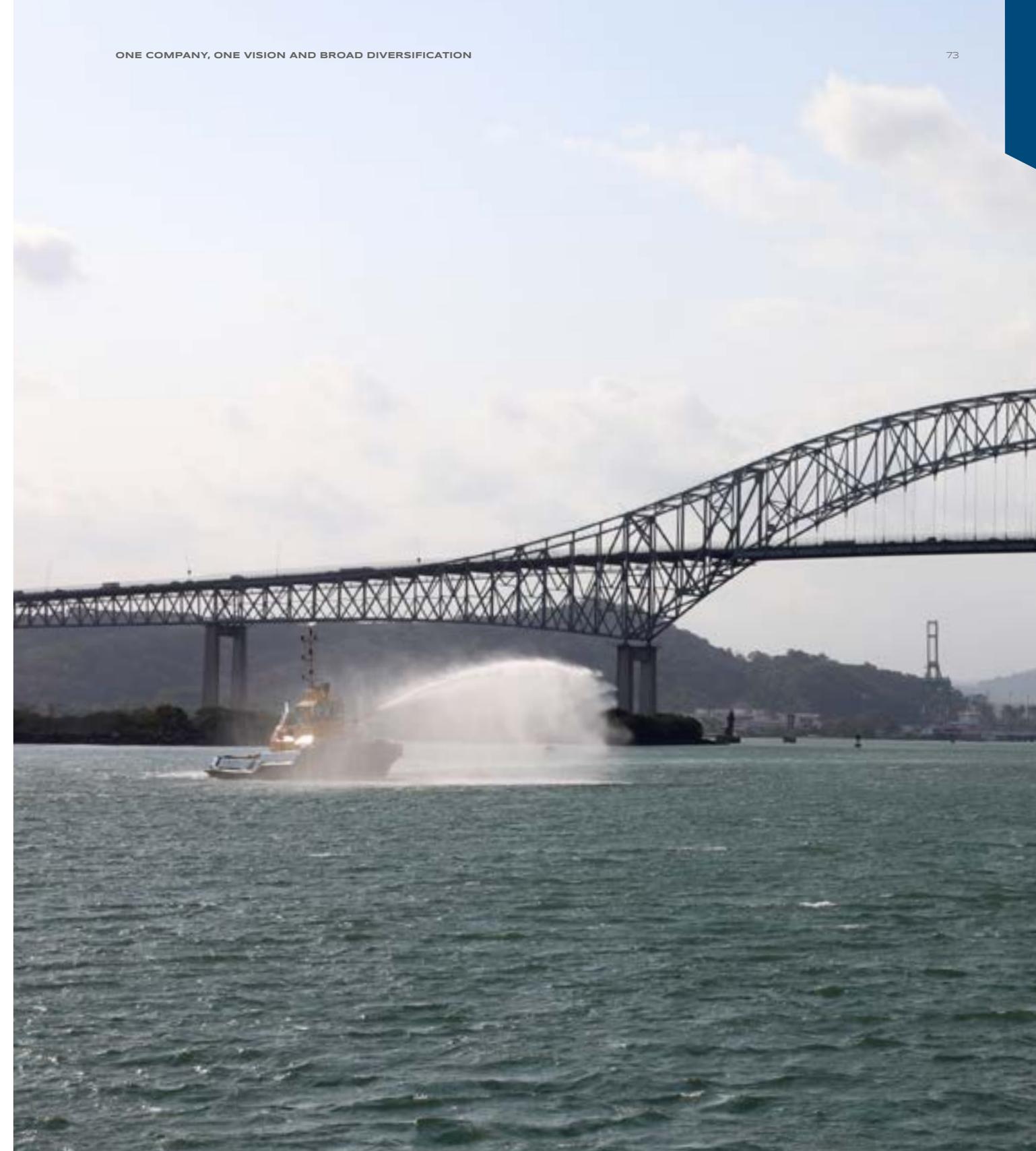
Net income attributable to the controller (US\$ million)



Maneuvers (Thousands) (*)



(*) 100% of maneuvers for subsidiaries and associates



PORT TERMINALS: CONSOLIDATION AND EFFICIENCIES

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SM SAAM, through SAAM Ports S.A., is one of the main port operators in the Americas. The company operates ten terminals in the United States, Mexico, Costa Rica, Colombia, Ecuador and Chile. It is a strategic partner of shipping lines and plays a relevant role in foreign trade in the region.

With a strategy focused on consolidating its current operations, the year 2019 marked a milestone for this division, which reported historical earnings of US\$ 37 million in net income and EBITDA of US\$105 million, as a result of the implementation of the new operating model and savings initiatives. These measures helped shape it into a flexible organization that is capable of competing in the complex context seen in Chile during the last quarter of the year, to a large extent thanks to a strong performance at foreign terminals.

In Chile, SAAM is one of the main port operators with five ports, including San Antonio Terminal Internacional (STI), the country's largest port and the most efficient port on the west coast of the Americas. This terminal surpassed one million TEUs transferred for the eighth year in a row and exceeded 1.2 million TEUs for the second year in its history.

Iquique Terminal Internacional (ITI) increased its total tons transferred by 2% over 2018, reaching just over 2.3 million. It saw an important rise in Bolivian imports and exports, which reported record growth of 61%. In effect, this terminal has managed to consolidate itself over time as a concrete alternative for trade in that country, thanks to a commercial strategy focused on that market.

Further south, Antofagasta Terminal Internacional (ATI) mobilized more than 2.9 million tons in 2019, bringing total tons during the entire concession to 42 million. In terms of cargo for mining projects, the terminal demonstrated its operating experience with maneuvers in tandem, unloading locomotives weighing more than 120 tons and equipment such as engines and transformers.

Florida Terminal Internacional (FIT) transferred 269,692 TEUs, a record figure in 14 years in operation. This volume represented 6.3% growth over 2018, and solidifies the growth trend at this port.

FIT's customers have benefited from the intensive modernization plan being implemented at the terminal, which has also helped boost efficiency and safety indicators. This includes upgrading its fleet of tractors and reachstackers, adding three state-of-the-art vehicles in February 2020. Furthermore, in June FIT began using a scheduling system that simplifies and accelerates the flow of cargo throughout the supply chain and reduces time in yards by around 30%.

Portuaria Corral managed to surpass its transfer record, mobilizing 1,242,651 metric tons, which translates into a 13.5% increase. This record demonstrates the port's sustained growth since 2016, in addition to a 20% rise in daily river transfers (Valdivia-Corral) in comparison to 2018.

Terminal Portuario de Guayaquil extended several commercial contracts in 2019 under highly competitive commercial conditions. Likewise, in order to strengthen its key position for Ecuadorian foreign trade, the terminal began work to extend its container wharf by 180 additional meters. It also completed work to deepen the port's access channel, thus making it more competitive.

SERVICES

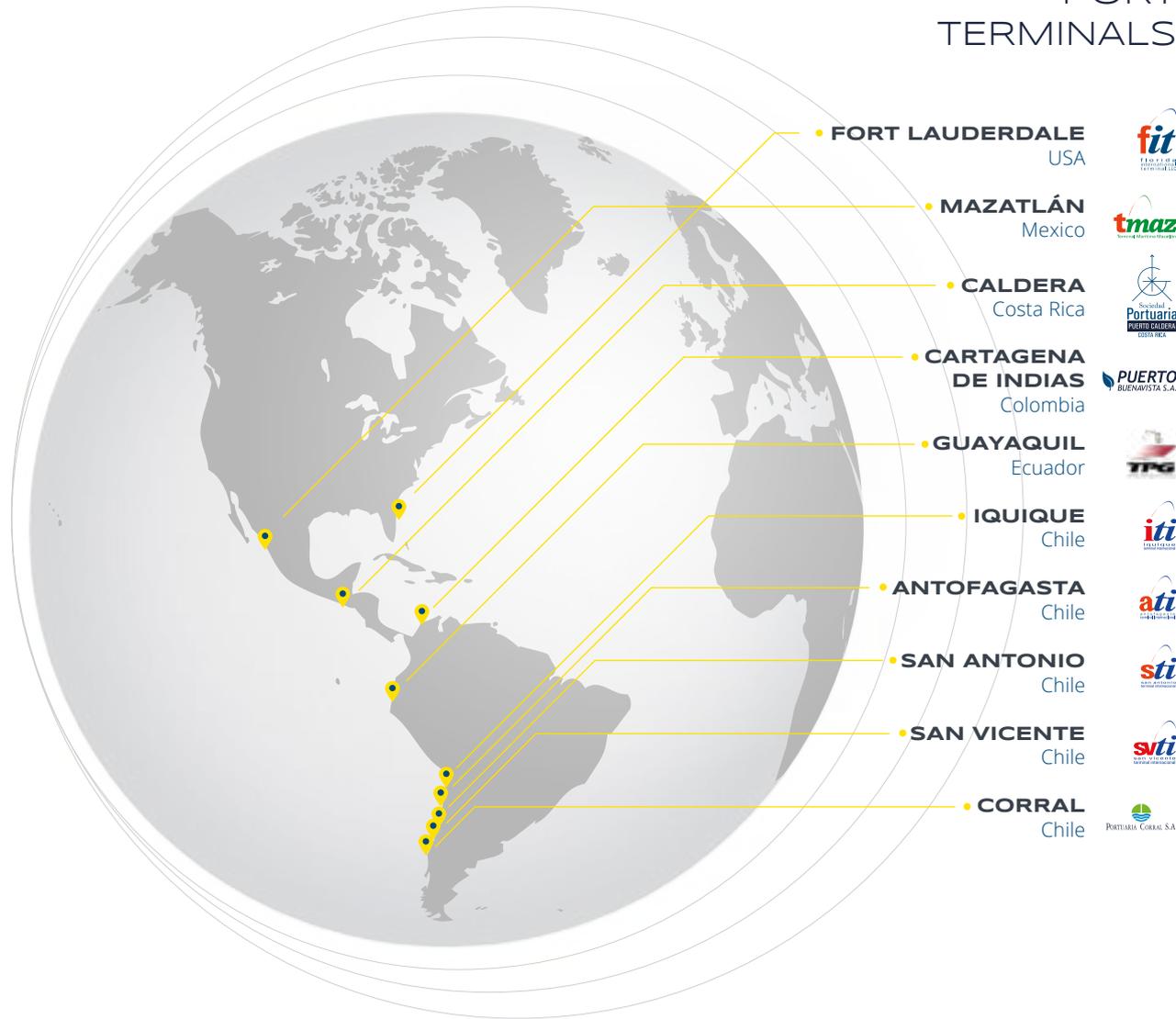
Port terminals operated by SAAM undertake various cargo transfers (containers, bulk cargo, loose cargo and project cargo), warehousing, empty container services and complementary logistics services such as container consolidation and deconsolidation, lashing and unlashings, gauging and inspections, both at vessel loading and unloading.

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OPERATING PRESENCE

Terminals where the company has an interest:

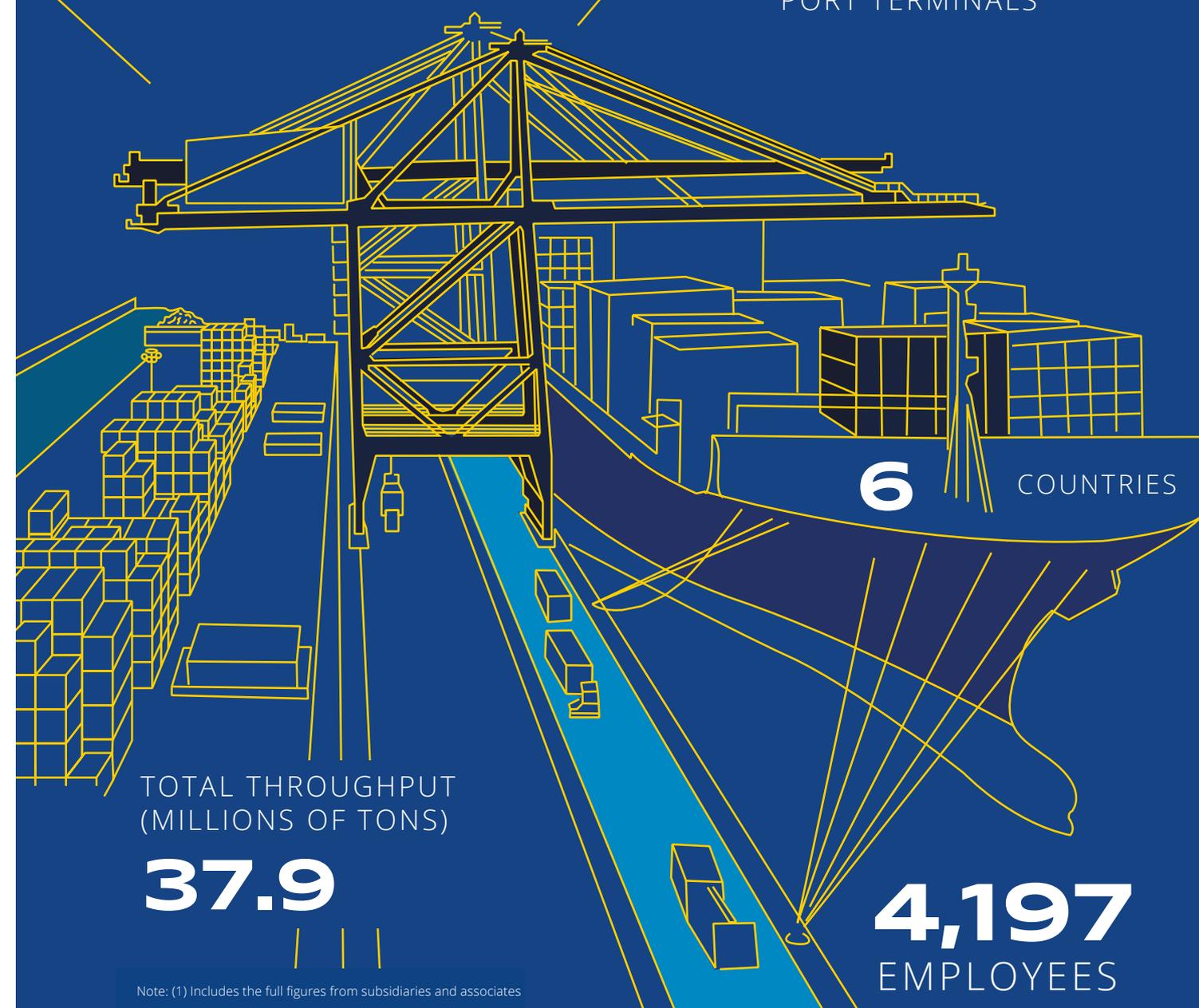


TOTAL THROUGHPUT (TEUS)

3.4 MILLION

10

PORT TERMINALS



Note: (1) Includes the full figures from subsidiaries and associates

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MILESTONES IN 2019

Close of sale of minority interest in Terminal Puerto Arica

In May 2019, SM SAAM closed the sale of 15% of its minority interest in Terminal Puerto de Arica.

Expansion of Terminal Portuario Guayaquil (TPG)

Expansion works commenced at TPG, including extending the container wharf by 180 additional meters to 720 meters (660 meters of wharf and 60 meters of berthing dolphin), with an investment of US\$ 10.7 million.

37.9 million tons of cargo and 3.4 million TEUs transferred

Infrastructure improvements and new STS cranes at San Vicente Terminal Internacional

A project to reinforce sites 3 and 4 was completed in 2019, leaving the port with 1,100 meters of berth and allowing it to service two Post Panamax vessels simultaneously. This is part of the SVTI modernization project, which also included adding two ship-to-shore cranes. This new equipment reduced time needed to service vessels docking at the terminal.

End of dredging of Guayaquil access channel

The arrival of the CMA CGM Mundra vessel at Terminal Portuario de Guayaquil marked the end of work to deepen the channel to access the city's port terminals, increasing its depth from 9.75 to 13 meters and enabling the arrival of vessels of up to 15,000 TEU.

Puerto Caldera Moves Up Dredging

In order to optimize commercial operations and reduce wait times for vessels arriving at Puerto Caldera, Sociedad Portuaria Caldera (SPC) and the Costa Rican Institute of Pacific Ports (INCOP) have moved up dredging in the area, allocating approximately US\$ 2.6 million for the task.

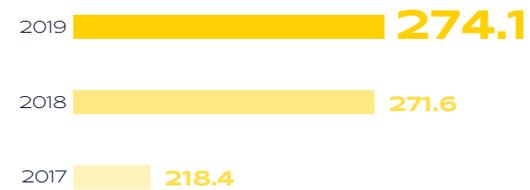


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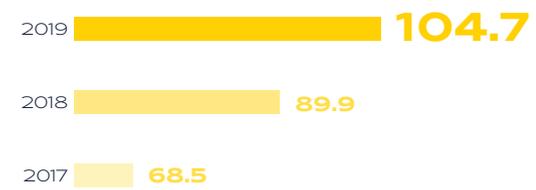
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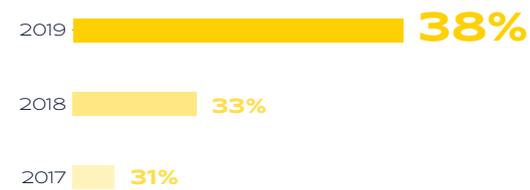
Consolidated revenue (US\$ million)



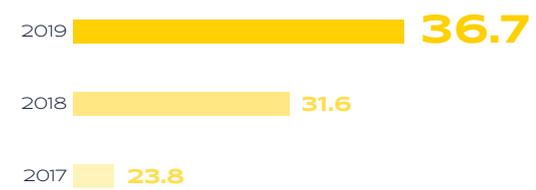
Consolidated EBITDA (US\$ million)



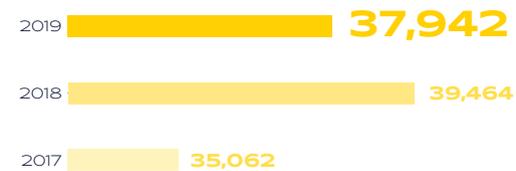
EBITDA margin



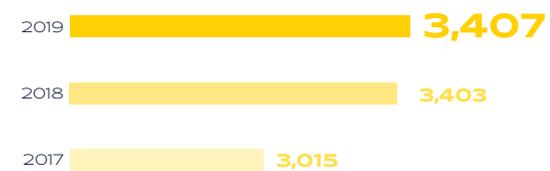
Net income attributable to the controller (US\$ million)



Throughput (thousands of tons) (*)



Throughput (thousands of TEUs) (*)



(*) Includes the full volumes of subsidiaries and associates

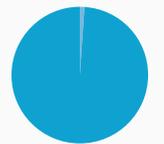
PORTS IN CHILE

IQUIQUE TERMINAL INTERNACIONAL (ITI, CHILE)



Throughput in 2018	2,269,872 tons	259,833 TEU
Throughput in 2019	2,315,283 tons	270,186 TEU
Number of docks	2	
Length of docks	624 mts.	
Concession expires	2030	
Concession extension option	Extended	
Region	Tarapacá Region (Iquique)	
Web	www.iti.cl	

Ownership



- 99.9% SAAM Puertos S.A.
- 0.1% SAAM Inversiones SpA.

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PORTS IN CHILE



ANTOFAGASTA TERMINAL INTERNACIONAL (ATI, CHILE)



Throughput in 2018	2,586,004 tons	79,822 TEU
Throughput in 2019	2,864,485 tons	85,408 TEU
Number of docks	2	
Length of docks	575 mts.	
Concession expires	2033	
Concession extension option	Extended	
Region	Antofagasta Region (Antofagasta)	
Web	www.atiport.cl	

Ownership



- **35%** SAAM Puertos S.A.
- **35%** Grupo Empresas Navieras S.A.
- **30%** Inversiones Punta de Rieles Ltda.

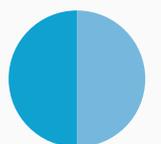


SAN ANTONIO TERMINAL INTERNACIONAL (STI, CHILE)



Throughput in 2018	11,873,988 tons	1,173,160 TEU
Throughput in 2019	11,909,460 tons	1,200,829 TEU
Number of docks	3	
Length of docks	930m	
Concession expires	2024	
Concession extension option	+ 5 years	
Region	Valparaíso Region (Valparaíso)	
Web	www.stiport.cl	

Ownership



- **50%** SAAM Puertos S.A.
- **50%** SSA Holding International Chile Ltda.

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PORTS IN CHILE

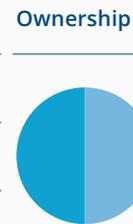


SAN VICENTE TERMINAL INTERNACIONAL (SVTI, CHILE)



San Vicente
Bío-Bío Region

Throughput in 2018	5,711,427 tons	455,873 TEU
Throughput in 2019	4,319,890 tons	369,978 TEU
Number of docks	5	
Length of docks	1,084m	
Concession expires	2029	
Concession extension option	Extended	
Region	Bío-Bío Region (San Vicente)	
Web	www.svti.cl	



■ 50% SAAM Puertos S.A.
■ 50% SSA Holding International Chile Ltda.

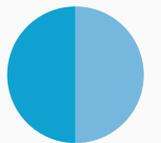


PORTUARIA CORRAL (CORRAL CHILE)



Corral
Los Ríos Region

Throughput in 2018	1,095,271 tons
Throughput in 2019	1,236,022 tons
Number of docks	1
Length of docks	146m
Concession expires	Owned
Region	Los Ríos Region
Web	www.corralport.cl



■ 50% SAAM Puertos S.A.
■ 50% Inversiones Portuarias Ltda.

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FOREIGN PORTS

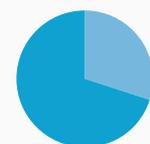
FLORIDA INTERNATIONAL TERMINAL (FIT, USA)



Miami
State of Florida

Throughput in 2018	1,676,098 tons	253,820 TEU
Throughput in 2019	1,673,800 tons	269,692 TEU
Number of docks	4	
Length of docks	1,402 mts.	
Concession expires	2025	
Concession extension option	+5 + 5 years	
Location	State of Florida (Miami)	
Web	www.fitpev.com	

Ownership



- 70% SAAM Florida Inc.
- 30% Agunsa Miami Inc.

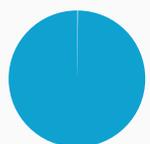
TERMINAL PORTUARIO GUAYAQUIL (TPG, ECUADOR)



Guayaquil
Guayas Province

Throughput in 2018	6,484,460 tons	856,800 TEU
Throughput in 2019	6,310,863 tons	862,084 TEU
Number of docks	2	
Length of docks	480 mts. (+180 mt expansion)	
Concession expires	2071	
Location	Guayas Province (Guayaquil)	
Web	www.tpg.com.ec	

Ownership



- 99.99% SAAM Puertos S.A.
- 0.01% Inversiones San Marco Ltda.

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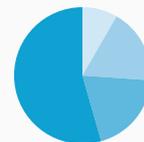
PUERTO CALDERA (COSTA RICA)



Caldera
Puntarenas Province

Throughput in 2018	6,107,231 tons	310,151 TEU
Throughput in 2019	5,847,117 tons	303,771 TEU
Number of docks	4	
Length of docks	800 mts.	
Concession expires	2026	
Region	Puntarenas Province (Caldera)	
Web	www.spcaldera.com	

Ownership



- **51%** SAAM Puertos S.A.
- **21%** Comercializadora Ry S, S.A.
- **19%** Logística de Granos
- **9%** M&H Inversiones S.A.S



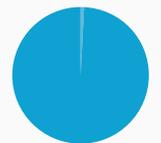
TERMINAL MARÍTIMA MAZATLÁN (TMaz, MEXICO)



Mazatlán
State of Sinaloa

Throughput in 2018	1,207,950 tons	48,199 TEU
Throughput in 2019	1,041,819 tons	50,103 TEU
Number of docks	6	
Length of docks	1,296 mts.	
Concession expires	2032	
Region	State of Sinaloa (Mazatlán)	
Web	www.tmaz.com.mx	

Ownership



- **99.7%** SAAM Puertos S.A.
- **0.3%** SAAM S.A.

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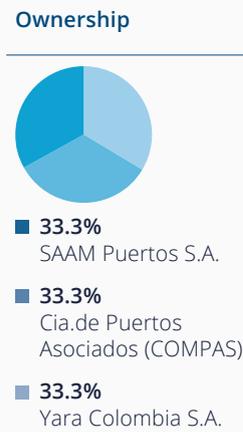


PUERTO BUENAVISTA (PBV, COLOMBIA) 



Cartagena de Indias
Bolívar Department

Throughput in 2018	451,567 tons	-
Throughput in 2019	423,071 tons	-
Number of docks	1	
Length of docks	211 mts.	
Concession expires	2037	
Region	Bolívar Department (Cartagena de Indias)	
Web	www.puertobuenavista.com	



CUSTOMERS AND SUPPLIERS

The main customers of the Port Terminals Division are shipping lines, mining projects, forestry companies and fruit companies. In 2019 one customer represented more than 10% of total consolidated sales.

The most important suppliers can be found within personnel services, engineering, construction and port equipment companies, although none of these amount to more than 10% of total purchases of goods and services in the period.



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COMPETITION

The main competition to SM SAAM's terminals is from private ports for public use and public port concessions that operate in the company's markets.

Specifically, in northern Chile the port terminals at Antofagasta and Iquique compete with the terminals Puerto Angamos and Puerto Mejillones, which handle minerals and solid and liquid bulk cargo. In central Chile, San Antonio Terminal Internacional competes with the terminals Terminal Pacífico Sur and Puerto Central, particularly for containerized cargo. In southern Chile, San Vicente Terminal Internacional and Portuaria Corral compete with the terminals Puerto de Coronel, Puerto Lirquén and Portuaria Cabo Froward, all focused primarily on the forestry industry.

Outside Chile, the main competitors of SM SAAM's port terminals are terminals operated within the same area of influence. This applies to Terminal Marítima Mazatlán in Mexico, whose competitors are the terminals at Lazaro Cardenas and Manzanillo. Florida International Terminal in the US competes with Crowley, Mediterranean Shipping Company and Sun Terminals, all concessionaires at Port Everglades in Florida, and with terminals within the port of Miami. In Ecuador, Terminal Portuario Guayaquil is the largest operator and competes with Contecon, Dole Food Company and DP World Posorja, inaugurated in 2019.



The chart shows the ranking of the leading port operators in South America according to Drewry for 2018, where SM SAAM is in fifth place:

Rank	Company	Throughput 2018 ('000 TEU)	Equity TEU 2018 ('000 TEU)	Equity TEU as % of Regional Throughput	Location of Main Terminal Operations
1	Contecar (SPRC)	2,594	2,594	9.2%	Cartagena (Colombia)
2	APM Terminals	4,062	2,566	9.1%	Buenos Aires, Itajai, Pecém, Santos, Callao, Buenaventura, Cartagena
3	Terminal Investment Limited (TIL)	4,513	2,546	9.0%	Navegantes, Santos, Buenos Aires, Callao, Rodman, Rio de Janeiro
4	DP World	2,513	2,242	7.9%	Callao, Buenos Aires, Santos, Suriname, Paita
5	SAAM Puertos	2,794	1,928	6.8%	San Antonio, San Vicente, Iquique, Antofagasta, Guayaquil
6	Santos Brazil	1,684	1,684	6.0%	Santos, Imbituba, Vila Do Conde
7	ICTSI	1,314	1,314	4.6%	Guayaquil, Suape, Buenaventura, La Plata
8	Neltume Ports	2,330	1,251	4.4%	Arica, Puerto Angamos, Valparaíso, Montevideo, Coronel, Coquimbo, Rosario (Argentina), Rio Grande
9	Wilson,Sons	1,054	1,030	3.6%	Rio Grande, Salvador
10	Pulogsa*	808	808	2.9%	Lirquén, San Antonio
Total			17,963	63.5%	
Regional total		28,287			

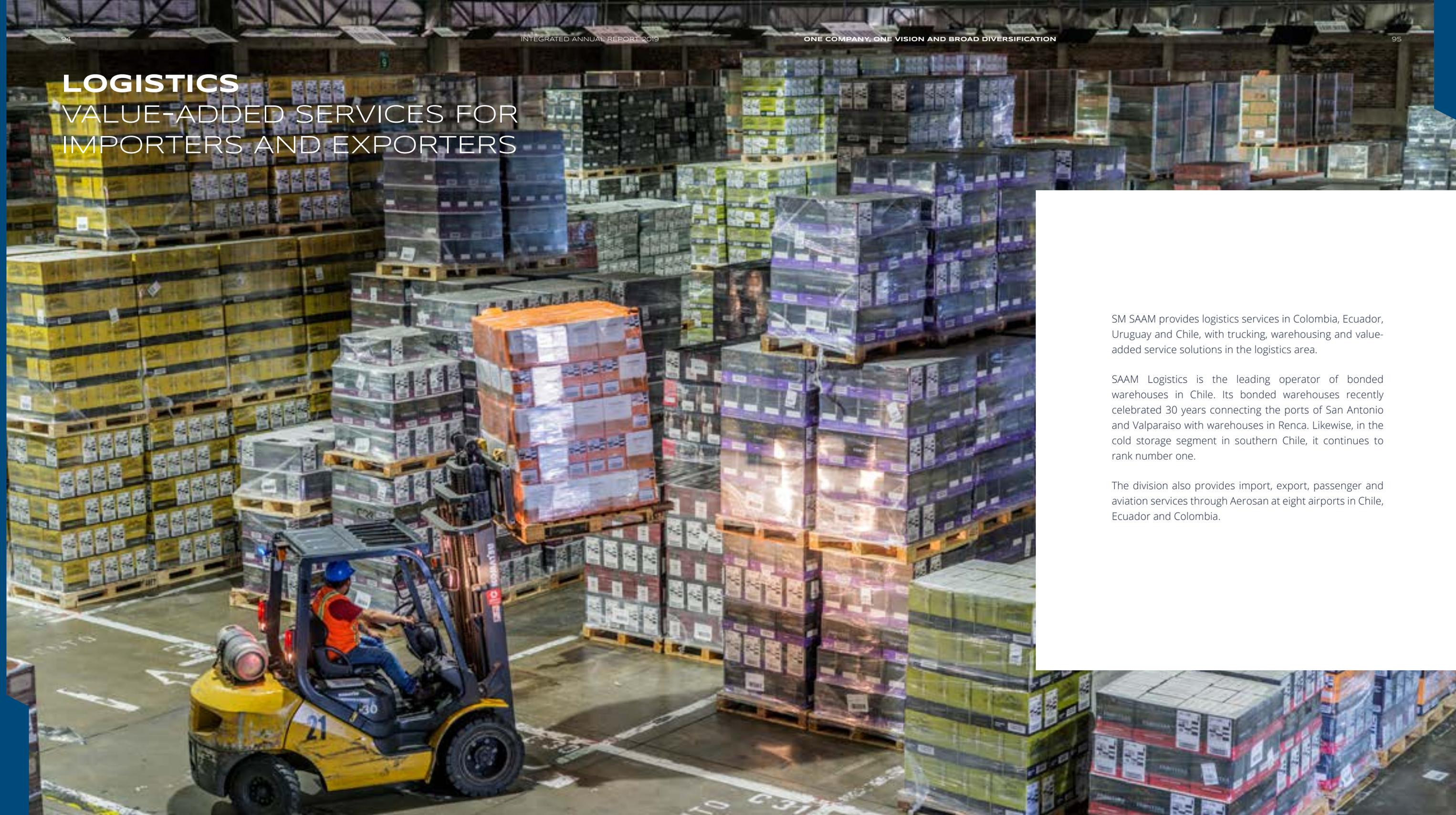
* DP World acquired an interest of 71.3% in Puertos y Logística (Pulogsa) in 2019.

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LOGISTICS

VALUE-ADDED SERVICES FOR IMPORTERS AND EXPORTERS



SM SAAM provides logistics services in Colombia, Ecuador, Uruguay and Chile, with trucking, warehousing and value-added service solutions in the logistics area.

SAAM Logistics is the leading operator of bonded warehouses in Chile. Its bonded warehouses recently celebrated 30 years connecting the ports of San Antonio and Valparaiso with warehouses in Renca. Likewise, in the cold storage segment in southern Chile, it continues to rank number one.

The division also provides import, export, passenger and aviation services through Aerosan at eight airports in Chile, Ecuador and Colombia.

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SERVICES

SAAM LOGISTICS

SAAM Logistics provides its customers a full portfolio of services to meet their needs. These include warehousing and trucking services, focused on covering all logistical operations, with processes governed by operational excellence and continuous improvement.

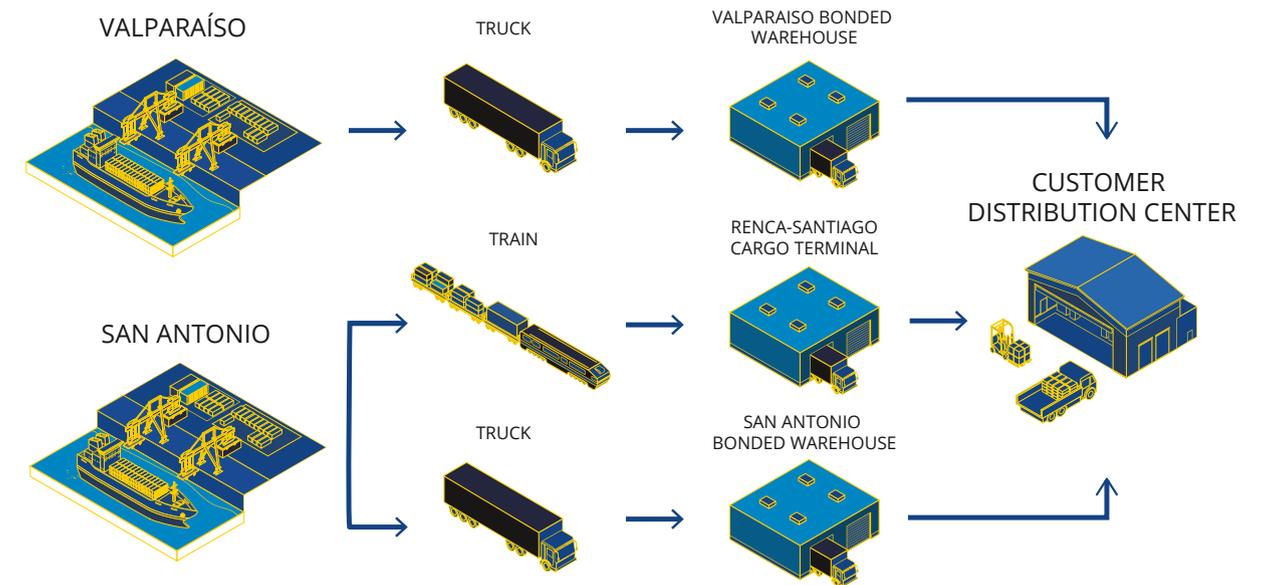
In 2019 the services offered by SAAM Extraportuarios were integrated with trucking services. This change resulted in 70% of the Chilean retail industry moving and warehousing its cargo with SAAM Logistics.

Along with this, the division increased the use of train transport from San Antonio to Santiago, thus reducing CO₂ emissions. In effect, moving a container by rail from San Antonio to Santiago emits 68% less CO₂ into the environment than using trucks. Moving a container between these two locations by train generates 85 kg of CO₂, while doing it by highway emits 265 kg.

In 2019 SAAM Logistics quantified its emissions and certified the calculation through Huella Chile, marking the first step to continue reducing emissions.

Warehousing services	Trucking services
<ul style="list-style-type: none"> • Warehouse management • In-house operations • Bonded warehousing • Value-added services • Inventory control 	<ul style="list-style-type: none"> • FCL / LCL Transport • Distribution • Documentation services • Consolidation / deconsolidation • Cross docking
	

SAAM LOGISTICS VALUE CHAIN



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SAAM LOGISTICS INFRASTRUCTURE (WAREHOUSE MANAGEMENT)

San Antonio, Barrancas

- Surface Area: 175,000 m²
- 20,000 m² of warehouses
- Capacity for 1,600 TEUs
- 2,500 rack positions



Valparaíso, Placilla

- Surface Area: 72,000 m²
- 14,000 m² of warehouses
- Capacity for 1,500 TEUs
- 3,320 rack positions



Santiago, Renca

- Surface Area: 110,000 m²
- Enclosure entirely paved and asphalted
- 19,000 m² of warehouses
- Closed-circuit TV
- 24 hour security



Iquique

- Surface Area: 20,020 m²
- 1,000 m² of warehouses
- Capacity for 1,000 TEUs



Puerto Montt (cold storage)

- Total Surface Area: 21,200 m²
- Frozen storage capacity: 6,216 tons
- Rack positions 7,136



MILESTONES IN 2019

- SAAM Logistics increased the volume of containers mobilized by its trucking service by 10% as compared to the prior year.
- SAAM Logistics closed new contracts with retail customers.
- In October its bonded warehouse area (SAAM Extraportuarios) celebrated 30 years in business.
- SAAM Logistics was certified by Huella Chile for quantifying its GHG emissions.
- In the cold storage cargo segment, SAAM Logistics maintained its leadership, storing 1.9 million tons/day.

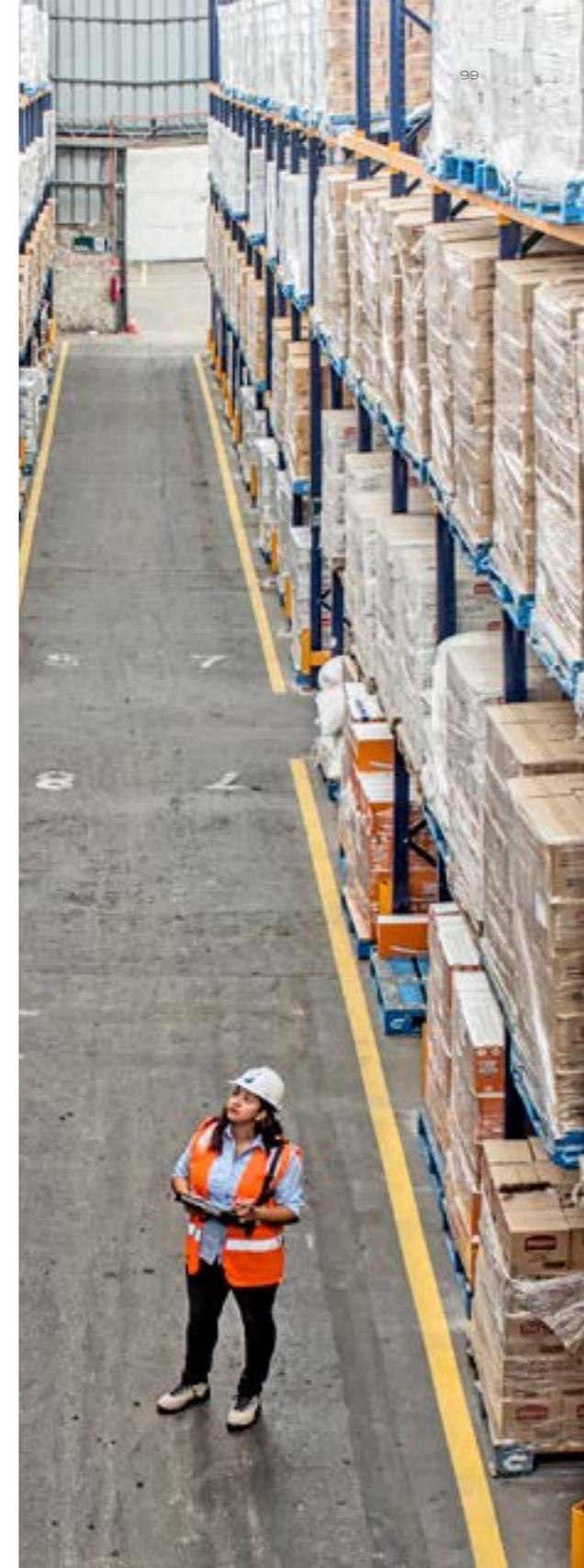
CUSTOMERS AND SUPPLIERS

The main customers of SAAM Logistics are the most important Chilean importers and exporters, none of which represented over 10% of consolidated revenue for 2019.

Its suppliers are mainly trucking and general service companies. None of these suppliers represented more than 10% of total supplies of goods and services for 2019.

COMPETITION

This business area's operations are concentrated in Chile, where its main competitors for supply chain services are Sitrans, Puerto Columbo and Agunsa, among others.



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**AEROSAN:
AIRPORT SERVICES**

The company has operations in Chile, Colombia and Ecuador and provides freight, ground assistance, customs storage, charter and passenger services, in addition to operating an IATA Training Center that offers a variety of courses open to the airport community.

Each year it serves more than 6,000 flights and handles over 300,000 tons of freight as diverse as salmon, flowers and a variety of exotic fruits.

In 2019, the company underwent an integration process that included a structural change to strengthen corporate areas and standardize processes, all under one single brand and common corporate image. Today it is positioned as one large company with a regional scope that is evolving and continuing to expand alongside its strategic partners, with an offering in line with industry requirements and high safety standards.

MILESTONES IN 2019

- Being awarded the contract to operate one of the export centers at the Santiago International Airport.
- Aerosan began operating under one single brand in Colombia, Ecuador and Chile.
- During the fourth quarter of 2019 operations began at the new import distribution center.
- Cargo and ramp operations commenced at the new facilities at the Medellín Airport.
- The concession with Quito's Aeropuerto Internacional Mariscal Sucre was renewed for 13 years.

AIRPORT SERVICES

- Export terminal
- Aviation services
- Import terminal
- Domestic cargo services
- Passenger services



6,000 flights serviced each year



300,000 tons of cargo moved



+1,000,000 passengers served



+1,500 employees



+33,000 mt² of cargo terminals



Operations at **8** airports



Chile
• Santiago



Colombia
• Bogotá
• Medellín
• Cartagena de Indias
• San Andrés
• Pereira
• Barranquilla



Ecuador
• Quito



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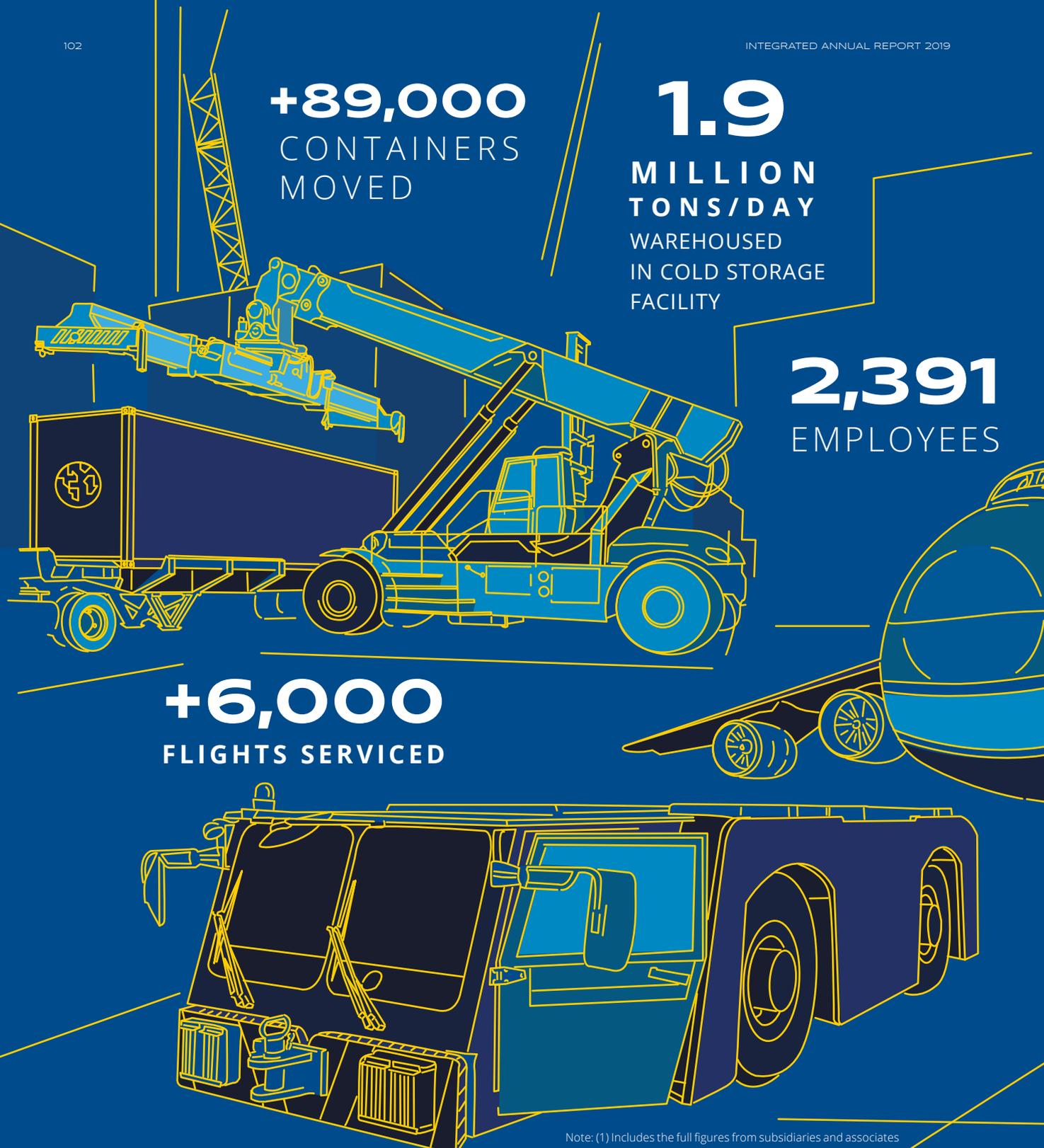
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+89,000
CONTAINERS
MOVED

1.9
MILLION
TONS/DAY
WAREHOUSED
IN COLD STORAGE
FACILITY

2,391
EMPLOYEES

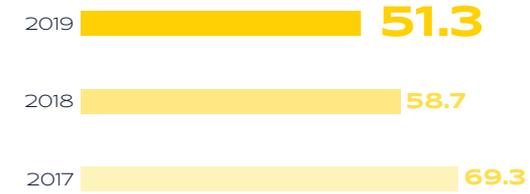
+6,000
FLIGHTS SERVICED



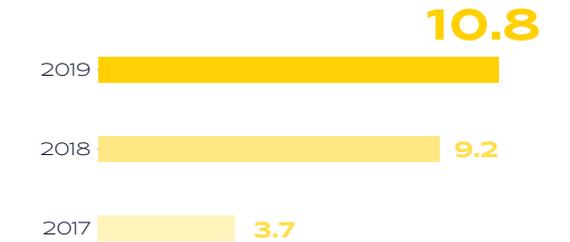
Note: (1) Includes the full figures from subsidiaries and associates

RESULTS 2019

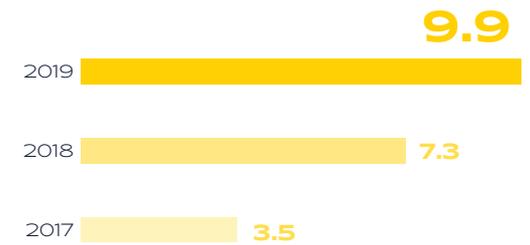
Consolidated revenue (US\$ million)



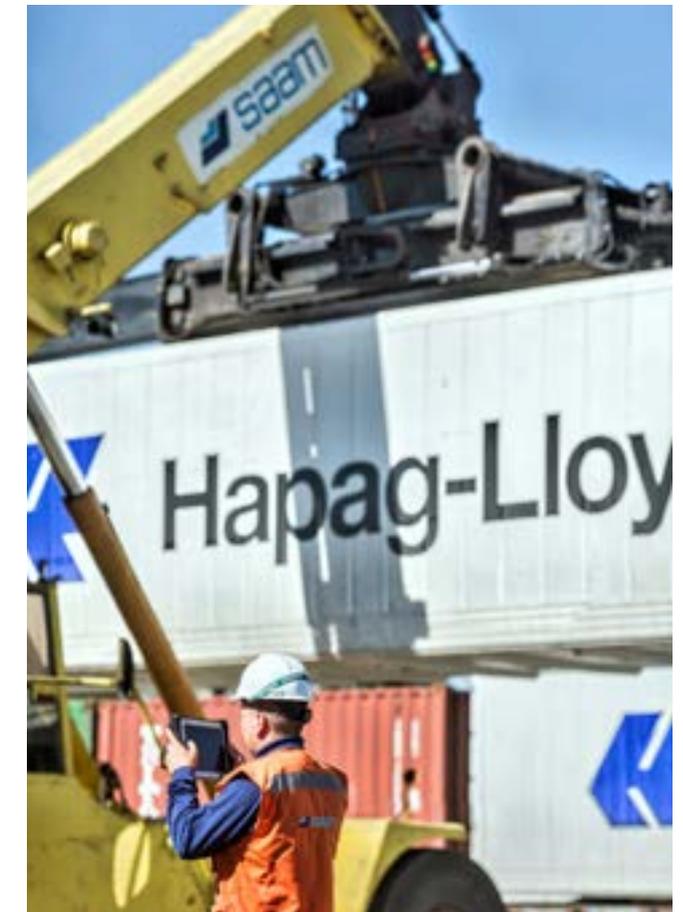
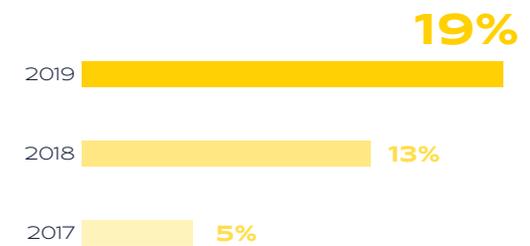
Net income attributable to the controller (US\$ million)



Consolidated EBITDA (US\$ million)



EBITDA margin



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SM SAAM: INVESTMENTS AND GROWTH

The company has experienced considerable growth and investments over the past five years, beginning with major steps in 2015 like the joint towage operations with Boskalis. This partnership enabled it to enter two new markets and further expand its presence in the Americas.

It also moved forward with extending its port concessions and made infrastructure investments to ensure new commercial contracts.

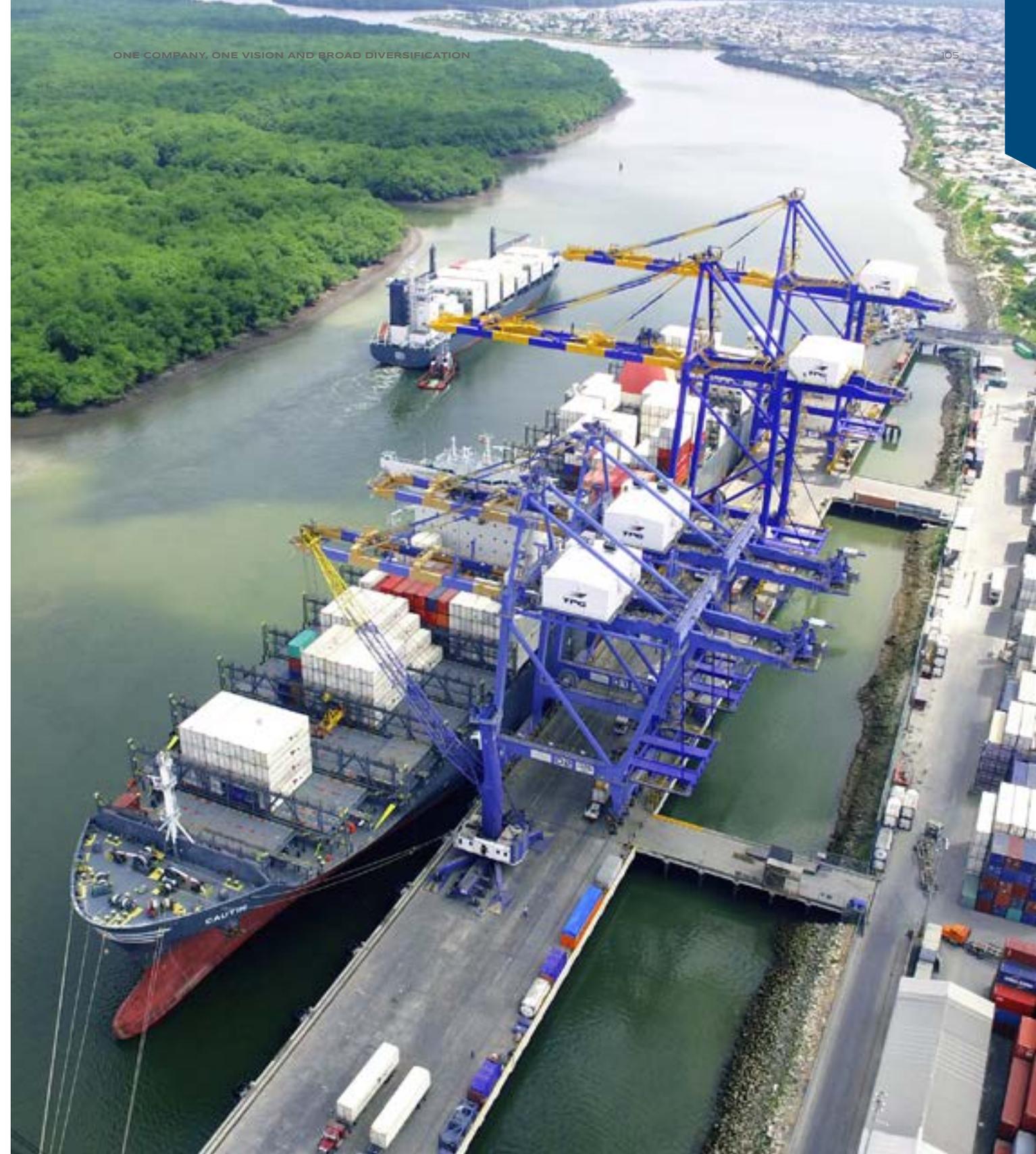
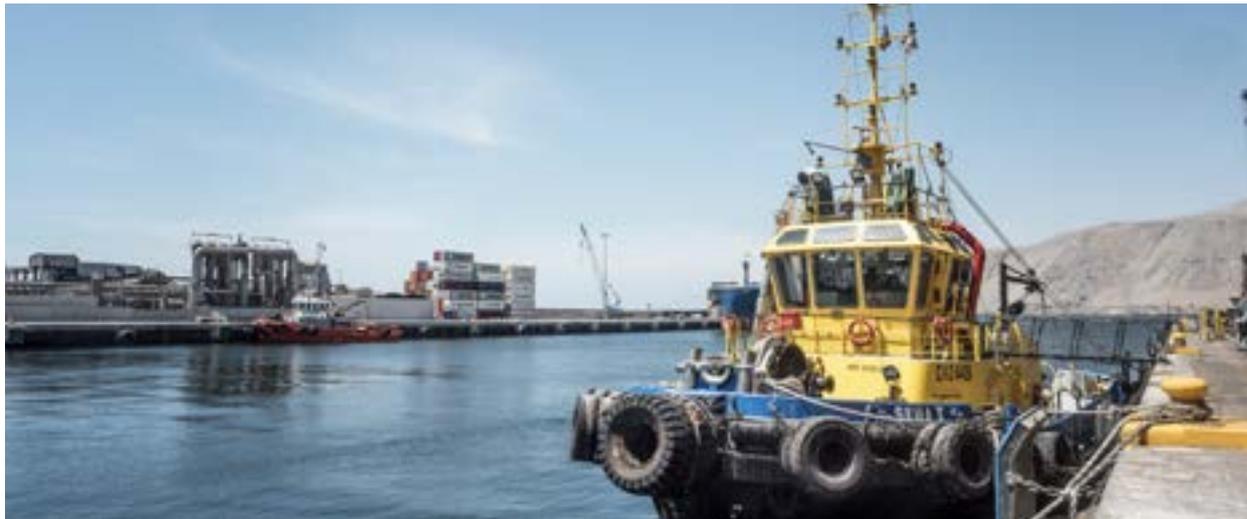
In 2017, the Port Terminals Division entered Central America by acquiring 51% of Puerto Caldera in Costa Rica, sold its minority interest in Tramarsa (Peru) and acquired the remaining 15% of Iquique Terminal Internacional.

It continued making strides to optimize its portfolio and implement a new operating model that enabled it to obtain important savings and grow earnings.

In 2019 the company concluded the largest purchase in its history, acquiring Boskalis's stake in its joint operations in the towage business in Brazil, Mexico, Panama and Canada for US\$ 194 million.

During the period operations began under the long-term contract to operate three tugs at the RIPET propane gas export terminal in Canada. One of these tugs was built specially for this project and is the first vessel with IMO Tier III emissions control certification in our fleet, and in Canada, making it one of the most ecological in the world.

As part of the vision to consolidate its portfolio and manage the Port Terminals Division more efficiently, investments were made to expand the dock at Terminal Portuario Guayaquil and conclude dredging of the access channel, enabling higher-draft vessels to dock and commercial contracts to be extended. In Puerto Caldera, Costa Rica, dredging was moved up to optimize terminal operations.



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08_ RISK MANAGEMENT



The partnership with SAAM Towage is very important for our accreditation process because it strengthens our educational curriculum. It keeps us up to date on new technologies and requirements needed at terminals and ports and, therefore, our professors learn about port maneuvers and our students have access to professional internships. Also through this strategic partnership, we provide a space for continuous education for tug captains, giving them access to the same facilities as the rest of the students.



ALEJANDRO LAGUNA
 Director of Merchant Marine Program at Universidad Andrés Bello (UNAB)

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RISK MANAGEMENT

SM SAAM has a Comprehensive Risk Management Model designed to reduce the probability of any negative event adversely affecting the company's ability to achieve its defined objectives.

The company classifies and evaluates risks in order to identify internal or external events and define plans to maintain business development and compliance of set objectives.

RISK POLICY

This policy includes a Processes and Risk Unit responsible for facilitating, supporting and assisting with the process of implementing risk management, in addition to reviewing, supervising and ensuring compliance through reports to operational management and the Risk Committee, which in turn reports to the Directors' Committee appointed by the board.

CLASSIFYING RISKS

The company classifies its risks into three broad categories:



1. Strategic risks: Risks related to the company's strategy and/or strategic objectives that, therefore, are categorized as essential. They directly affect any aspect or area of the industry.

2. Compliance risks: Related to compliance with laws, standards, regulations, decrees or any other type of rule, both internal and external, whether corporate, national or global in scope.

3. Process risks: Related to compliance with our processes as a result of an internal or external event caused by people, systems or technology.

RISK MANAGEMENT MODEL

In line with its risk policy, SM SAAM has a Comprehensive Risk Management Model designed to create value for the company and protect that value, while strengthening its operating model.

The Risk Management Model is applicable to the entire organization and is based on a standardized methodology, with practices and procedures founded on best practices and international standards on such matters, including ISO 31,000 and COSO ERM.

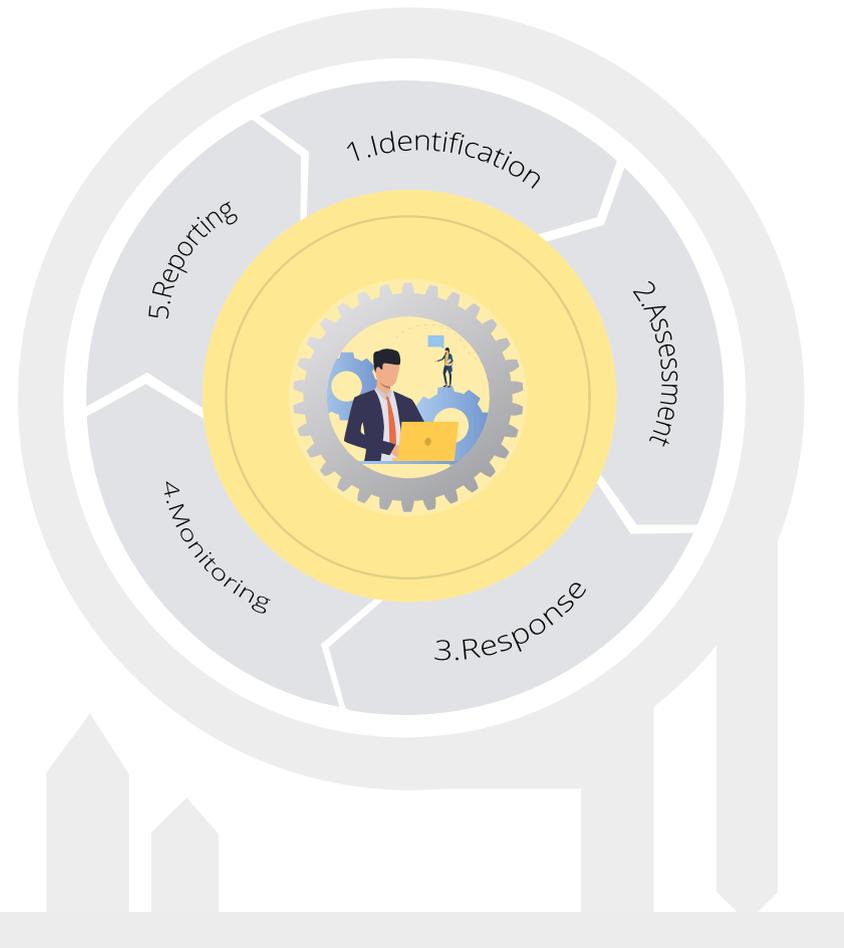


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RISK MANAGEMENT PROCESS

The risk management process consists of five phases that provide continuous feedback:



This process is based on a three-line functional structure that enables the company to appropriately manage risk.



First line: Responsible for managing and controlling risk events.

Second line: Responsible for correctly implementing and enforcing the model.

Third line: This is performed by the Internal Auditing Unit, which independently evaluates the comprehensive risk management process and application of established policies and procedures.

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In 2019, the company made progress on the following matters:

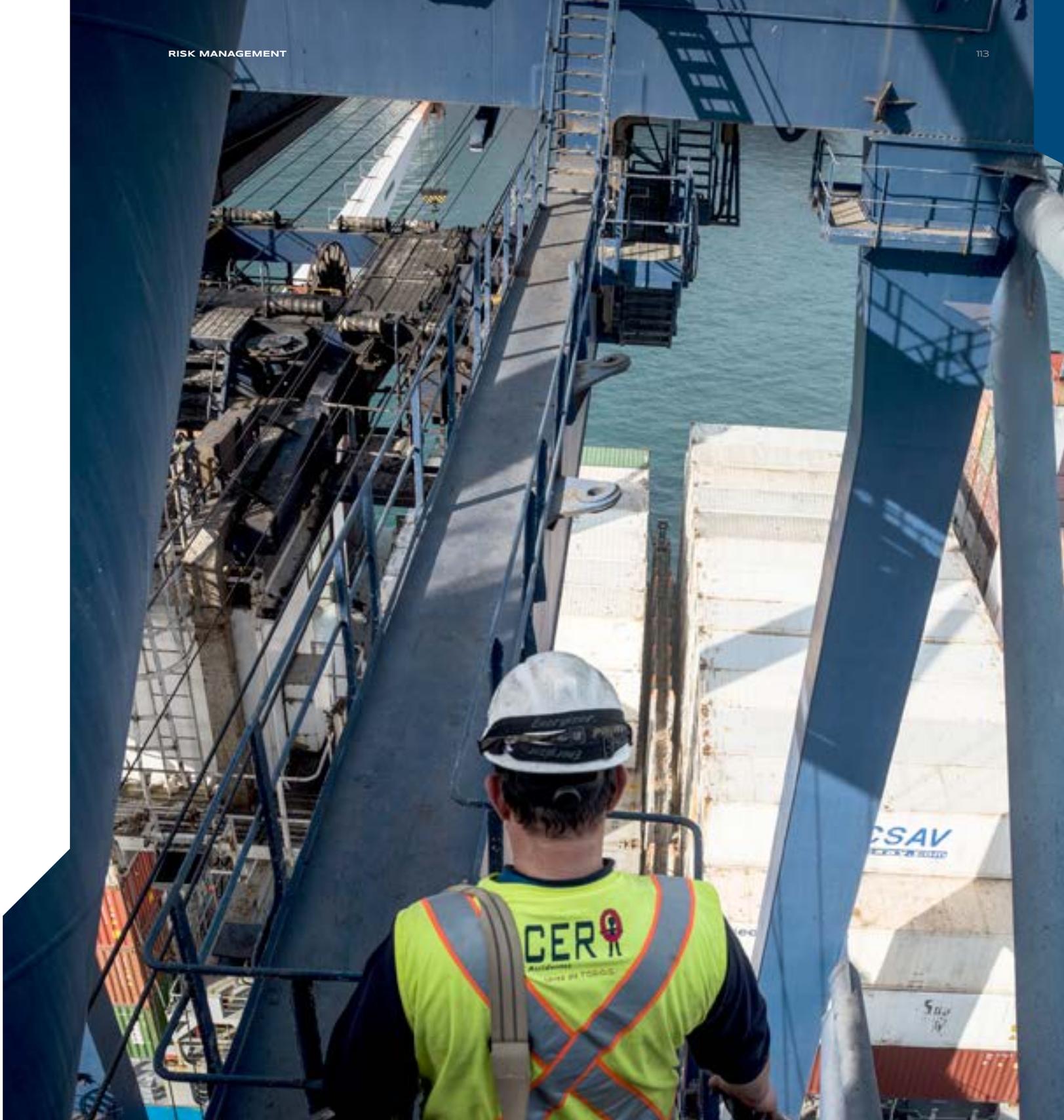


PROGRESS 2019

- Formation of a Risk Committee, which reports to the Directors' Committee and meets every six months.
- Communication of the three-line model to all subsidiaries.
- Updating of the strategic risk matrix.
- Process of evaluating inherent risks at each of the subsidiaries defined for this stage.

The following section groups the company's main strategic risks, as defined by the board:

- | | |
|--|---|
|  <ul style="list-style-type: none"> • Strategy execution: Risks that can be managed by implementing and executing defined strategies. |  <ul style="list-style-type: none"> • Community and people: All risks involving internal or external communities and/or people, placing human and social capital at the core of its management efforts. |
|  <ul style="list-style-type: none"> • Political and/or economic events: Risks caused by national or geographic and economic situations that can impact both the company and the environment in which it operates. |  <ul style="list-style-type: none"> • Policies, processes and procedures: Risks with an internal cause related to correct implementation and execution of policies, processes and procedures. |
|  <ul style="list-style-type: none"> • Compliance: Regulatory, environmental and ethical risks that can impact both the company and the environment in which it operates. | |



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09_ SUSTAINABILITY MANAGEMENT



The Capstone Project (whereby recent graduates carry out projects at companies like Antofagasta Terminal Internacional, ATI), has been a very important way to introduce our students to the workplace. Through our engineering degree programs we have engaged in a very practical way with companies. Students attain real experience solving problems at companies with university professors serving as guides, and professionals monitoring their activities.



JORGE TABILO
Chancellor, Universidad Católica del Norte

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SUSTAINABILITY MANAGEMENT

SM SAAM understands its commitment to engage responsibly with all stakeholders as part of its business management efforts, which also include social, environmental and governance aspects.

Through this report SM SAAM is aiming to institutionalize management of relevant topics and affairs that impact performance and create organizational value with the stakeholders with which it engages.

INTEGRATING SUSTAINABILITY INTO SM SAAM'S BUSINESS

Sustainability as a form of management has been gradually penetrating the company, beginning with the conviction that its business should be creating shared value for all stakeholders including employees, customers, communities, investors, contractors and suppliers.

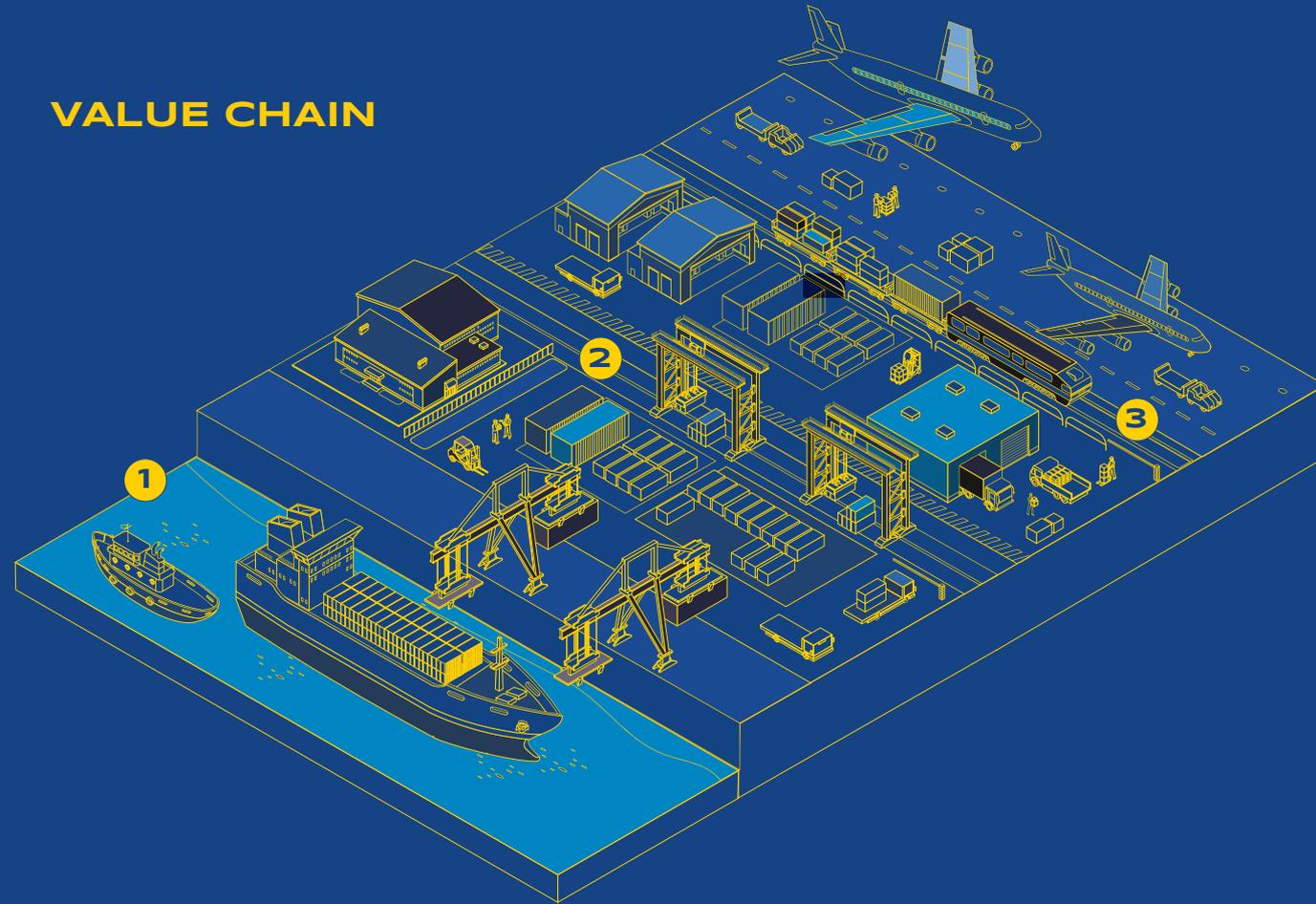
Therefore, its processes should incorporate economic, social and environmental variables, and provide a comprehensive perspective of the way it does business.



SUSTAINABILITY PRINCIPLES AT SM SAAM

 <p>Create value for the company and society</p>	<p>The company works to ensure the profitable and responsible development of SM SAAM and its companies, to contribute to the competitiveness of the countries where it operates and to generate shared value with its customers, shareholders, employees, contractors, suppliers and the communities where it does business.</p>
 <p>Build relationships of mutual cooperation with employees</p>	<p>The company believes in diversity, equal opportunity in the workplace and non-discrimination in all areas, encouraging a commitment to inclusiveness in the workplace with an underlying respect and value for individual differences in order to leverage the talent and strengths of each employee. It is convinced that active, collaborative and close involvement is the basis for establishing "win-win" relationships that promote the process of creating shared value.</p>
 <p>Safety is a value we do not compromise</p>	<p>The company fosters a culture of safe conduct and a risk-free environment, and identifies, evaluates and implements the measures necessary to control potential hazards to health and workplace safety.</p>
 <p>The company's actions are guided by ethics and values</p>	<p>Leading the company based on ethical conduct and its values of Honesty, Respect, Responsibility, Safety and Service are key to generating trust-based relationships with stakeholders. These principles are present in every decision made and all daily operations, with no exceptions.</p>
 <p>Strive for excellence and exceed stakeholder expectations</p>	<p>The company takes full advantage of its capacities and knowledge to comply with and surpass stakeholder expectations. It operates in a sector that is strategic for the development and global integration of the countries where it does business. For this reason, it is committed to delivering sustainable solutions based on best practices.</p>
 <p>Make caring for the environment and preventing negative impacts an integral part of the business</p>	<p>The company undertakes to prevent, manage and minimize negative impacts generated by its operations on a cultural, environmental and social level, as well as any alteration that can affect its employees, neighbors, ecosystems and the environment in general. It integrates economic, social and environmental variables into decision making and how it conducts its operations and develops new businesses.</p>
 <p>Help make society stronger and more prosperous</p>	<p>The company seeks to contribute to greater prosperity and build identity in the towns and societies where it operates, thereby contributing to economic and social development. It strives to empathize with different points of view and ways of life, fostering collaborative work in all areas where it operates.</p>

VALUE CHAIN



1. Towage Services: SM Towage is the largest towage operator in the Americas and one of the leading providers in the world, operating at 70 ports in 9 countries. It has a fleet of 152 tugs, of which 80% are azimuth (state-of-the-art technology propellers that rotate through 360°), providing high maneuverability and bollard pull. These tugs provide berthing and unberthing services for ships, plus assistance, salvage and towage services. They also provide specialized services for ships at offshore terminals, and for positioning and anchoring oil and gas platforms.

2. Port Terminals: The company operates ten terminals in the United States, Mexico, Costa Rica, Colombia, Ecuador and Chile. It is a strategic partner of shipping lines and plays a relevant role in foreign trade in the region.

3. Logistics: SAAM Logistics provides logistics services in Colombia, Ecuador, Uruguay and Chile, with trucking, warehousing and value-added service solutions. It is the leading operator of bonded warehouses in Chile's central valley, connecting the ports of San Antonio and Valparaiso with warehouses in Renca. Likewise, in the cold storage segment in southern Chile, it continues to rank number one. The division also provides import, export, passenger and aviation services through Aerosan at eight airports in Chile, Ecuador and Colombia.

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RELEVANT ISSUES AND STAKEHOLDERS

According to the Global Reporting Initiative (GRI), the term *relevant issues* refers to “those aspects that reflect the organization’s significant social, environmental and economic impacts; or that substantively influence the assessments and decisions of stakeholders.”

PROCESS OF IDENTIFYING RELEVANT ISSUES

SM SAAM must manage different topics on a daily basis that are key to business sustainability and for its stakeholders in each of its business divisions.

In order to focus its strategy and determine which issues are of more importance or greater impact for its stakeholders, it carried out a Relevant Issues Analysis. For this, it started with the matrix from the 2016 Sustainability Report and applied instructions from the GRI Guidelines.

The company used a sequential methodology and identified four phases:



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RELEVANT ISSUES IDENTIFIED

Using the above process, the following relevant issues were identified for the year 2019:



Environmental

- Environmental performance
- Resilience to climate change
- Efficient use of energy and water



Social

- Community relations
- Talent management and employee development
- Labor relations management
- Diversity and inclusiveness
- Health and safety of individuals



Governance

- *Compliance*
- Free competition
- Loss of concessions or fines due to inadequate management
- Cybersecurity



Economic

- Economic performance and operational excellence
- Business strategy

In order to identify relevant issues, an internal and external assessment was conducted that considered information from the 2016 Sustainability Report, internal policies and procedures and interviews with company executives and board members.

The external assessment included interviews with Chilean and international investors, as well as information from secondary sources on relevant issues and good practices reported in annual and corporate accountability reports published by

the main industry comparables worldwide. In addition, it took into account material from analysts and institutional investors and the Dow Jones Sustainability Index (DJSI), as well as the Global Real Estate Sustainability Benchmark (GRESB⁽¹⁾), an independent organization driven by investors that assesses the sustainability performance of portfolios and assets.

(1) <https://gresb.com/>



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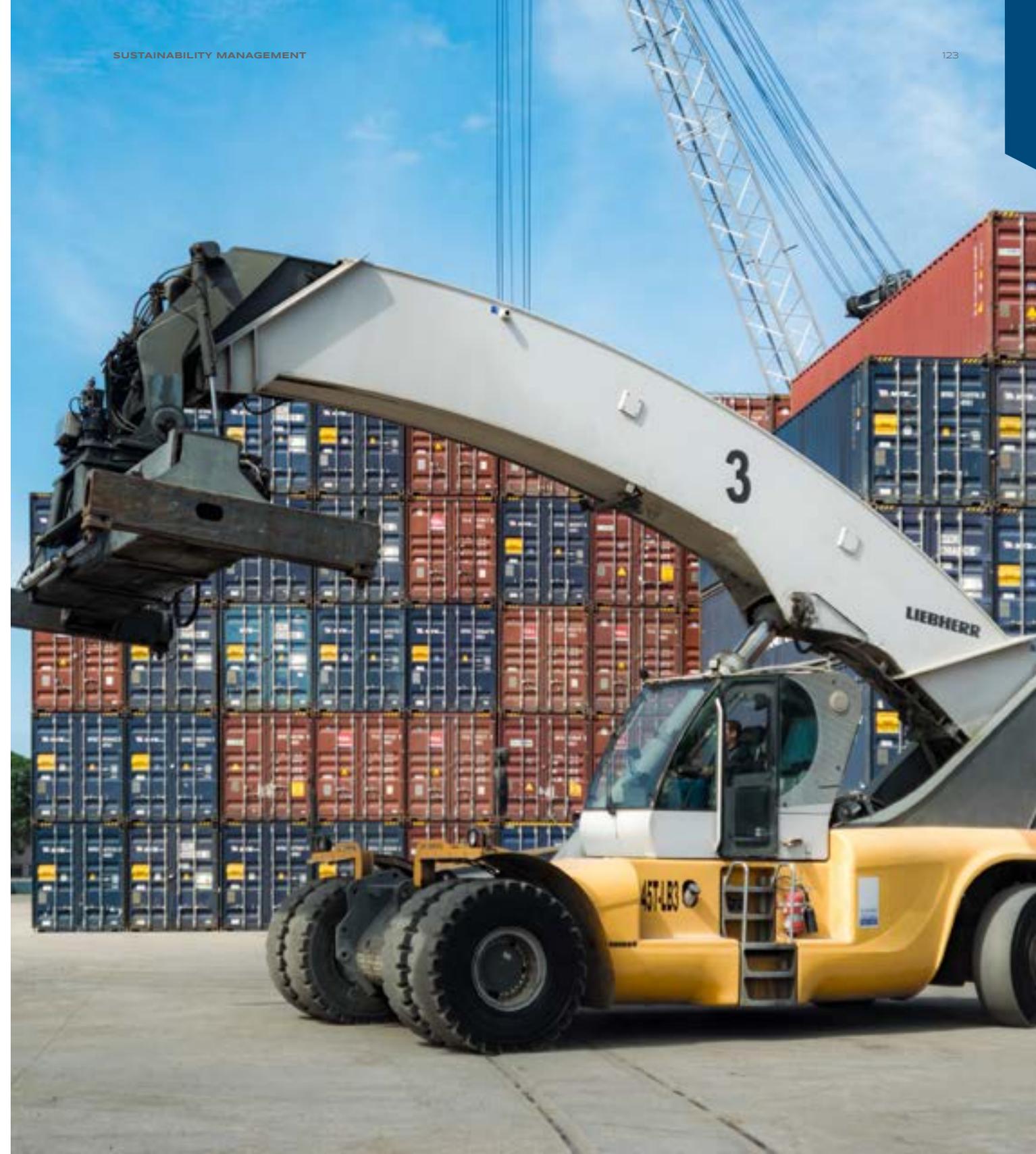
STAKEHOLDERS

According to GRI, stakeholders are the entities or individuals that can reasonably be expected to be significantly affected by the reporting organization's activities, products, and services, or whose actions can reasonably be expected to affect the ability of the organization to implement its strategies and achieve its objectives.

STAKEHOLDER DIALOGUE

Ensuring the projection and growth of SM SAAM's businesses over time involves contributing to the sustainability of the environments where it operates, harmoniously advancing economic, governance, social and environmental variables. In order to achieve this objective, organizations must consider the different perspectives and points of view of stakeholders, understanding that all decisions can have a direct or indirect impact on them.

SM SAAM has different communication mechanisms at a corporate level and within each company. It has organization-wide corporate communication tools such as the annual report, website, market information instruments, press releases and social media. It also uses specific channels such as e-mail, newsletters, meetings and surveys, among others, and relies on feedback mechanisms such as suggestion boxes, complaint systems, web contact forms, extended team meetings, performance evaluations, engagement surveys, , the annual general shareholders' meeting and other methods to listen to stakeholder opinions.



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SM SAAM has defined the following stakeholders as relevant:

Stakeholders	Description	Why SM SAAM Engages with Them	Communication Channels
 <p>Authorities</p>	<p>Relevant authorities are those that design public policy, regulate and oversee the company's businesses and represent communities near our operations. The link with the company, its subsidiaries and associates can include the president and ministers in each country (transportation, environment, finance, public works, labor, etc.), legislators, regional or local government institutions, maritime authorities and state agencies related to foreign trade (customs, investigative police and agricultural and livestock bureaus, among others).</p>	<p>It is important to build a relationship with authorities in order to comply with their requirements, collaborate on technical working groups and other opportunities for coordination, comply with regulatory issues and standards and request accountability.</p>	<ul style="list-style-type: none"> • Formal channels (as established by the regulations in each country) • Meetings and tours of operating facilities • Social media • News media • Annual Report • Website • Complaint system
 <p>Shareholders and investors</p>	<p>This includes all investors and shareholders, whether majority or minority. SM SAAM is a publicly listed corporation. Quiñenco owns 52.2%, while the remaining shares are held by shareholders and investors including pension funds, institutional investors and foreign investors.</p>	<p>Shareholders and investors require timely, accurate information on its economic, social and environmental performance, as well as the company's future plans in order to evaluate their investment decisions. SM SAAM is concerned with responsibly communicating its management, for which it has a specialized area in charge of relations with this audience.</p>	<ul style="list-style-type: none"> • Meetings, conference calls • Investor breakfasts • E-mail • Newsletters • Shareholders' meetings • Social media • Annual Report • Material events • Quarterly earnings reports • Web page (IR section) • Events • Financial Market Commission
 <p>Customers</p>	<p>The company's portfolio includes domestic and international customers. Among its main customers are shipping lines, mining projects, oil companies, exporters and importers that use the services of one or all three business divisions.</p>	<p>Customers are the company's <i>raison d'être</i>. It is important to maintain fluid, close relationships to ensure their needs are met effectively with excellent service.</p>	<ul style="list-style-type: none"> • Website • Events with customers • Annual Report • Social media • Visits to operations • Meetings • News media • Complaint system
 <p>Employees</p>	<p>This group is comprised of workers and the organizations that represent them. It includes operators, administrative staff, technicians, professionals, supervisors and executives at SM SAAM and its subsidiaries. These entities plus the other companies in which it has an interest directly employ 8,161 people of 27 different nationalities. Of them, 55% are Chilean and the remaining 45% are from other countries in the Americas and Europe. 13% are women.</p>	<p>SM SAAM works to cultivate long-term collaborative relationships with its employees and the organizations that represent them through dialogue and consensus building. To accomplish this, it has channels and opportunities to generate a participatory corporate culture among employees, promoting clear, direct and transparent communication.</p>	<ul style="list-style-type: none"> • Meetings • Annual Report • Social media • Intranet • Internal campaigns • Quarterly earnings presentation for employees • E-mails • Complaint system • Engagement survey • Orientation
 <p>Communities</p>	<p>The community within the area of influence of all operations of SM SAAM, subsidiaries and associates.</p>	<p>Community engagement is based on dialogue, involvement and mutual respect, with the goal of contributing to the comprehensive development of these communities.</p>	<ul style="list-style-type: none"> • Visits to facilities • Meetings • News media • Annual Report • Participation in programs with universities, schools and technical or professional institutes • Social media • Website • Complaint system • Events • Volunteering • Participation in working groups and local programs
 <p>Contractors and suppliers</p>	<p>Includes contractors, subcontractors and suppliers of raw materials, goods and services for SM SAAM, its subsidiaries and associates. They supply key inputs for operations such as oil and port equipment, among others. Services include general services and specific areas such as transportation, engineering, port construction and tug maintenance, to mention a few.</p>	<p>Relations with contractors and subcontractors strive to ensure business sustainability, based always on mutual cooperation and acting in accordance with the company's values and business ethics. The company looks to build relations based on trust, communication, collaboration and mutual benefit with its suppliers, expecting high levels of quality and added value from them, while collaborating with their growth and development.</p>	<ul style="list-style-type: none"> • Website • Annual Report • Social media • Meetings • Complaint system • E-mails

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MANAGEMENT APPROACH

SM SAAM is convinced that working responsibly, committed to caring for the environment and responding to stakeholder requirements is essential to building a sustainable business in the medium and long-term for its shareholders and investors, customers, employees and the communities where it operates.

Through its new operating model, the company fosters and shares best practices in its different business areas. The following chart illustrates the management approach for each relevant issue and how it relates to the company's principles and stakeholders.

Relevant Issue	Management Approach	Stakeholder Impacted	Category of Associated Risk	Chapter where Covered
Economic performance and operational excellence	Two of the company's strategic principles are operational excellence and economic development and growth, which are managed by the entire executive team	Employees, investors, authorities	<ul style="list-style-type: none"> • Political and/or economic events • Community and people • Strategic execution • Compliance 	Chp. 9 Sustainability Management
Compliance	Through the Comprehensive Ethics and Compliance System	Authorities, regulators, shareholders and investors, employees	<ul style="list-style-type: none"> • Political and/or economic events • Policies, processes and procedures • Compliance 	Chp. 9 Sustainability Management
Labor relations management	One of the strategic principles of the company's human resources policy is managing labor relations	Employees, customers, shareholders and investors, authorities	<ul style="list-style-type: none"> • Community and people 	Chp. 9 Sustainability Management
Business strategy	The board works with the executive team to periodically define a strategy for addressing challenges in the industry where it does business	Shareholders and investors, employees, risk rating agencies	<ul style="list-style-type: none"> • Strategic execution 	Chp. 4 Corporate Strategy

Relevant Issue	Management Approach	Stakeholder Impacted	Category of Associated Risk	Chapter where Covered
Health and safety of individuals	One of the strategic principles of the company's human resources policy is managing the health and safety of people	Employees, investors, authorities, suppliers, customers	<ul style="list-style-type: none"> • Policies, processes and procedures 	Chp. 9 Sustainability Management
Free competition	Through the Comprehensive Ethics and Compliance System	Authorities, shareholders, investors, employees, customers	<ul style="list-style-type: none"> • Policies, processes and procedures 	Chp. 9 Sustainability Management
Community relations	SM SAAM prepares policies and good practices that enable it to identify and adopt measures that ensure harmonious, mutually beneficial co-existence	Community, authorities	<ul style="list-style-type: none"> • Community and people 	Chp. 9 Sustainability Management
Environmental performance	SM SAAM has an Environmental Policy that is concerned with regulatory compliance and caring for its impact on the environment	Community, authorities, shareholders and investors, employees	<ul style="list-style-type: none"> • Political and/or economic events • Policies, processes and procedures • Compliance 	Chp. 9 Sustainability Management
Resilience to climate change	The company is concerned with having appropriate infrastructure to address the impacts from climate change and ensure operational continuity	Authorities, shareholders, investors, customers, suppliers, authorities	<ul style="list-style-type: none"> • Political and/or economic events • Compliance 	Chp. 9 Sustainability Management
Efficient use of energy and fuel	Through policies, protocols and procedures that encourage efficient and responsible use of energy and fuel	Shareholders, investors, customers, communities	<ul style="list-style-type: none"> • Policies, processes and procedures 	Chp. 9 Sustainability Management
Loss of concessions or fines due to inadequate management	Through policies, standards and procedures that enable the company to comply with its contractual obligations for concessions	Authorities, shareholders and investors, customers, suppliers, communities	<ul style="list-style-type: none"> • Policies, processes and procedures • Strategic execution 	Chp. 10 Corporate Information

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Relevant Issue	Management Approach	Stakeholder Impacted	Category of Associated Risk	Chapter where Covered
Cybersecurity	With policies, standards and procedures that enable the company to move towards the highest standards of information security	Shareholders, investors, suppliers, employees and customers	<ul style="list-style-type: none"> • Policies, processes and procedures 	Chp. 9 Sustainability Management
Talent management and employee development	One of the strategic principles of the company's human resources policy is managing employee development	Employees	<ul style="list-style-type: none"> • Community and people 	Chp. 9 Sustainability Management
Diversity and inclusiveness	One of the strategic principles of the company's human resources policy is managing diversity and inclusiveness	Employees, investors	<ul style="list-style-type: none"> • Policies, processes and procedures • Community and people 	Chp. 9 Sustainability Management



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COMPLIANCE: MANAGING ETHICAL CONDUCT

The corporate values of Honesty, Respect, Responsibility, Safety and Service are a starting point for guiding the actions and shaping the identity for which the company is known. They are present in all actions, tasks and processes executed on a daily basis and in the way in which the company engages with all stakeholders. The process to identify relevant issues ranked Compliance as one of the highest priority issues in the matrix.

Analysis of Relevant Issues: Compliance		
	Why is it important to SM SAAM?	The company's values are the foundation of its corporate culture, along with the principles of prevention and compliance. This was validated by each stakeholder group.
	Impact	It affects the company's reputation and stakeholder trust, and could have legal, economic and reputational impacts.
	How is it managed?	The company uses a Comprehensive Ethics Management System.



SM SAAM Values

	Honesty	<ul style="list-style-type: none"> • We behave coherently and with integrity. • We build trust-based and truth-based relationships. • We offer only what we are able to accomplish and we strive to achieve it.
	Respect	<ul style="list-style-type: none"> • We recognize the value of each person. • We strive to empathize with different points of view and specific situations, considering the opinions of others. • We respect the setting in which we develop our activities.
	Responsibility	<ul style="list-style-type: none"> • We take responsibility for what we do or do not do and measure the consequences of our actions. • We fulfill our commitments. • We develop our tasks and obligations efficiently, recognizing errors and correcting them in a timely manner.
	Safety	<ul style="list-style-type: none"> • We are aware of the importance of safety in our work. • We identify, assess and take the necessary measures to work in a risk-free environment and control hazards to our health. • We promote a culture of self-care and concern for the integrity of others.
	Service	<ul style="list-style-type: none"> • We work to provide service of excellence. • We aim to fully meet the expectations of our customers. • We care about identifying the needs of our customers and placing these at the center of our work.

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INTEGRATED ETHICS AND COMPLIANCE MANAGEMENT SYSTEM



CODE OF ETHICS

This document addresses the corporate values that guide our principles and ethical commitments, and reflect how we do business. Likewise, the code of ethics is the inspiration for our corporate policies, internal regulations, manuals, procedures and guidelines.

These apply to everyone who works at SM SAAM and its subsidiaries as well as suppliers and contractors that interact with the company and are part of its immediate surroundings through deliveries and/or the provision of services, or who act on behalf of and/or in representation of the company.

ETHICS COMMITTEE

The Ethics Committee is the body within the Company that is in charge of ensuring the Code of Ethics is correctly applied. For more information on the committee, see chapter 3 Corporate Governance

COMPLIANCE MODEL (OR CRIME PREVENTION MODEL, CPM)

The company has a Compliance Model that establishes specific guidelines for the prevention of irregular conduct and corporate criminal liability in its activities and the territories where it operates. The main objective of the CPM is to prevent the company's organizational structure from being used to commit crimes. Likewise, it helps fulfill the duties of leadership and supervision and strengthens and consolidates the culture of compliance and corporate integrity within the organization. The Compliance Model is based on four principles:

- **Prevention** activities, which are designed to reduce the likelihood of risks occurring by defining controls, guidelines and rules for conduct, preventing violations of the CPM and/or laws in force.
- **Detection** activities, which aim to identify and alert the company to the real or potential occurrence of conditions and events that qualify as violations of the CPM and/or laws in force.
- **Response** activities, in reaction to detected irregularities, establishing disciplinary measures for violations and resolving detected weaknesses, and correcting situations that are or could be violations of the CPM and/or laws in force, leading the company to update the model and control practices.
- **Monitoring** activities, which are intended to generate ongoing review of compliance with CPM and control activities, as well as ongoing monitoring of regulatory changes and changes to the company's structure and processes, in order to update the risk matrix and mitigating controls.

COMMUNICATION AND TRAINING PROGRAM

SM SAAM has made a program available to all employees to disseminate and train them on the Compliance Model, as well as the controls, duties and obligations at different levels within the company. That program includes orientation courses, in-person talks, e-learning courses, internal newsletters and meetings to generate awareness on topics such as ethics, compliance and prevention methods.

COMPLAINT SYSTEM AND MANAGEMENT PROCEDURES

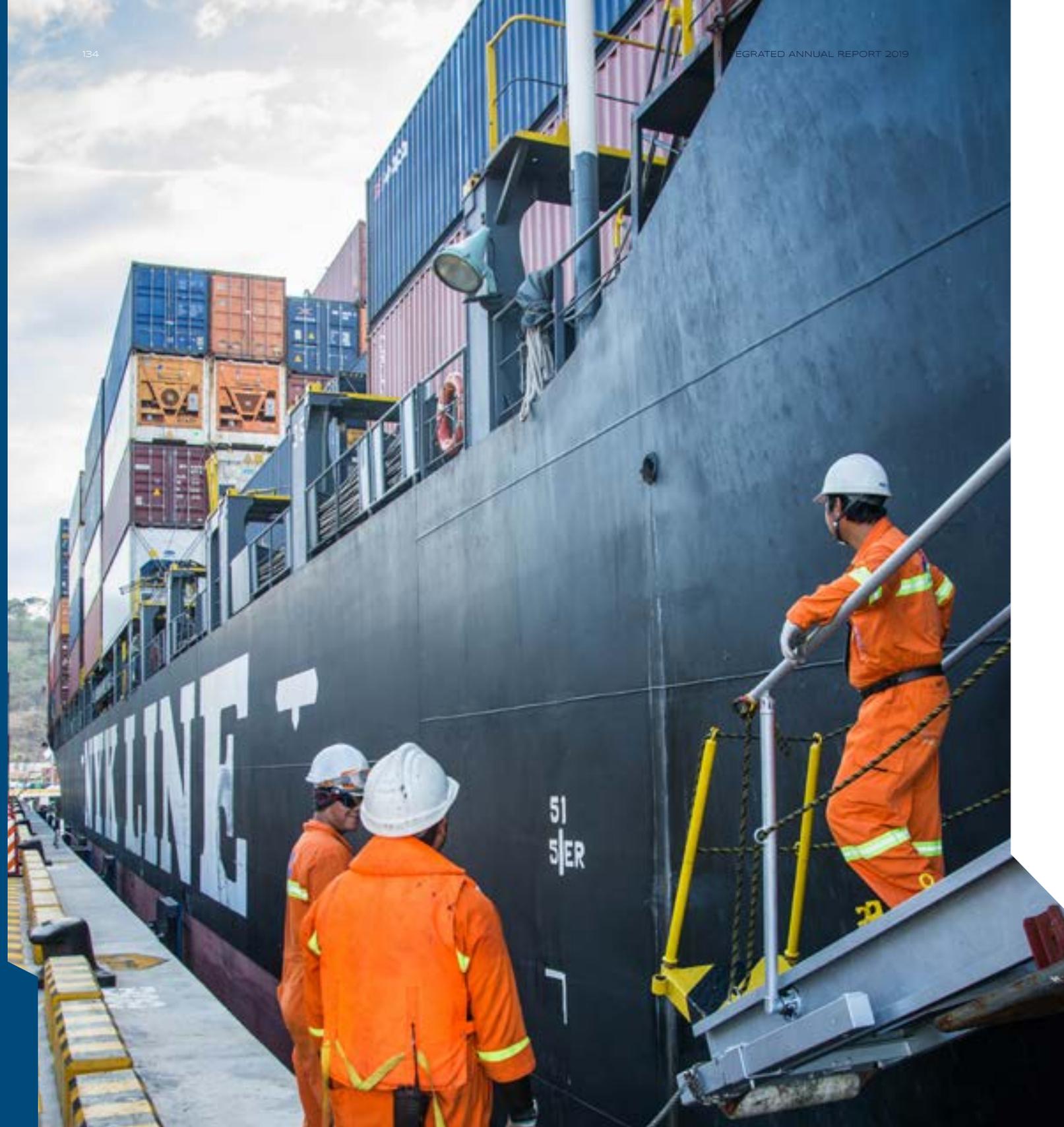
SM SAAM implemented an anonymous, confidential Complaint System in 2016 to facilitate reporting of incidents. Updated in 2017, the system allows the company to interact with the informant and monitor each report.

The Complaint System also has a general complaint management procedure that establishes the format, timing and process for each report received.

The system, along with instructions and procedures for using it, can be accessed from the institutional web page (www.saam.com), and its scope extends to all related companies.

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2 E-LEARNING COURSES

Code of Ethics
40 min.

Complaint system
35 min.

8 TRAINING SESSIONS



1,131 hrs.
of training



2.5 hrs.
per meeting

CODE OF ETHICS

98.9%
Employee acceptance rate

In 2019 the company held two e-learning courses, one related to the Code of Ethics (40 minutes) and the other to the Complaint System (35 minutes). It also held eight in-person training sessions lasting 2.5 hours each. Considering all employees that participated in those activities, SM SAAM gave a total of 1,131 hours of training.

As of year-end 2019, 98.9% of employees covered by the Code of Ethics have signed and accepted it.

The company's current model was re-certified in July 2018 by BH Compliance for a new two-year period. In 2019, SM SAAM updated its CPM to address the new regulatory requirements for the crimes incorporated into Law No. 20,393 on Criminal Liability of Legal Entities, by virtue of Law No. 21,121 and Law No. 21,132.

Since 2017 the company has received a total of 60 complaints (22 in 2019, 15 in 2018 and 23 in 2017), of which 23 were dismissed and 37 resolved with an investigation.

SM SAAM CRIME PREVENTION MODEL

2 years
Recertification

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FREE COMPETITION

SM SAAM is concerned with establishing policies, standards and procedures to prevent conduct, acts or agreements that prevent, restrict or impede free competition or tend to produce those effects. This responsibility lies with the Compliance Area, which uses the Comprehensive Ethics Management system. The process to identify relevant issues identified Free Competition as one of the issues in the matrix.

Analysis of Relevant Issues: Free competition



Why is it important to SM SAAM?

Free competition is considered the driving force of the economy as it ensures the right of all companies and people to participate in economic activities efficiently and under equal conditions. Therefore, for the company—whose key principles include ethical behavior—strengthening a culture of respect for competition constitutes one of the pivotal aspects of its corporate ethics. This involves being cognizant of the real value of free competition for the wellbeing of people and the economic stability of the countries where it operates.



Impact

It affects the company's reputation, stakeholder trust and economic value, and could have legal and economic impacts.



How is it managed?

The company uses a Comprehensive Ethics Management System to manage this issue. This system is comprised of tools that interact with each other such as the Code of Ethics, the Compliance Model—which covers aspects such as anti-corruption and free competition—a Dissemination and Training Program and the Complaint System.

SM SAAM strives to compete openly and independently in the markets where it does business, inspired by the values of loyalty and respect for its customers and competitors. Along these lines, the company has a firm commitment to comply with all laws that govern competition, while promoting and actively protecting free competition. This commitment is expressed in the Code of Ethics, with policies and concrete commitments regarding relationships with competitors and involvement in trade associations.

Compliance with the control structure on free competition is based, among other aspects, on complying with current laws everywhere the company operates; avoiding any type of program or practice that may be considered unfair, misleading or abusive; not abusing a potential dominant position and not entering into anti-competitive agreements designed to inhibit or limit competition.

PROGRESS IN 2019

In 2019 the company made considerable advances on its Comprehensive Ethics and Compliance Management System. The most important developments include:

- **Updating the Code of Ethics at Chilean and foreign subsidiaries.** This was implemented in coordination with the executive line (CEO and senior management) and included 12 companies plus the corporate offices, with a scope of 1,910 employees in six countries.
- **Expanding visualization functionalities** and centralized management tools in the Complaint System's web platform.
- **Updating the procedure for Complaint Management** that governs the process of attending to each report or complaint received by that system.
- **Expanding coverage of the Complaint System** in Chilean and foreign subsidiaries, reaching 12 companies and a total of 4,358 employees in four countries.
- **Updating the Crime Prevention Model** to incorporate the new crimes added to Law No. 20,393 on Criminal Liability of Legal Entities by virtue of Law No. 21,132. It also updated the risk matrix and controls, the prevention manual and the policies, procedures, protocols and good practices related to the model.
- **Holding in-person training sessions** for executives and directors regarding the new crimes incorporated into Law No. 20,393.
- **Holding e-learning training sessions** for employees regarding the comprehensive ethics and compliance system.



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OPERATIONAL EXCELLENCE

The process of identifying relevant issues placed the topic of Operational Excellence on the matrix of relevant issues. This issue incorporates aspects that impact the company's profitability and business management, including service quality and the new operating model.

Analysis of Relevant Issues: Economic performance and operational excellence		
	Why is it important to SM SAAM?	Operational excellence is one of the company's strategic principles and is also key for shareholders and investors since it affects value creation at SM SAAM. Proper management incorporates service quality and, thus, impacts customers. Operational excellence is closely related to operational efficiency, which is being managed through the new operating model.
	Impact	Affects the company's value
	How is it managed?	To manage this issue, the company has implemented a new operating model that allows it to grow sustainably. For more details on the model, see chapter 4 Corporate Strategy. Regarding service quality, each business division manages the relationship with its customers.



SERVICE QUALITY

SM SAAM is committed to delivering quality service to all customers, as an integral part of the Operational Excellence it promotes. Each division manages the relationship with its customers based on the particular requirements of its business. However, the company has a corporate perspective of continuously strengthening operating processes to ensure service quality.

This is how it establishes bonds with customers, generating long-term, trust-based relationships. The company understands that its customers see SM SAAM as a strategic partner and a key link in their value chain. The following table explains the customer types of SM SAAM's three business divisions, where it maintains a strong market position in the Americas:

Business Unit	Customers
 Port Terminals	The division's main customers are shipping companies. A second group of customers is made up of exporters, freight forwarders and logistics operators with an emphasis on port and mining projects.
 Towage	The division's main customers are shipping and oil companies.
 Logistics	The division's customers are mainly importers and exporters from different industries such as food and beverage, retail, mining, energy and manufacturing, as well as airlines.



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COMMITMENT TO CUSTOMERS

SM SAAM has a strong commitment to its customers and quality service, which is reflected in the fact that its management systems are certified under the international standard ISO 9001.

For the company's services in general, coordination of service delivery is important, as is a timely response in the event of unforeseen circumstances.



QUALITY MANAGEMENT POLICY

SM SAAM supplies port and towage services, assistance with maneuvers, marine operations and comprehensive logistical services, providing solutions with operational excellence.

By complying with its Quality Management Policy, the company intends to create value for its customers, employees and shareholders, maintaining due respect for the community and environment:

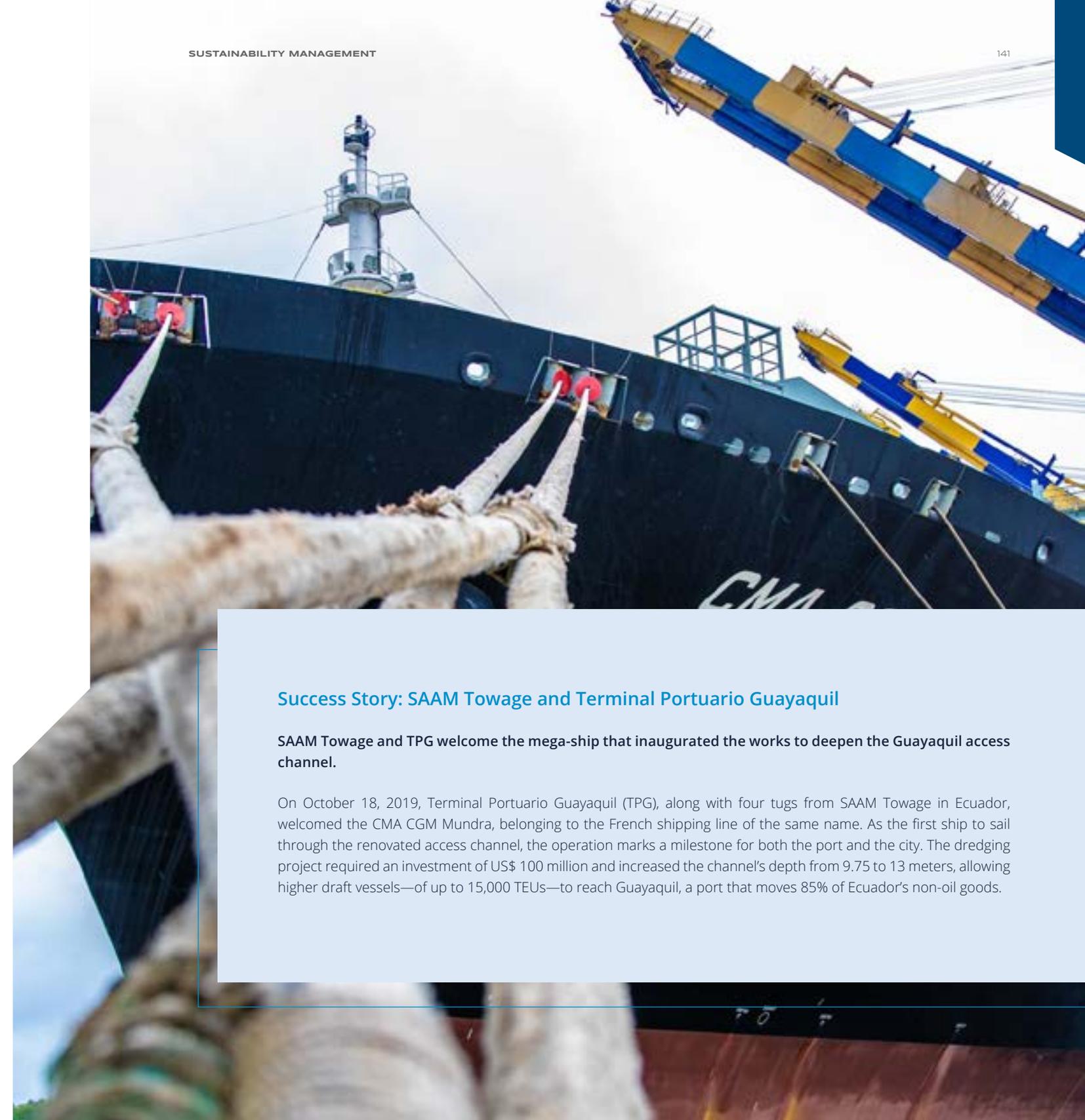
- We evaluate customer satisfaction and strive to continuously improve processes.
- We allocate the necessary resources to properly comply with the requirements and objectives of our management system.
- We incorporate our suppliers and contractors into our value chain and control quality standards defined for providing services.
- We strive to care for the environment and prevent contamination.
- We encourage commitment from our personnel and work to develop their skills and competencies.



Success Story: SAAM Towage and Terminal Portuario Guayaquil

SAAM Towage and TPG welcome the mega-ship that inaugurated the works to deepen the Guayaquil access channel.

On October 18, 2019, Terminal Portuario Guayaquil (TPG), along with four tugs from SAAM Towage in Ecuador, welcomed the CMA CGM Mundra, belonging to the French shipping line of the same name. As the first ship to sail through the renovated access channel, the operation marks a milestone for both the port and the city. The dredging project required an investment of US\$ 100 million and increased the channel's depth from 9.75 to 13 meters, allowing higher draft vessels—of up to 15,000 TEUs—to reach Guayaquil, a port that moves 85% of Ecuador's non-oil goods.



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EMPLOYEE RELATIONS

SM SAAM, its subsidiaries and associates employ 8,161 people, whose commitment and professionalism are key to delivering excellent service in each of its business areas.

The human resource strategy aims at promoting maximum performance and strengthening internal talent, attracting and retaining good professionals and managing with meritocracy through people management processes that incorporate good

practices and internal control mechanisms aligned to meet organizational targets.

People management is based on four principles: diversity and inclusiveness, talent and leadership, labor relations and occupational health and safety.



DIVERSITY AND INCLUSIVENESS

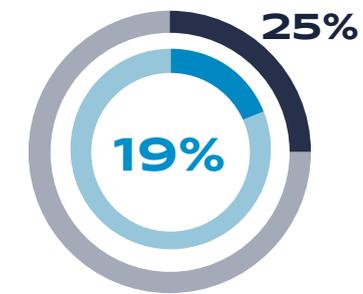
Diversity and inclusiveness are fundamental for SM SAAM, because they enrich the organization, contributing talent, innovation and creativity, and enabling employees to develop on the basis of personal merit.

The company has a Diversity and Inclusiveness Policy designed to facilitate diversity in the workplace, encouraging a commitment to inclusiveness at work, with an underlying respect and value for individual differences in order to leverage the talent and strengths of each employee.

In 2019, developments were mainly in two areas: workplace inclusion of persons with disabilities and gender parity initiatives focused on equal opportunity in all human resources processes.

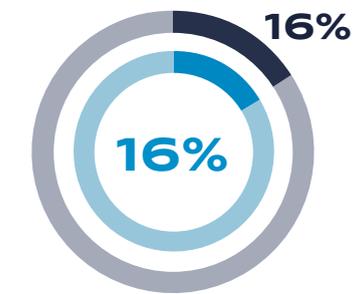
Regarding workplace inclusion of persons with disabilities, in 2019 the company made significant strides in complying with Law No. 21,015 on Workplace Inclusion by conducting an internal diagnosis and hiring new employees in its companies in Chile, often surpassing legal requirements.

The second issue was addressed by the company endorsing the Gender Parity Initiative (GPI) in Chile at the end of 2017, which is a public-private platform driven by the World Economic Forum and the Inter-American Development Bank, and managed by Comunidad Mujer. During the period the following companies subscribed to the GPI: SAAM Logistics, Iquique Terminal Internacional, Antofagasta Terminal Internacional, San Antonio Terminal Internacional and Aerosan. This alliance involves conducting a diagnostic and committing to an action plan to improve processes in three areas:



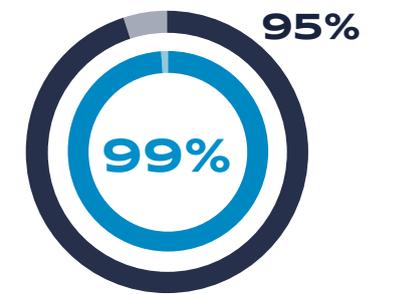
Female employees

19% of SAAM's employees are women



Participation in leadership positions

16% of senior positions at SAAM are held by women



Gender salary gap

Women's salaries at SAAM are 99% of men's salaries by hour worked

Figures are for SAAM S.A.

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TALENT AND LEADERSHIP

The company understands the relevance of having the right people to fill critical and leadership positions within the group as an element to guarantee its long-term sustainability.

During the period, it continued to conduct talent analyses, a regular process designed to identify high-potential, high-performance professionals and strengthen actions to prepare and consolidate a succession plan for critical positions within the group, in order to contribute to the company's long-term sustainability.

In the area of leadership, in 2019 the company organized a series of strategic alignment meetings at its corporate offices that were led by its CEO and targeted towards the executive team, who then replicated these gatherings with their respective teams. At these quarterly meetings, participants review the results for the period, the main indicators and relevant issues for business development.

In addition to diagnostics and plans pertinent to the reality of each company, the corporate office maintains the following strategies as permanent guidelines for addressing gender parity:

- Diversity and Inclusiveness Policy
- Remuneration Policy
- Talent Management
- Recruiting and Selection
- Code of Ethics and Complaint System

LABOR RELATIONS

SM SAAM promotes long-term labor relations primarily intended to build harmonious relationships with employees through ongoing dialogue with collective organizations. The main elements of this work are trust, collaboration and mutual cooperation.

In 2019, SM SAAM and its subsidiaries in Chile participated in 25 collective bargaining processes, with no days lost due to strikes and, in 19 cases, with new collective bargaining agreements lasting 36 months.

It also continued to hold working groups throughout the period with worker representatives, which mainly involved workplace health and safety, quality of life, continuous improvement and productivity.

Analysis of Relevant Issues: Labor relations		
	Why is it important to SM SAAM?	SM SAAM manages its labor relations in order to ensure the wellbeing of its employees through dialogue and seek long-term agreements with the organizations that represent them.
	Impact	It impacts stakeholder trust, and could have legal, economic and reputational impacts.
	How is it managed?	The company and its subsidiaries manage ongoing, open and transparent dialogue with its employees and the organizations that represent them.

RECRUITING AND SELECTION

This process is a key aspect of the Talent and Leadership principle, focusing on employing people with the ideal competencies for the company's diverse positions in a timely and efficient manner, identifying and promoting internal talent into positions of greater responsibility. The processes are free of biases and discrimination of any type, fostering diversity on work teams.

In 2019, 55% of the movements at all group companies corresponded to internal mobility, thus fostering the professional development of 188 employees. In managerial positions, 69% of movements were internal promotions.

Attracting Young Professionals

As part of efforts to attract young professionals, the company participated in the Engineering Job Fair at Pontificia Universidad Católica in September and the Virtual Job Fair organized by Pontificia Universidad Católica de Valparaíso in October.

Likewise, in January and February it developed the Professional Internship Program for Engineers. Now in its sixth year, the program is designed to be an important source for recruiting new talent to form professionals with great prospects that contribute value to internal projects they carry out within the organization. Through the years, this program has been an important source for recruiting young professionals that have then been able to join and develop themselves within SM SAAM and its subsidiaries.

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PERFORMANCE MANAGEMENT

During the year the company implemented a corporate Performance Management System (PMS) for administrative personnel. This process looks to connect strategic objectives and values with what each employee does each day in their job. It also strengthens leadership and communication between supervisors and employees.

In 2019 1,176 employees were evaluated using the Performance Management System, representing 92% of all eligible employees, or 15% of all employees.



130,017
Hrs.
of training^(*)

TRAINING

In the area of training, progress was made on two fronts. First, the company defined a unique strategy to survey training needs, which focuses on identifying, measuring and developing the competencies required to perform well in each position. This allows the company to structure and execute a competency development plan aligned with organizational needs.



4,488
employees
trained^(*)

A second milestone involved defining a corporate training platform for all company operations. In effect, using the Corporate Academy platform, each subsidiary can manage and monitor its training efforts. Some of the courses given using this tool in 2019 included Code of Ethics, Complaint System and Orientation.

ENGAGEMENT

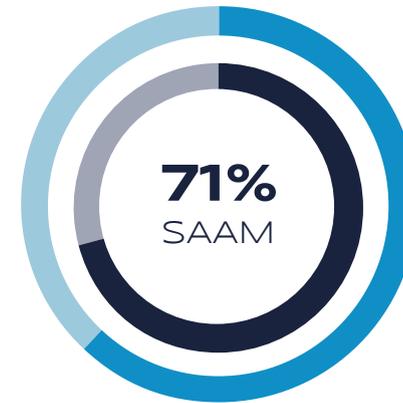
Engagement is directly related to workers' performance and their intention to stay in the company. Since 2013 SM SAAM has conducted an engagement survey at all subsidiaries, the results of which are used as a foundation for human resource management.

The 2019 measurement reported 71% engagement in aggregate, surpassing the international benchmark by 9% and increasing the company's performance by 2% since the last measurement in 2017.

In 2019, 5,653 employees participated, or 88% of the total workforce.^(*)

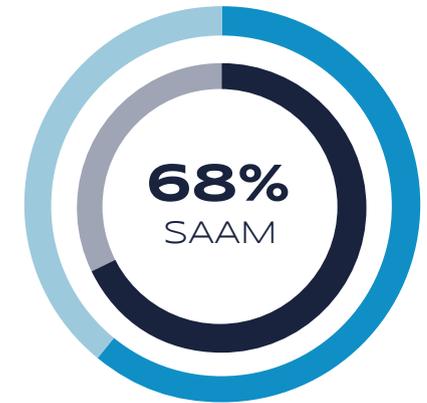
^(*) Workforce of SAAM, its subsidiaries and associates.

2019



62% BENCHMARK

2017



61% BENCHMARK

Based on the results obtained, improvement plans are developed by employees. These plans are designed to align actions with the objectives the company wants to meet based on the diagnostic. This helps create a cycle of continuous improvement.



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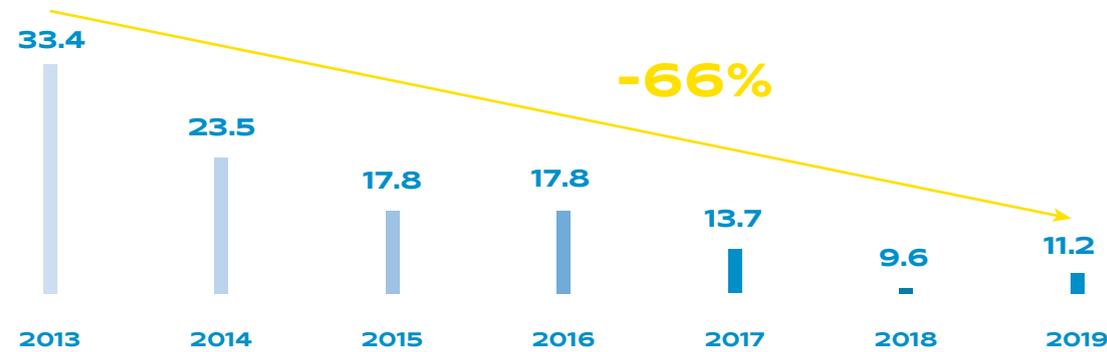
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OCCUPATIONAL HEALTH AND SAFETY

SM SAAM prioritizes safety management since it is one of the company's corporate values. After several years of sustained improvements in safety indicators, this period saw a rise: reversing this and once again lowering the KPIs for accident frequency and severity are a must for the company. Notwithstanding, 2019 is the fourth consecutive year without fatal accidents for the parent company and its subsidiaries.

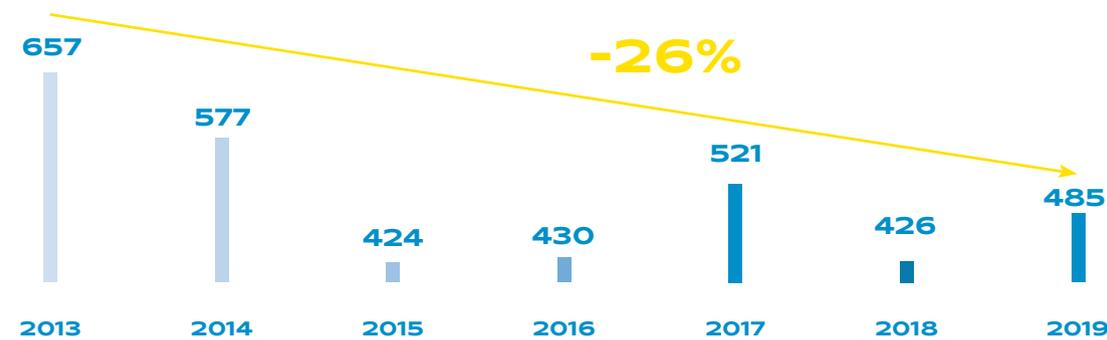
In effect, in 2019, the frequency rate surpassed the 2018 figure at SM SAAM and its subsidiaries by 14%, interrupting the downward trend from the past six years.

Frequency Rate



The accident severity index (a formula that involves the number of days lost due to accidents) also saw an increase over the prior period, rising 12% since 2018.

Severity Index



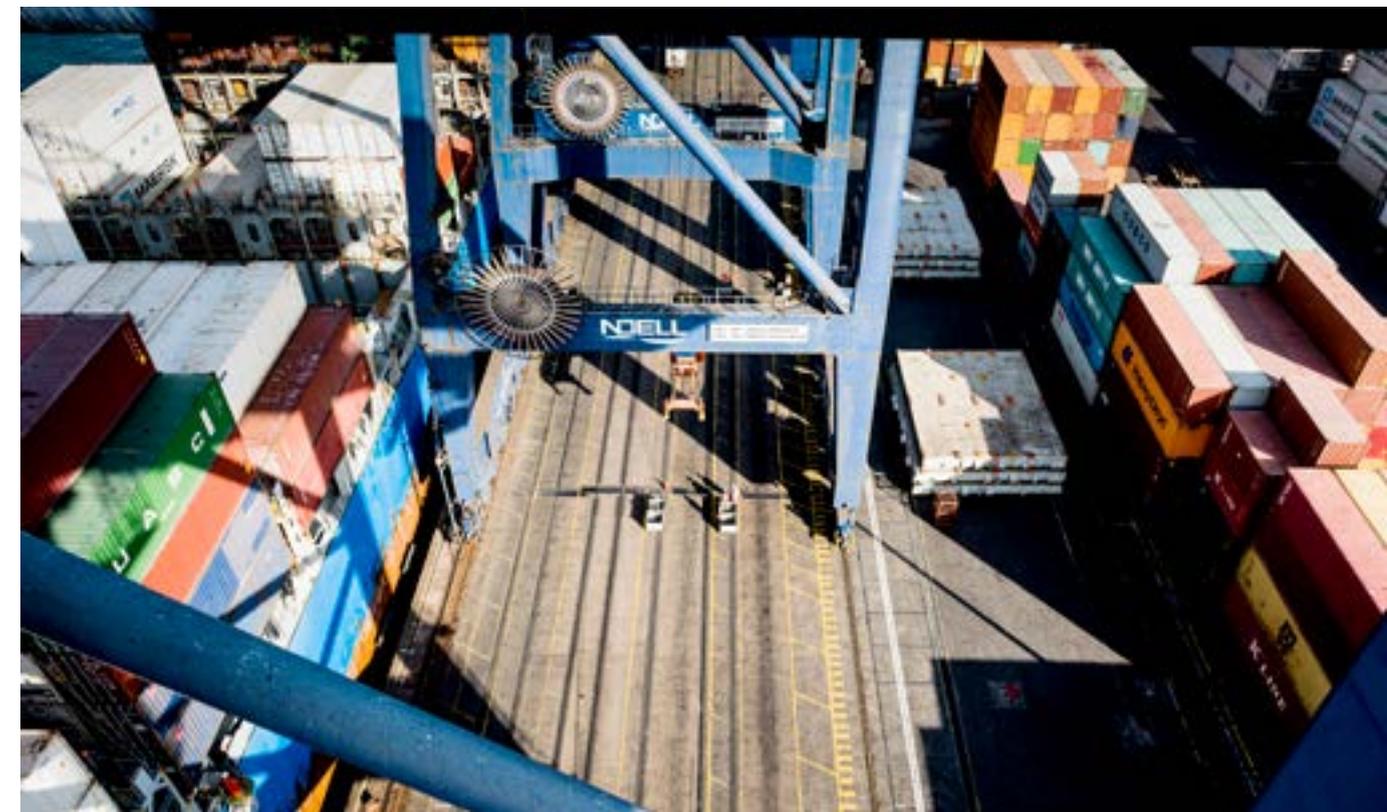
Advances in Occupational Health and Safety (OHS) during the period include implementing the QLIK business intelligence platform. This tool strengthens the reportability of occupational health and safety indicators in a flexible and concrete matter, which is key for correct and timely decision making.

Another occupational health initiative that stood out during the period was a diagnostic tool designed by the company to be used in all subsidiaries. The results helped draft an action plan to narrow gaps, standardize and share good practices.

In the training area, the company organized courses for OHS leaders and online workshops for operating and maintenance leaders on the Incident Cause Analysis Method (ICAM) used to identify the root cause of a highly potential accident or incident in order to correct and prevent it from occurring in the future. This was supported by the drafting and distribution of the SAAM - ICAM handbook.

Other activities included prevention workshops at TMAZ, SAAM Logistics, Grupo Reloncaví, ITI and Aerosan Chile.

In terms of recognition, in 2019 Aerosan Ecuador participated in a competition put on by the Ecuadorian Institute of Social Security (IESS) and earned an award for "Good Corporate Practices" in the category of safety and health. Terminal Marítima Mazatlán was honored by the Mexican Institute of Social Security (IMSS) as the company in its state that most significantly reduced days lost due to workplace accidents.



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Another important occupational health and safety activity involved individualizing and monitoring improvements to hard or infrastructure barriers at diverse operating facilities. This practice helped the company move forward with preventative maintenance from a perspective of innovation and employee participation. Such is the case with two innovations implemented at SVTI: a grease gun for the mobile cable—which reduces the risk of working at heights to grease cranes with a pulley that allows for improved transfer—and a protective screen, designed to protect personnel working with crane tires, a process that involves the risk of explosion from inflating tires or tightening bolts.

Analysis of Relevant Issues: Safety and Health of Individuals

	Why is it important to SM SAAM?	Safety is a non-negotiable value for the company. Protecting safety and health in the workplace is a high priority.
	Impact	It affects relations with employees, contractors, customers and investors as well as the company's reputation.
	How is it managed?	SM SAAM has an Occupational Health and Safety Policy in addition to an OHS Management System that covers all subsidiaries and related companies. This is intended to provide safe work conditions and tools to manage safety at all facilities and activities, with a very marked component of leadership and preventative vision.

COMMUNITY RELATIONS

Because of its broad geographic presence, SM SAAM faces different local realities in its operations in 12 countries in the Americas where it operates from Canada to Punta Arenas, Chile. Due to the scale and location of its facilities, port terminals have an important social impact. Furthermore, at certain locations they are the hub around which the local economies develop. Consequently, engaging with these stakeholders is a priority for SM SAAM.

Analysis of Relevant Issues: Community relations

	Why is it important to SM SAAM?	Given the broad geographic and cultural diversity with which the company must operate, establishing a close bond with the communities where it operates is an important factor.
	Impact	It affects the company's value, its reputation and its harmonious development with communities and its surroundings.
	How is it managed?	SM SAAM's objective is to contribute value to the areas surrounding its operations, minimizing negative impacts while maximizing positive impacts and establishing communication channels and stable, long-term ties with diverse stakeholders.



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PROGRESS IN 2019;

As part of its community outreach efforts, SM SAAM and its companies have implemented and participated in different formal initiatives to engage with communities, based on the particular characteristics of the environments where they operate.

These initiatives are grouped around six themes, which are the five social investment areas defined by SAAM plus a sixth area known as community outreach:

- Community outreach
- Education
- Culture
- Community equipment
- Wellbeing and Socio-environmental education
- Sports

Some initiatives and activities include:

Community outreach

- **Guided tours of our operations**

This is one of the most important community outreach activities that takes place at SM SAAM's subsidiaries, especially at port terminals. Visitors include local, national and international delegations of students, community members, trade associations and companies, which are interested in knowing more about our operations, infrastructure and machinery, the types of vessels that dock at our ports and the port's importance to regional and domestic development. In 2019 more than 5,300 people visited the terminals ITI, ATI, STI and SVTI.

- **Agreement with Laura Vicuña Foundation**

In June 2019, SM SAAM signed an agreement with the Laura Vicuña Foundation as part of the "Together for Infancy" project to provide better quality of life for girls and young women from the Laura Vicuña Residence located in Renca. This institution houses girls that have been separated from their families by court order as a result of serious violations of their rights. This partnership involves employee volunteers that visit the girls and young women, donation campaigns within the company and a work plan to support the foundation's work through advice on finances, human resources, communications and infrastructure, following a fire at the home in February.

During 2019 volunteers from SAAM and SAAM Logistics organized 10 activities with the girls from the home, including monthly birthday celebrations, trips to the movies and to the logistics operations at the Renca terminal. They also carried out campaigns to collect school supplies, pajamas, backpacks, winter clothes and Christmas gifts. In November they launched the campaign "One cell phone = one donation", through which employees could "purchase" their old corporate cell phone eligible for an upgrade in exchange for a direct monetary contribution to the Laura Vicuña Foundation. As of year-end 2019, Ch\$365,000 had been donated.

- **Christmas Celebrations**

SAAM Towage in Chile organized a Christmas party for the children's cancer foundation "Bastián Alvia Huerta" for families of children cared for at the foundation's center in Antofagasta, which provided Christmas food boxes for each family. Sociedad Portuaria Caldera donated 505 gifts for at-risk children in the area of Puntarenas. San Vicente Terminal Internacional makes regular contributions for Christmas celebrations at nearby schools like REM PER Ciudad del Niño in Hualpén and the Santa Victoria Girls Home in Talcahuano, while SAAM Towage in Panama helped with a Christmas celebration at the Los Bajos school in the Herrera Province, benefiting approximately 80 low-income children.



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Education

- **Agreement with Carlos Haverbeck Richter High School**

Portuaria Corral grants "Portuaria Corral" Academic Excellence Award, consisting of economic stimulus for the student with the best high school grades. Along with this, through Sence, more than 30 eleventh and twelfth grade students were trained in food safety, an important specialization that allows the students to graduate with knowledge required for many jobs.

- **Capstone Project and Master Agreement with Universidad Católica del Norte**

Thanks to this agreement between Antofagasta Terminal Internacional and the university, students were tested in real situations, needs and requirements within the company. Graduates from the industrial engineering degree program developed the project "Optimization model for assigning ATI port operating personnel", which the terminal will use to automate the process traditionally used by the port. Another group of students from the same program carried out the project "Studying and improving layout and traffic flow at ATI terminal." Students from the IT engineering degree program carried out the project "System for managing contractor companies", which consists of a platform that will allow ATI contractor companies to accredit themselves electronically from anywhere in the world, centralizing the documentation required by the different areas within the organization.

Culture

- **Agreement with San Antonio Cultural Center**

San Antonio Terminal Internacional has an agreement dating back to 2013 to fund a wide range of art and cultural activities available to the school community in San Antonio through a program known as Educating with Culture. In 2019 around 7,500 local students enjoyed activities such as plays, dialogues with writers, educational concerts, workshops for teachers and students, among others.

- **World Oceans Month Drawing Contest**

Iquique Terminal Internacional, in coordination with the Chilean Navy, organized a drawing contest to commemorate World Oceans Month, which is especially important in Iquique. Each year close to 400 drawings are received from children from different towns around the region.



Community equipment

- **Corral Bike**

A perfect example of community engagement through community equipment is Corral Bike, a project spearheaded by Portuaria Corral in collaboration with the municipality of Corral. Founded in 2017, this complimentary bike borrowing system has been used by a total of 7,400 people since its inception and features a circuit of 23 km distributed among four stations available every day of the year to residents and tourists. In 2019 the company purchased 15 new bikes to reach 45 and repaired and continued its ongoing effort to maintain the Corral Bike stations and existing bicycles.

- **Recovery of Public Spaces**

Iquique Terminal Internacional implemented plans to beautify and restore public spaces, enhancing a plaza in the El Colorado neighborhood near the terminal. In partnership with regional environmental authorities (Seremi de Medioambiente), it built and installed segregated trash cans, benches, planters and a security fence made of pallets and unused tires. The new urban infrastructure was then painted by terminal and government employees and handed over to local neighbors.

- **Enhancements to Semillitas de Amor Preschool in Amargos**

The second phase of a project organized by Portuaria Corral to spruce up the school's exterior (patio flooring, entry way, landscaping, perimeter fence and regulatory and safety improvements) was completed in 2019.



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Wellbeing and socio-environmental education

- **Beach Cleanup**

Beach cleanup is one activity that brings companies and the community together. For example, San Antonio Terminal Internacional participated in an activity organized by the San Antonio Maritime Governor and local municipalities to pick up trash and solid waste on the beaches San Carlos de El Tabo and Santo Domingo, at the mouth of the Maipo River, and identify the sources of this waste in order to help modify habits and behavior that pollute these spaces.

ITI, in coordination with the Ministry of the Environment, organized a beach cleanup calendar. In addition, in July it supported a beach cleanup activity at El Colorado beach, which is within its area of influence. The activity attracted close to 300 students and collected 10 tons of trash.

In Antofagasta, the activity was organized by the Antofagasta Bay Safety and Protection Circle, of which ATI and SAAM Towage Chile are members, along with numerous other companies and organizations. At the activity, close to 600 adults and school children cleaned three beaches, collecting mostly cigarette butts, plastic bottles, cardboard, magazines, cans and glass. This type of activity is also held by SVTI and TMAZ.

- **Collecting Used Batteries**

San Antonio Terminal Internacional has carried out this initiative since 2005, collecting used batteries from different preschools, educational establishments and public entities and then transporting them to treatment plants for final disposal in order to prevent them from contaminating the environment. In 2019 alone, 1,638 kilos of used batteries were collected. Furthermore, as part of this campaign, participants visited preschools in the area to motivate the children and build awareness regarding caring for the environment.

- **“Leave Your Green Mark” Environmental Education Program**

This program developed by Antofagasta Terminal Internacional (ATI) is designed to form environmental leaders in schools so they replicate pro-environmental conduct and environmental projects among their peers. The program includes talks and educational activities. Specifically, it consisted of environmental education talks at different schools and visits to environmental education centers (La Portada Natural Monument, Universidad Antofagasta Rescue Center, among others). Likewise, ATI put together an educational book to teach about coastal marine and harbour wildlife in Antofagasta. Sponsored by Universidad de Antofagasta's Regional Center for Environmental Education (CREA), the book was distributed to schoolchildren during tours of the terminal and external educational activities.

Sports

SAAM Towage Panamá made donations to the Pro Rescate de la Niñez y la Juventud de El Chorrillo Foundation, which uses sports to teach values to children in the El Chorrillo neighborhood in Panama City. It also donated basketball equipment to the group “Correcaminos de Colón”.

San Vicente Terminal Internacional donated uniforms to different local clubs, including Club Deportivo Católica de Arenal, Club Deportivo Juventud Brasil and Club Estrella Esmeralda, among others.



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COMMITMENT TO CARING FOR THE ENVIRONMENT

SM SAAM is aware of the importance of protecting and caring for the environment in the places where it operates, which forms part of the company's commitment to sustainability.



Caring for the environment is a pivotal component of SM SAAM's mission and one of the seven principles of its Sustainability Policy that guides employee conduct. The organization also has an Environmental Policy* consisting of four commitments to guarantee compliance by all operations and activities.

The organization understands that controlling the environmental impact of each group company enables it to mitigate climate change. SM SAAM's goal is for all group companies to quantify their carbon footprint and, once measured, establish programs to reduce emissions. Furthermore, it promotes waste reduction, recycling, thorough treatment of water used in diverse processes and control of fuel and energy consumption. These goals are based on the most significant impacts at ports and towage and logistics companies.

Analysis of Relevant Issues: Environmental performance		
	Why is it important to SM SAAM?	The company's operations can generate impacts on the environment where it is located. Therefore, a fundamental component of its corporate social responsibility is to take charge of these impacts to ensure business sustainability and harmony with its surroundings and stakeholders.
	Impact	It affects the company's reputation, stakeholder trust and value.
	How is it managed?	SM SAAM has an environmental management system focused on preventing and controlling the impacts of its operations on the environment and continuously improving its performance.

* See Environmental Policy at www.saam.com



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ENVIRONMENTAL STRATEGY

In accordance with its Sustainability and Environmental policies and the challenges and commitments SM SAAM has made as an organization, the company formulated an environmental strategy, centered around two fundamental concepts:



Compliance with legal requirements



Identifying and controlling environmental impact



Developing an environmental culture



Efficiently managing water and energy resources

That strategy is administered by identifying, analyzing and managing negative and positive environmental impacts, asking the different group companies to fully comply with applicable legal requirements.

SM SAAM IS CONCERNED ABOUT THE ENVIRONMENT

SM SAAM is convinced that the best way to protect the environment is through the actions of each of its companies. They start with an important assessment process to identify and evaluate environmental impact and then propose operating controls to eliminate or mitigate significant impacts.



ENVIRONMENTAL PERFORMANCE 2019

During the period, SM SAAM moved forward with its environmental strategy in Chile and abroad, making significant progress to standardize environmental monitoring and centralizing data collection in one single supplier for all operations.

CLIMATE CHANGE AND CARBON FOOTPRINTS

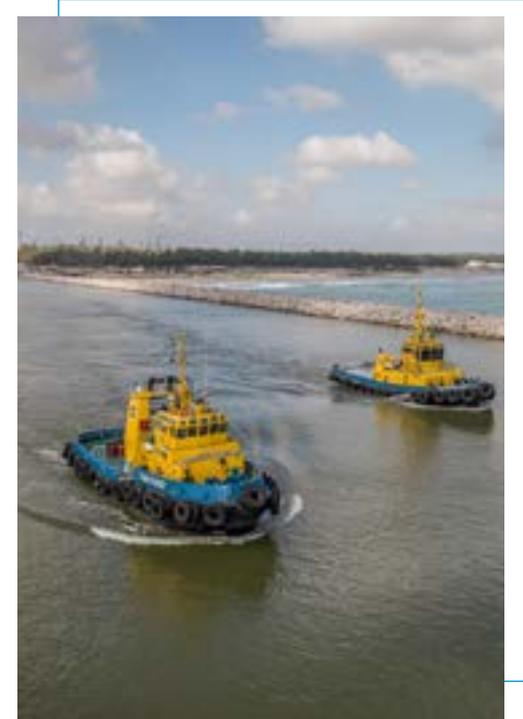
For the fifth year in a row, SM SAAM measures and verifies the carbon footprint of its Chilean terminals in order to compare them with industry standards and determine how and where to manage its greenhouse gas (GHG) emissions in a responsible, transparent and efficient manner.

Thanks to this information, port terminals have made progress on action plans to reduce emissions, which are mainly generated from cargo and container transit.

In addition, Chilean towage operations measured their GHG emissions for the second straight year, while Logística Chile began measuring theirs in 2019.

GHG emissions for towage operations, particularly NOx, are globally regulated by the International Maritime Organization (IMO). To control emissions, the division has defined maximum limits for sulfides (SOx) in fuel, identifying areas with higher requirements because of their sensitive natural ecosystems. Those areas are called Emission Control Areas (ECA). SM SAAM's tugs operate in an ECA along the Canadian coast, which requires them to use low-sulfide fuel.

Likewise, as the company upgrades its tug fleet, it incorporates vessels with lower GHG emissions. Since 2011, SM SAAM's vessel construction and upgrade projects have only included propulsion engines that meet IMO regulations for NOx emissions control. Also, to reduce SOx emissions, the company is particularly concerned with purchasing and using fuels with low sulfur contents (< 2%) at the ports where it operates.



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SPOTLIGHT INITIATIVES

Here are some spotlight initiatives from each business division.

Towage	
Initiative	Detail
SAAM Towage Chile Quantifies Emissions	For the second straight year, SAAM Towage Chile quantified its emissions and is in the process of certifying its emissions reductions in order to be the first SM SAAM company in Chile to earn an emissions reduction seal.
Logistics	
Initiative	Detail
Aerosan Colombia Recognized for Environmental Management System in the Category of Environmental Excellence	For the second year in a row, Aerosan Colombia earned recognition for its Environmental Management System in the category of Environmental Excellence granted by the District Environmental Excellence Program (Programa de Excelencia Ambiental del Distrito or Pread).
SAAM Logistics	SAAM Logistics in Renca quantified its CO ² emissions for the first time, registering its 2018 measurement with Huella Chile.

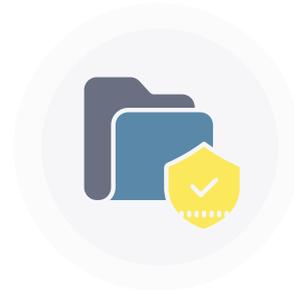
Port Terminals	
Initiative	Detail
ITI, ATI, STI and SVTI Port Terminals Quantified Emissions	For the fifth consecutive year, the port terminals ITI, ATI, STI and SVTI quantified their emissions, while Portuaria Corral began the carbon footprint measurement process in December 2019.
Puerto Caldera Energy Management System Certified	Puerto Caldera earned certification for its Energy Management System, which was audited by Lloyd's Register. This certification translated into approximate savings of 30% of electricity billing starting in September.
ATI Receives APL Certification	On May 9th, ATI and several other companies earned certification from the Clean Production Agreement (APL) for 100% compliance with the commitments it made. This agreement looks to incorporate measures beyond current regulations related to prevention and control of potential emissions of particulate matter (PM), such as implementing a system of spreaders; operating with rotainers; closing the Concentrate Stockpiling System (SAC in Spanish) and the Bulk Mineral Embarkation Terminal (TEGM in Spanish) for bulk cargo; and implementing a truck and train car washing system at the port, among others. Thanks to these measures and others implemented by other companies, particulate matter emissions in the atmosphere have been reduced.
ATI Publishes First Environmental Annual Report	ATI was the first company within the SM SAAM group to publish an environmental annual report. This document covers the environmental actions and programs carried out in 2018 focused on controlling and reducing the potential environmental impacts that the company could cause.
ATI Changed Lighting at Terminal	By implementing this project, ATI becomes the first port terminal to comply with Supreme Decree No. 43/2012 from the Ministry of the Environment, an emissions standard to regulate light pollution and protect northern Chile's clear skies.
SVTI Receives APL Certification	On June 25th, SVTI and several other companies earned Clean Production Agreement certification for port activity in the Bio-bio Region. This sets standards for efficiently developing port activity in harmony with the environment and the community.

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INFORMATION SECURITY

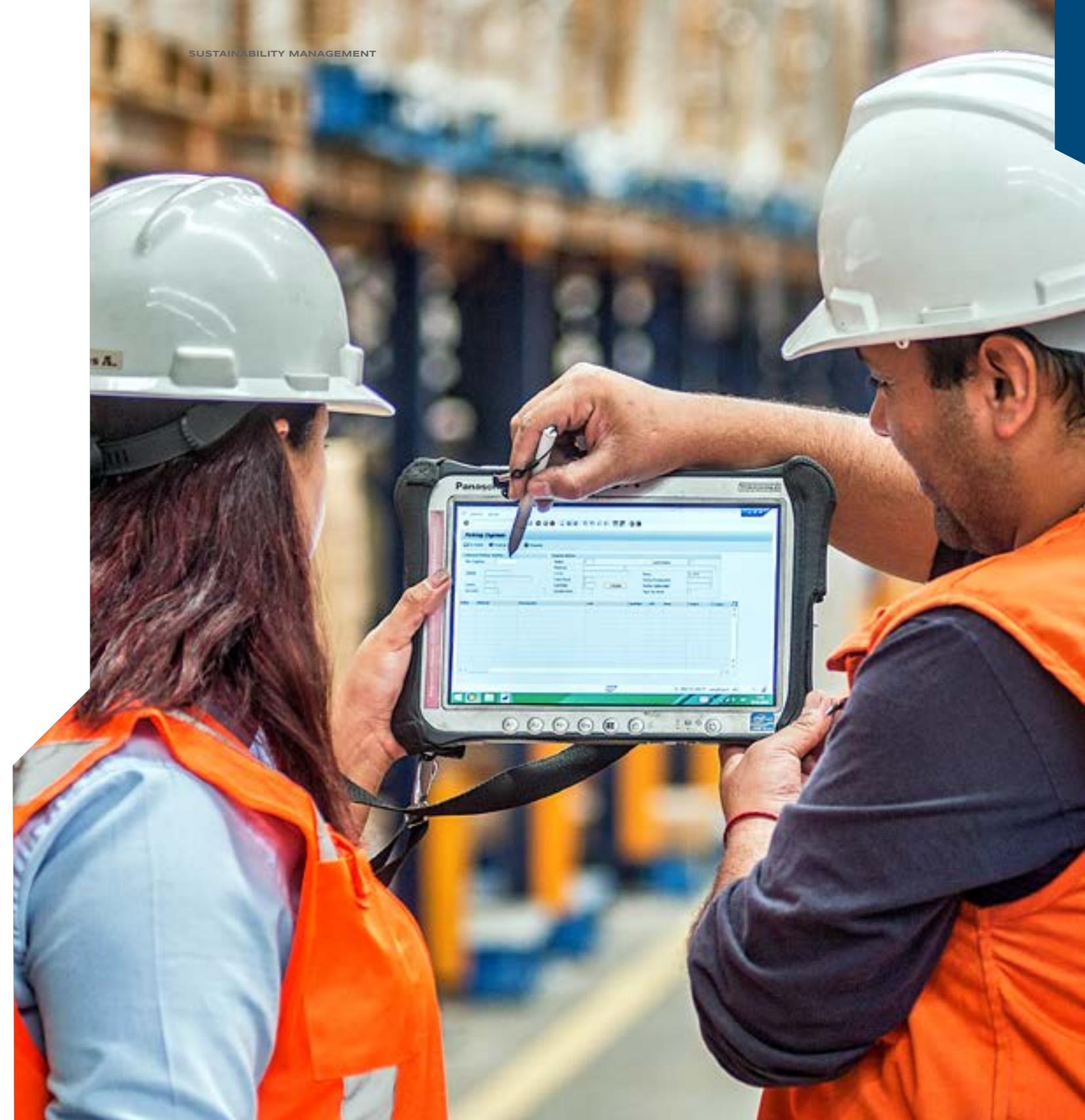
Today, information about people and companies is an asset that must be safeguarded and appropriately managed given the security risks to that information. Accordingly, SM SAAM has defined cybersecurity and information security as one of its relevant issues.



GENERAL INFORMATION SECURITY POLICY

SM SAAM has a General Information Security Policy focused on defining measures that ensure the confidentiality, completeness, availability and performance of information assets of the company and its subsidiaries. That policy is complemented by a series of subordinate policies, which specifically address aspects such as the use and physical security of technology assets, information processing and network administration, information backups and recovery, the use of internet and e-mail, access control and supplier relations.

Analysis of Relevant Issues: Community relations		
	Why is it important to SM SAAM?	Information security is key to the company's management of customer data.
	Impact	Affects the company's reputation and value.
	How is it managed?	SM SAAM has a General Information Security Policy focused on defining measures that ensure the confidentiality, completeness, availability and performance of information assets of the company and its subsidiaries.



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IT COMMITTEE

System and information security has been identified by SM SAAM as one of the company's strategic risks and, therefore, it is treated as established in the Comprehensive Risk Management Policy.

According to that policy, there is a second line of management (risk function) that includes a Risk Committee, chaired by SAAM's CEO. Other members include division managers and support area managers and the committee reports regularly to the company's board. Similarly, a third line of management (supervisory function) consists of the Internal Auditing Unit (Corporate Controller's Office), which reports any relevant findings or non-compliance observed to the Risk Committee and the board (Directors' Committee).

PROCEDURES AND CONTROLS THAT ENSURE SYSTEM AVAILABILITY

Of all IT area processes, SM SAAM has identified some that are critical based on their impact on the availability of systems and information. Each of these critical processes is related to a series of controls, which are audited twice a year by the Internal Auditing Unit. The audited controls cover issues such as information back-up, the status of operating systems, access control to systems, applications, incident reporting, hardware and software inventory, and data center security, among others.

INFORMATION SECURITY MEASURES

SM SAAM has implemented additional measures regarding information security. These include distributing a Practical Cybersecurity User Guide, What to Do and What Not to Do, implementing an information security course available online as part of the orientation process for new employees, and an annual ethical hacking exercise for SM SAAM and subsidiaries.

PROTECTING CUSTOMER DATA PRIVACY

As mentioned in the Asset Control and Classification Policy, everyone who stores or records information within the organization must classify it into one of three categories: Confidential, Internal Use and Public. By default, all information that is not specifically classified is considered "Internal Use."

It is prohibited to disclose any information classified as "Confidential" or "Internal Use," except when explicitly authorized by the information owner. Customer information may not be disclosed without explicit authorization from the information owner.



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CORPORATE GOVERNANCE PRACTICES

BOARD POLICIES

The Board of Sociedad Matriz SAAM S.A. has established policies for its proper functioning and compliance with its obligations. These can be found on its webpage at www.saam.com/gobierno-corporativo/.

ORIENTATION

The board has defined an orientation process for new directors. This process provides them with sufficient documentation and background information to have a general overview of Sociedad Matriz SAAM S.A, including: relevant standards and updated material on corporations and securities markets, board-approved regulations and internal procedures, the Integrated Annual Report and financial statements of the appropriate company for the immediately preceding year.

Additionally, a series of meetings with the company's CEO and main managers is arranged to provide them with information on businesses, risks and operating, financial and legal information about the company.

CONTINUOUS IMPROVEMENT OF CORPORATE GOVERNANCE

In January of each year, the board conducts a formal review of its functioning and organization during the prior year. Based on that evaluation by all directors, the chairman of the board performs a diagnostic and proposes actions to implement, in addition to those proposed by other directors.

POLICIES FOR HANDLING CONFLICTS OF INTEREST

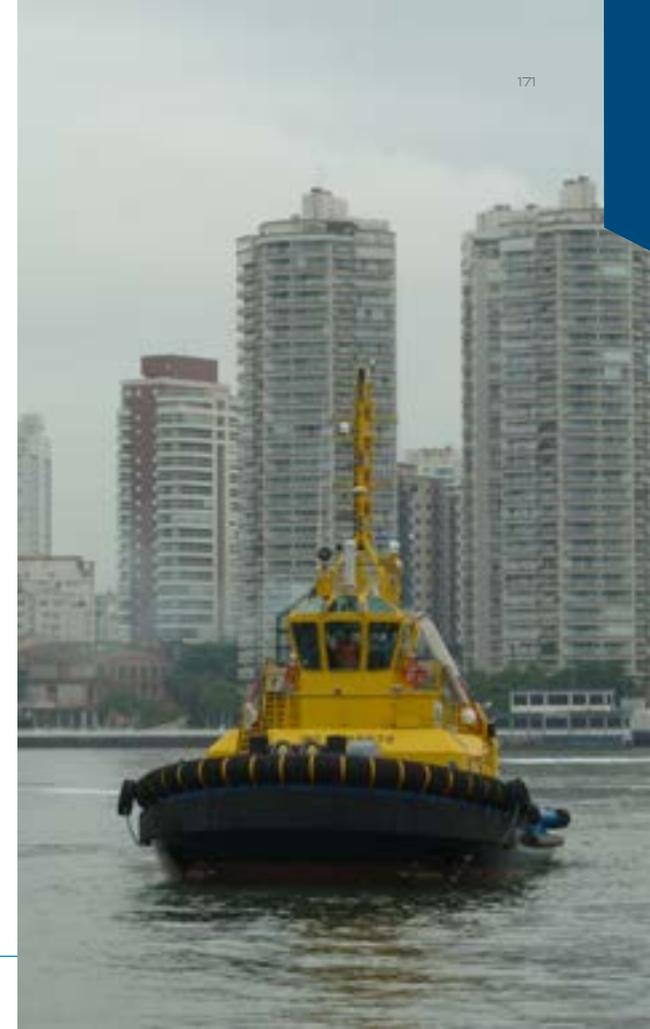
Conflicts of interest arise when the interest of a person—financial or otherwise—interferes with, affects or appears to interfere with or affect, in any way, his/her judgment, objectivity and independence in the decisions that s/he must make in the fulfillment of his/her duties. SM SAAM strives for its employees, executives and directors to fulfill their duties without conflicts of interest that compromise the quality of their work or influence their ability to make decisions in the company's best interest.

Should any conflicts of interest arise, the parties must abstain from making any decisions or taking any actions and immediately report the conflict to their direct supervisor, and any other bodies made available by the company for this purpose. The existence of a conflict of interest does not constitute a violation of the Code of Ethics. However, failure to report it in a timely manner is considered a breach.

SM SAAM's Code of Ethics respects the right of everyone that works at the company to engage in activities outside the business as long as they do not harm, interfere with or enter into conflict with the performance of their position.

In particular, the Code of Ethics prohibits employees from:

- Conducting negotiations on one's own behalf or for third parties within the scope of the businesses the company operates.
- Proposing or trying to approve businesses, policies or decisions that are not in the interest of the company, such as: i) granting commercial benefits or special deals to customers and/or suppliers with whom the employee is directly or indirectly related (through a relative or stake in a company); or ii) hiring, supervising or directly reporting to (or in the same operating area) a relative, partner or person with whom the employee maintains a close relationship that affects impartiality and objectivity.
- Engaging in activities that compete or appear to compete with company interests (in a personal capacity, through a relative or stake in a company), or that adversely affect work performance or interfere with the responsibilities of SM SAAM's management, even if these are carried out outside the company's premises and after hours.



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INDEPENDENT DIRECTORS

Jorge Gutiérrez Pubill and Armando Valdivieso Montes were designated independent directors at a shareholders' meeting, in compliance with Article 50 bis of Law 18,046 on Corporations. That law mandates that all corporations with market value equal to or greater than UF 1,500,000 in which at least 12.5% of shares issued with voting rights are held by shareholders who individually control or hold less than 10% of such shares must appoint at least one independent director.

DIRECTORS' COMMITTEE

The Director's Committee of Sociedad Matriz SAAM S.A. was established by an extraordinary board meeting held on January 23, 2013, in accordance with Article 50 bis of Law 18,046. Since April 9, 2018, the Directors' Committee has been composed of the independent directors of Sociedad Matriz SAAM S.A., Mr. Armando Valdivieso Montes, chairman, Mr. Jorge Gutiérrez Pubill and Mr. Francisco Pérez Mackenna.

The CEO, the CFO and the Chief Counsel attend these meetings on a regular basis.

TRAINING¹

The board has an annual training procedure for the company's directors. In conformity with this procedure, the Chief Counsel of SM SAAM proposes to the board at the meeting in December of each year potential training topics for the following year. In 2019 the board was trained on compliance matters at its June 5th meeting and port concessions at its August 2nd meeting.

ACTIVITIES OF THE DIRECTORS' COMMITTEE 2019

The Directors' Committee of Sociedad Matriz SAAM S.A. devoted itself to exercising the authority and duties established in Article 50 bis of Law 18,046 during 2019, and completed the following tasks:

1. Reviewed the Consolidated Financial Statements of SM SAAM S.A. and its subsidiaries, and the associated final report issued by the independent auditors for the year ended December 31, 2018. It endorsed their presentation to the shareholders for approval. Reviewed without comments the Interim Consolidated Financial Statements of the company and its subsidiaries, as of March 31, June 30 and September 30, 2019.

Reviewed the independent audit plan for 2019, the limited review report on the Interim Consolidated Financial Statements and the Internal Control Report.

2. Proposed that the board suggests at the annual general shareholders' meeting that PricewaterhouseCoopers Consultores Auditores SpA be appointed as external auditors to audit the accounting records and financial statements during 2019, and Feller-Rate Clasificadora de Riesgo Limitada and Clasificadora de Riesgo Humphreys Limitada as risk raters.

3. Examined information regarding related party transactions referenced in section XVI of Law No. 18,046 and reported these transactions to the board at the same meeting where it approved or rejected the transactions:

Storage and destowage service provision agreement between the subsidiary Inarpi S.A., operated by Terminal Portuario Guayaquil, and Hapag Lloyd A.G.

Group-level fuel supply agreement with Enex S.A. That contract included the subsidiaries SAAM, SAAM Logistics and Iquique Terminal Internacional, and the associates San Vicente

Terminal Internacional, San Antonio Terminal Internacional, Antofagasta Terminal Internacional, Grupo Aerosan and Grupo Reloncaví.

Agreement regarding the interest in the associate Antofagasta Terminal Internacional between the subsidiary SAAM Puertos and Inversiones Punta de Rieles Limitada, a subsidiary of FCAB.

4. Reviewed the compensation policies and plans for managers and senior executives.

5. Prepared and approved the annual report on its management.

The committee also completed the following tasks requested by the board of SM SAAM S.A.:

- Reviewed the corporate governance practices contained in General Regulation 385 issued by the Financial Markets Commission and adopted by the company.
- Approved the Internal Audit Plans for 2020, reviewed the respective reports and recommendations issued by the Controller, including the Crime Prevention Officer's report, and monitored implementation of the respective action plans.
- Reviewed occupational health and safety and environmental progress and performance.
- Reviewed reports from the Risk Committee.
- Reviewed progress with implementing standardized key processes.
- The Directors' Committee did not hire any advisors and, therefore, did not incur any expenses for this concept. It did not deem it necessary to present any type of recommendation to the company's shareholders.

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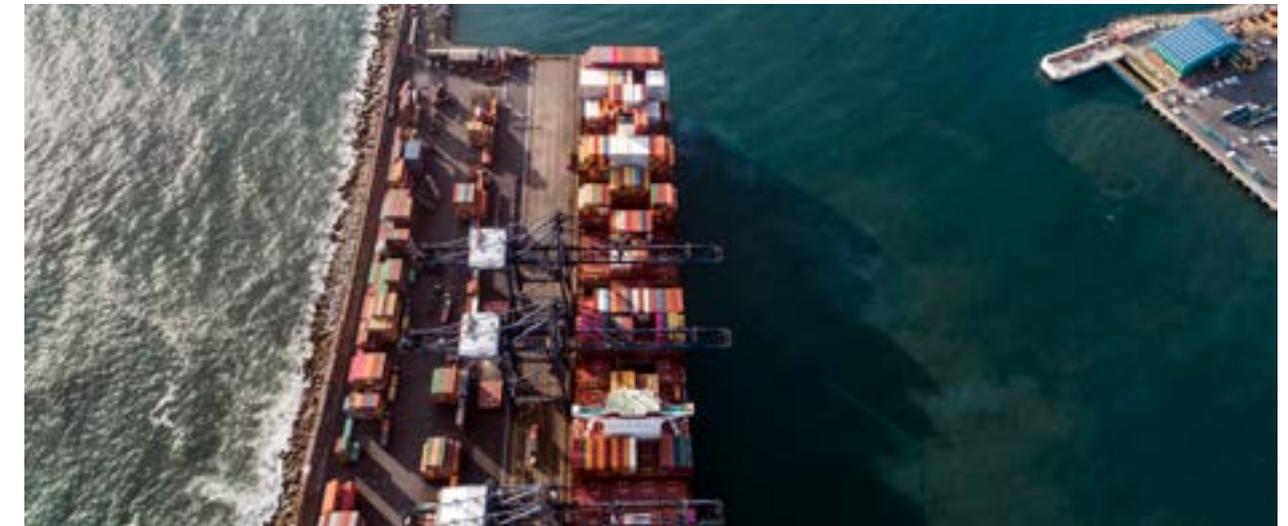
DIRECTORS' COMMITTEE COMPENSATION

As approved at the general shareholders' meeting held April 5, 2019, the members of the Directors' Committee receive compensation of UF 33.34 per meeting with a monthly cap of one meeting, plus an additional third of the amount due in variable compensation for their role as director of the company. This is in line with Article 50 bis of Law 18,046 on Corporations and Ruling 1,956 dated December 22, 2009, from the Financial Market Commission. In addition, at the annual general shareholders' meeting on April 5, 2019,

shareholders approved the operating expense budget for the Directors' Committee, equivalent to the annual compensation of its members, who may hire professional advisors to perform its duties.

The Directors' Committee received ThUS\$47 in fixed fees for attending meetings during ended December 31, 2019, (ThUS\$51 for 2018) and ThUS\$92 in profit sharing (ThUS\$111 in 2018).

Name	Chilean ID Number	Relationship	Fixed Compensation		Variable Compensation		Date	
			Attendance at Committee Meetings		Profit Sharing		First Appointed	Ceased
			2019 ThUS\$	2018 ThUS\$	2019 ThUS\$	2018 ThUS\$		
Francisco Pérez Mackenna	6.525.286-4	Dependent Director	16	17	31	37	4/26/2013	-
Jorge Gutiérrez Pubill	5.907.040-1	Independent Director	15	17	31	37	4/8/2016	-
Armando Valdivieso Montes	8.321.934-3	Independent Director	16	13	22	-	4/9/2018	-
Mario Da-Bove Andrade	4.175.284-K	Former Independent Director	-	4	8	37	1/23/2013	4/9/2018
Total			47	51	92	111		



SUMMARY OF COMMENTS AND PROPOSALS FROM SHAREHOLDERS AND DIRECTORS' COMMITTEE

In 2019, there were no comments or proposals regarding the company as a going concern presented by shareholders and the Directors' Committee.

BOARD COMPENSATION

In accordance with the company's bylaws, the board is compensated for its duties, which is set annually at the annual general shareholders' meeting. Compensation for the 2019 period was determined at the annual general shareholders' meeting on April 5, 2019, and consists of a fixed and a variable component.

Each director receives an allowance of UF 100 for attending meetings with a monthly cap of one meeting, except for the chairman of the board, who receives double the compensation received by the other directors. In addition, each director will receive variable compensation equivalent to 2.5% of the

dividends distributed from net income for the year 2019, divided in equal parts among all directors considering for such purposes the time that each one served in the position during that year. The chairman of the board receives double that received by the other directors.

SM SAAM's board of directors received ThUS\$353 in fixed fees for attending board meetings during the year ended December 31, 2019, (ThUS\$374 for 2018) and ThUS\$730 in profit sharing (ThUS\$887 in 2018). The chart below discloses board compensation for the years 2018 and 2019.

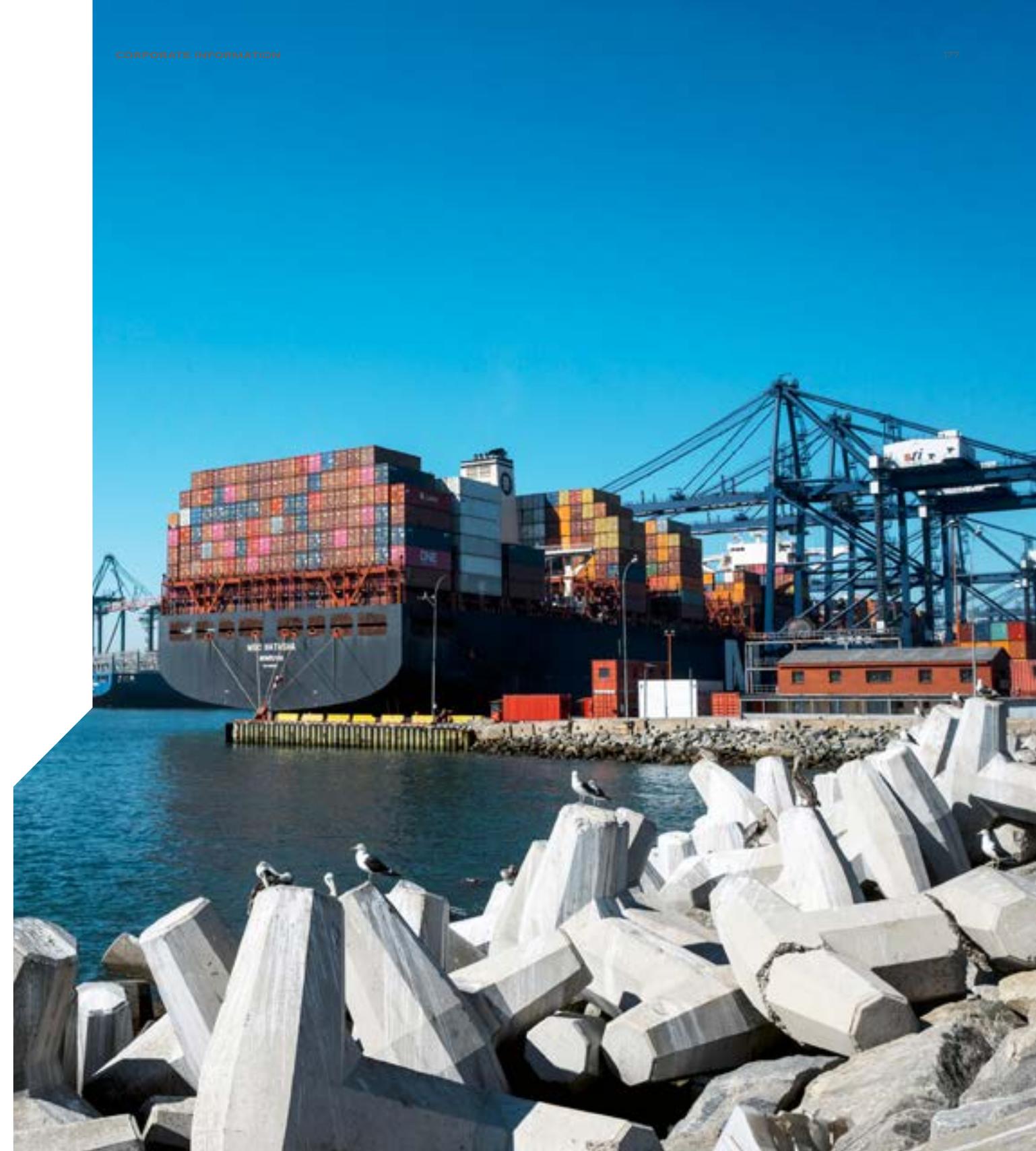
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Name	Chilean ID Number	Relationship	Fixed Compensation		Variable Compensation	
			Board Meeting Attendance Fee(1)		Profit Sharing	
			2019 ThUS\$	2018 ThUS\$	2019 ThUS\$	2018(2) ThUS\$
Óscar Hasbún Martínez	11.632.255-2	Chairman	95	102	183	156
Jean-Paul Luksic Fontbona	6.372.368-1	Vice Chairman	19	17	91	111
Francisco Pérez Mackenna	6.525.286-4	Director	48	51	91	111
Diego Bacigalupo Aracena	13.828.244-9	Director	48	51	91	45
Francisco Gutiérrez Philippi	7.031.728-1	Director	48	51	91	111
Jorge Gutiérrez Pubill	5.907.040-1	Independent Director	47	51	91	111
Armando Valdivieso Montes	8.321.934-3	Independent Director	48	38	67	
Mario Da-Bove Andrade	4.175.284-K	Former Independent Director	-	13	25	111
Felipe Joannon Vergara	6.558.360-7	Former Director	-	-	-	131
Total			353	374	730	887

(1) Includes fixed fees for attending board meetings of Sociedad Matriz SAAM S.A. and subsidiaries.

(2) Includes profit sharing for years prior to the year of payment.



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MANAGEMENT COMPENSATION

The compensation policy for the company's senior management team includes fixed compensation and an annual performance bonus tied to yearly targets. This performance bonus is awarded by the board after assessing management performance for the year and the amount is based on each person's fixed compensation.

Total compensation, including bonuses and termination benefits for years of service, paid by SM SAAM to senior executives in 2019 was ThUS\$5,065 (ThUS\$5,250 in 2018). The compensation received by the company's senior executives during 2019 and 2018 was paid by the subsidiary SAAM S.A.

Termination benefits for years of service included in the above totals was ThUS\$22 (ThUS\$787 in 2018).



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EXECUTIVE COMMITTEES

Committee	Objectives	Members
Risk Committee	<p>Its main focus is to review and supervise the application and implementation of the risk model and review the status of mitigation plans. To accomplish this, it performs activities such as:</p> <ul style="list-style-type: none"> • Proposing the risk profile and guidelines for risk management to the board. • Promoting a risk-control culture at all levels throughout the company. • Reviewing and proposing the company's risk profile. • Effectively supervising risk management and reviewing application of the risk policy and matrix, at least once per quarter. 	<ul style="list-style-type: none"> • Chief Executive Officer (Chairman) • MD Port Terminals Division • MD Towage Division • MD Logistics Division • Chief Financial Officer • Chief Human Resource Officer • Chief Information Officer • Chief Counsel
	<p>Main Issues Addressed in 2019</p> <p>The topics addressed included reviewing the implementation plan for the Comprehensive Risk Management Model and action plans.</p>	<p>Board Involvement</p> <p>Chief Financial Officer reports to the board.</p>
	<p>2019 meetings and average attendance: meets formally each quarter. During the year, they held three meetings in January, April and June, which were attended by 100% of the members.</p>	

Note: for more information, see chapter on Risk Management.

Committee	Objectives	Members
Ethics Committee	<p>Its main objective is to ensure correct application of the Code of Ethics. Its main duties include:</p> <ul style="list-style-type: none"> • Promoting ethical values and principles. • Updating the Code of Ethics based on suggestions and situations observed or reported. • Making improvements to the Ethics and Compliance Management System. • Evaluating disputes, conflicts, faults related to the Code of Ethics and their potential sanctions. • Being a consultative and resolute body. 	<ul style="list-style-type: none"> • Chief Executive Officer (Chairman) • Chief Human Resource Officer • Chief Counsel • Controller
	<p>Main Issues Addressed in 2019</p> <p>The issues addressed included reviewing complaints, improvements to the Prevention Model and the status of implementation of the Code of Ethics at subsidiaries and execution of e-learning carried out during the period.</p>	<p>Board Involvement</p> <p>Controller reports to the board.</p>
	<p>2019 meetings and average attendance: meets formally each quarter. During the year, they held four meetings in March, June, September and December, which were attended by 100% of the members.</p>	

Note: for more information, see chapter on Managing Ethical Conduct.

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Committee	Objectives	Members
Investment Committee	Its main objective is to review all investments greater than US\$ 200,000 to be made by any group company. It reports directly to the board of SM SAAM and meets on a monthly basis.	<ul style="list-style-type: none"> • Chairman of the Board • Chief Executive Officer • Chief Financial Officer • Chief Development Officer
	Main Issues Addressed in 2019 Evaluation of purchases of port equipment, tugs, dock expansions and port dredging.	Board Involvement
	2019 meetings and average attendance: During 2019 it met 10 times, with 90% attendance.	

Committee	Objectives	Members
Information Security Committee	It reports to the CEO and/or Management Committee (only in the event of relevant issues that compromise or could compromise information security) and meets on a monthly basis. Among its main objectives are: <ul style="list-style-type: none"> • Proposing improvements in methodology and processes for information security. • Identifying, informing and proposing corrective and preventative actions for information security incidents that occur. • Presenting initiatives to augment information security. • Promoting the dissemination and support of information security. 	<ul style="list-style-type: none"> • Chief Information Officer • Head of IT Security Division • Head of IT Operations Division • Head of IT Applications and Architecture Division

Committee	Objectives	Members
Information Security Committee	Among its main objectives are: <ul style="list-style-type: none"> • Supervising implementation of procedures and standards related to information security. • Arbitrating conflicts involving information security matters and associated risks and proposing solutions. • Coordinating action plans for treating incidents and risks related to information assets. • Staying informed (updated) on trends, standards and security methods that help detect new information security risks. • Informing IT division heads of improvement opportunities in information security and relevant incidents and solution management. 	<ul style="list-style-type: none"> • Chief Information Officer • Head of IT Security Division • Head of IT Operations Division • Head of IT Applications and Architecture Division
	Main Issues Addressed in 2019 Progress on deployment of SM SAAM's Cybersecurity IT Operating Model at subsidiaries, advances and results of cybersecurity evaluation for CIS CSC20 controls, results of compliance audit for basic cybersecurity measures, results of annual ethical hacking process and monitoring of information and cybersecurity incidents reported during the period.	Board Involvement It reports to the board through the Risk Committee.
	2019 meetings and average attendance: In 2019 it met 9 times with 100% attendance of its members	

Note: for more information, see chapter on Risk Management.

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RISK FACTORS

FINANCIAL RISK

Financial risk is the risk of changes in market rates and prices (e.g. exchange rates, interest rates or stock prices) that affect the revenue of SM SAAM and its subsidiaries or the value of their financial instruments. The objective of financial risk management is to manage and control exposure to this risk within reasonable parameters while at the same time optimizing profitability.

SM SAAM balances its net financial positions in its subsidiaries to ease the effects of exchange rate risks principally in Chile, Mexico and Brazil. It is not always possible to achieve balance, in which case the company evaluates acquiring financial hedges (forwards) in order to efficiently manage these risks. Usually SM SAAM applies hedge accounting in order to mitigate volatility in its results, caused by net unhedged positions of assets and liabilities in foreign currencies.

ACCIDENTS AND NATURAL DISASTERS

The fleet and equipment used by port terminals and the logistics area are exposed to the risk of damage or loss due to events such as mechanical failure, poor installation, fire, explosion, collision, maritime accident and human error. These assets may also be affected by earthquakes, tsunamis and other natural disasters. However, SM SAAM, its subsidiaries and associates have extensive insurance coverage to mitigate any potential damage.

CREDIT RISK

Credit risk is the risk of financial loss arising from a customer or counterparty to a financial instrument not fulfilling its contractual obligations. This is especially applicable to SM SAAM and its subsidiaries' trade receivables. When granting credit to customers, a credit assessment is performed by a credit committee in order to reduce the risk of non-payment. Credit granted to customers is regularly reviewed, in accordance with the controls defined in the company's policies, and to monitor the status of accounts pending collection.

Services are provided to customers under market conditions, which involve simple credit that does not exceed 120 days on average. These transactions are not concentrated in significant customers. In fact, the customers of SM SAAM and its subsidiaries are well fragmented, which distributes this risk.

SKILLED LABOR

The possibility to compete successfully depends on the ability to attract and retain highly skilled labor. An inability to recruit and retain key staff could have an adverse effect on SM SAAM's financial performance. Furthermore, the ability to operate tugs and port terminal equipment and provide logistics services depends on the ability to attract and retain qualified and experienced staff.

Nonetheless, even when employment relationships are good, the risk of strikes, work stoppages or other conflicts with unions cannot be ruled out.

ENVIRONMENTAL STANDARDS

Ports, tugs and logistics services are subject to a variety of environmental laws. Violations of such laws may result in administrative sanctions, which may include closing down facilities, revoking operating licenses or imposing penalties and fines when companies behave with negligence or recklessness in relation to environmental issues. More stringent environmental laws and regulations could require additional investment to comply with these regulations, which would consequently affect investment plans. SM SAAM and its subsidiaries have civil liability insurance in favor of third parties to mitigate the risk of damage and/or contamination fines associated with its fleet of tugs.

POLITICAL AND ECONOMIC RISKS

A significant proportion of SM SAAM's assets are located in Chile. About 25% of its consolidated revenue is derived from Chilean services. Accordingly, its business performance is substantially dependent on economic conditions in Chile. Future trends in the Chilean economy could have adverse effects on SM SAAM's financial condition or performance and may limit its ability to implement its business plan. The Chilean State has had and continues to have a substantial influence on many aspects of the private sector and in the past its changes to monetary, fiscal, tax and other regulations have affected the economy.

Furthermore, SM SAAM operates in Ecuador, Mexico, Brazil, Colombia, Uruguay, Guatemala, Honduras, Costa Rica, Panama, Canada and the United States of America. Some of these countries have experienced periods of political and economic instability in recent decades. During these periods, governments have intervened in corporate and financial matters, which has affected foreign investors and companies. It cannot be argued that these situations will not occur again in the future, in fact they may arise in any new country where SM SAAM invests. Consequently, such situations would adversely affect the company's performance in those markets.

CONCESSION RENEWAL

The non-renewal of any port concession operated by SM SAAM is a long-term risk, and is dependent on future market conditions and negotiations with port authorities. This could affect revenue, especially at San Antonio Terminal Internacional where the concession expires in 2024. However, all the remaining port concessions have been renewed. Concession renewals have depended on having achieved and maintained specific operational standards, which SM SAAM has amply fulfilled at all ports. Furthermore, SM SAAM has concessions in the tug business in Costa Rica and Mexico, and the latter concession has been fully renewed.

INFORMATION SECURITY AND CYBERSECURITY

Any impact on the confidentiality, completeness, availability and performance of the company's tangible and intangible technology assets as a result of inherent weaknesses and/or internal or external threats, could negatively impact the operational continuity of some or all of SM SAAM's business areas. The leaking or undesired disclosure of personal data of third parties, whether employees, customers, suppliers and/or business partners, may negatively affect the company's reputation and expose it to business losses, regulatory sanctions and/or lawsuits.

The company monitors and mitigates the operational risk of these weaknesses and/or threats using the Risk Management Model, which is complemented with policies, processes, controls, audits and specific evaluations of Information Security and Cybersecurity.

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SHAREHOLDERS

ANNUAL GENERAL MEETING

Sociedad Matriz SAAM S.A. is managed first and foremost by the shareholders' meeting, which delegates their duties to the board elected for such purpose. The board can call an annual general or extraordinary shareholders' meeting in the manner and times determined by law. All matters indicated in Article 56 of Law No. 18,046 on Corporations should be decided at the annual general shareholders' meeting.

An annual general shareholders' meeting will be held no later than April of each year. Additional general or extraordinary meetings may be held at the request of the board or when

requested in writing by shareholders representing 10% or more of the shares issued and the purpose of the meeting must be disclosed.

At the annual general shareholders' meeting each year, shareholders must appoint an external audit firm to examine the company's accounting, inventory, balance sheet and other financial statements and it is required to provide written notification at the next annual general shareholders' meeting of the fulfillment of its mandate.

SHAREHOLDER RIGHTS

The company's capital amounts to US\$ 586,506,413, divided into 9,736,791,983 single-series, nominative shares with no par value. Each share has voting rights and the shareholder or their representative can accumulate or distribute them as they deem fit.

DIVIDEND POLICY

At a meeting on April 5, 2019, the board proposed to shareholders at the annual general meeting, and the shareholders approved, to maintain the dividend policy of distributing cash dividends equivalent to at least 50% of net income for the respective year. For such purposes, in compliance with Ruling 1,945 of September 29, 2009, from the Financial Market Commission and the policy adopted by Sociedad Matriz SAAM S.A., the calculation of distributable net income does not include unrealized or unaccrued gains generated as a result of variations in the fair value of certain assets and liabilities, with such gains included in the calculation of distributable net income in the year in which they are realized or accrued.

In 2019 a final dividend of US\$ 29,225,573.25 (US\$0.003001561 per share, equivalent to Ch\$2 per share) was distributed, corresponding to 58.91% of distributable net income for the year ended December 31, 2018. This dividend is mixed, as it comprises: the minimum mandatory dividend established in the Corporations Law (30% of distributable net income) and an additional dividend of 28.91% of net income.

The chart below shows dividends paid each year by the company from 2013 to 2019.

Type	Dividend	Payment Date	Dividends Paid per Share		
			Ch\$	US\$	For Year
Final	1	5/15/2013	1.444664	0.003056002	2012
Final	2	4/30/2014	2.099294	0.003775912	2013
Final	3	5/8/2015	1.92422	0.003134368	2014
Final	4	5/6/2016	2.40997	0.00353996	2015
Final	5	5/5/2017	2.00	0.003046412	2016
Final	6	5/7/2018	2.20	0.003635342	2017
Final	7	5/2/2019	2.00	0.003001561	2018

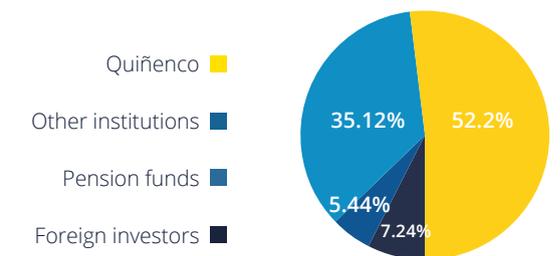
OWNERSHIP STRUCTURE

The 9,736,791,983 shares that comprise the company's share capital as of December 31, 2019, are distributed in 3,320 directly registered shares and depositors that have equity positions through the Central Securities Depository (DCV). The company's stock is listed on Santiago Exchange and the Chilean Electronic Stock Exchange.

The main shareholder of SM SAAM is the Luksic Group, which collectively controls a percentage equivalent to 52.2% of the shares through several companies. The other shareholders are AFPs (pension fund managers) with 5.44%, other domestic institutional investors with 35.12% and foreign investors with 7.24%.

9,736,791,983
SHARES

3,320
SHAREHOLDERS



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OWNERSHIP, SHARES AND CONTROL

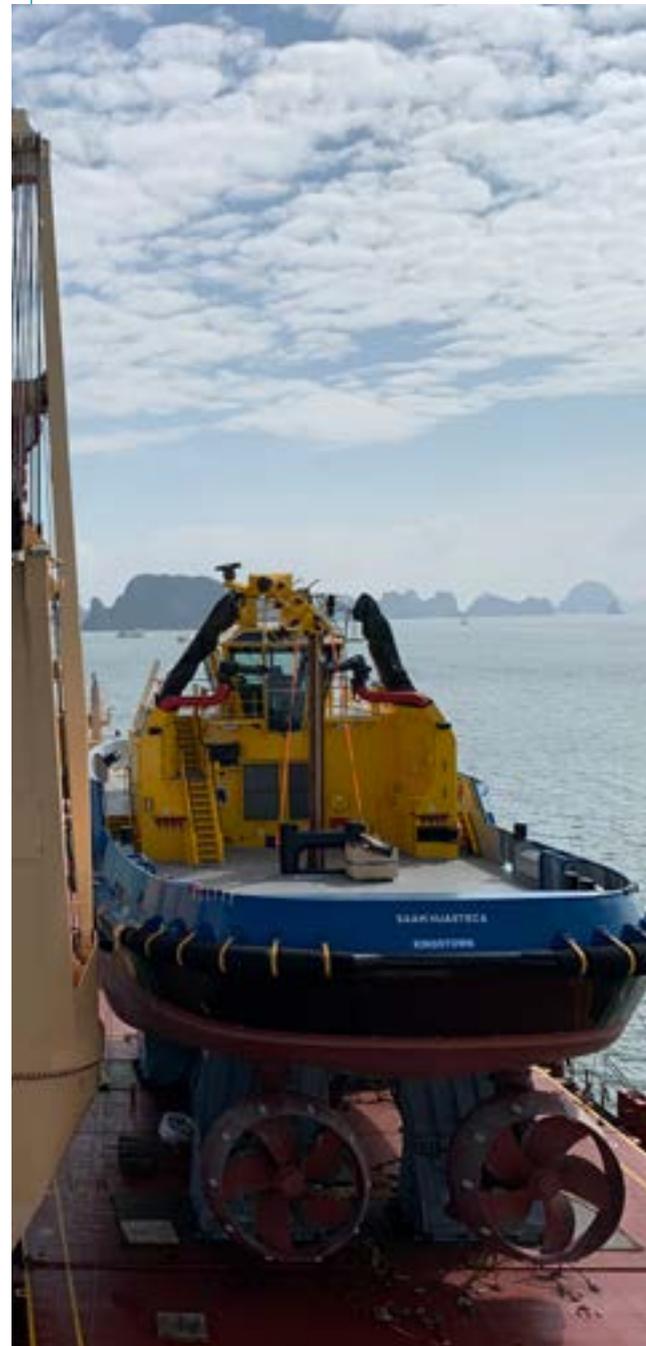
The Luksic Group controls the company, through Quiñenco S.A. and its subsidiaries Inversiones Río Bravo S.A. and Inmobiliaria Norte Verde S.A. with 52.2% of the shares as of December 31, 2019, as defined in Chapter XV of Law 18,045.

82.9% of Quiñenco S.A. is owned by Andsberg Inversiones Ltda., Ruana Copper A.G. Agencia Chile, Inversiones Orengo S.A., Inversiones Consolidadas Ltda., Inversiones Salta SpA., Inversiones Alaska Ltda., Inmobiliaria e Inversiones Río Claro S.A. and Inversiones Río Claro Ltda. The Luksburg Foundation indirectly controls 100% of Andsberg Inversiones Ltda., 100% of Ruana Copper A.G. Agencia Chile and 99.76% of Inversiones Orengo S.A.

Andrónico Mariano Luksic Craig (Chilean ID number 6.062.786-K) and family control 100% of Inversiones Consolidadas Ltda. and Inversiones Alaska Ltda. Andrónico Luksic Craig's family holds 100% of Inversiones Salta SpA. Inmobiliaria e Inversiones Río Claro S.A. and Inversiones Río Claro Ltda. are indirectly controlled by the Emian Foundation, in which the successors of the late Mr. Guillermo Antonio Luksic Craig† (Chilean ID Number 6.578.597-8) have interests. There is no shareholder agreement between the controllers of the Company.

Inmobiliaria e Inversiones Río Claro S.A. and Inversiones Río Claro Ltda. are indirectly controlled by the Emian Foundation, in which the successors of the late Guillermo Antonio Luksic Craig† (Chilean ID Number 6.578.597-8) have interests.

Sociedad Matriz SAAM S.A. has a majority shareholder who is different from the other controllers. Inversiones Gran Araucaria II Limitada, Chilean Tax ID number 76.727.516-1, together with other entities of the same controller has a 11.5% interest in the company's share capital equivalent to 1,119,691,427 shares.



12 LARGEST SHAREHOLDERS

As of December 31, 2019, the 12 largest shareholders of Sociedad Matriz SAAM S.A. are:

Taxpayer ID No.	Name or Corporate Name	Category	Number of Shares	Percentage
77,253,300	INVERSIONES RÍO BRAVO SA	Luksic Group	3,237,543,274	33.25%
91,705,000	QUIÑENCO SA	Luksic Group	1,522,794,376	15.64%
96,684,990	MONEDA SA AFI FOR PIONERO INVESTMENT FUND	Investment fund	865,602,000	8.89%
84,177,300	BTG PACTUAL CHILE S A C DE B	Securities brokerage firm	541,088,013	5.56%
97,004,000	BANCO DE CHILE POR CUENTA DE CITI NA NEW YORK CLIE	Foreign investors	328,515,364	3.37%
96,847,140	INMOBILIARIA NORTE VERDE S.A.	Luksic Group	322,149,301	3.31%
90,249,000	BOLSA DE COMERCIO DE SANTIAGO BOLSA DE VALORES	Stock market	288,278,946	2.96%
80,537,000	LARRAIN VIAL S A CORREDORA DE BOLSA	Securities brokerage firm	215,487,284	2.21%
97,004,000	BANCO DE CHILE ON BEHALF OF NON-RESIDENT THIRD PARTIES	Foreign investors	208,171,113	2.14%
96,489,000	CREDICORP CAPITAL SA CORREDORES DE BOLSA	Securities brokerage firm	205,626,370	2.11%
76,727,516	INVERSIONES GRAN ARAUCARIA DOS LIMITADA	Real estate and investments	188,045,640	1.93%
96,571,220	BANCHILE C DE B S A	Securities brokerage firm	157,818,102	1.62%

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MAJOR CHANGES IN SHARE OWNERSHIP

There were no significant changes in the ownership of Sociedad Matriz SAAM S.A. during 2019.

DIRECTORS AND EXECUTIVE WITH OWNERSHIP INTERESTS

The directors Francisco Gutiérrez Philippi and Francisco Perez Mackenna held insignificant amounts of shares in the company (equal to or less than 0.1% of total share capital) as of December 31, 2019. The chairman, Oscar Hasbun Martínez, and the directors, Diego Bacigalupo Araceba, Jorge Gutiérrez Pubill, Jean-Paul Luksic Fontbona and Armando Valdivieso Montes hold no shares in the company.

The company's senior executives hold no shares in the company.

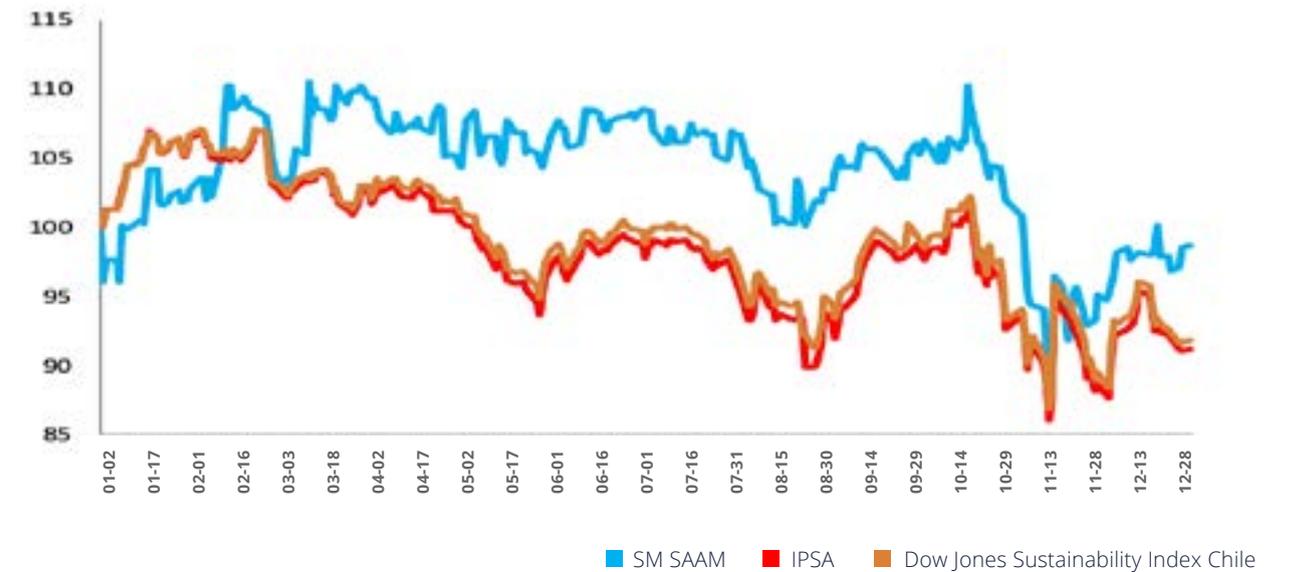


MARKET INFORMATION

SM SAAM stock is listed on Santiago Exchange under the ticker SM SAAM since March 2012.

During the year 2019, SM SAAM's stock reported a negative variation of 1.32%, while the IPSA fell 8.55%.

2019 YTD RETURNS CH\$
01.02.2019 - 12.30.2019



SM SAAM stock was traded as follows during 2019:

	Number of Shares Traded	Total Traded Value (Ch\$)	Average Closing Price (Ch\$)
First quarter	263,981,032	17,025,313,082	Ch \$ 64.53
Second quarter	208,329,534	13,490,857,457	Ch \$ 64.10
Third quarter	156,272,937	9,803,461,043	Ch \$ 61.57
Fourth quarter	453,236,947	27,232,472,038	Ch \$ 58.41

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SUMMARY OF MATERIAL EVENTS 2019

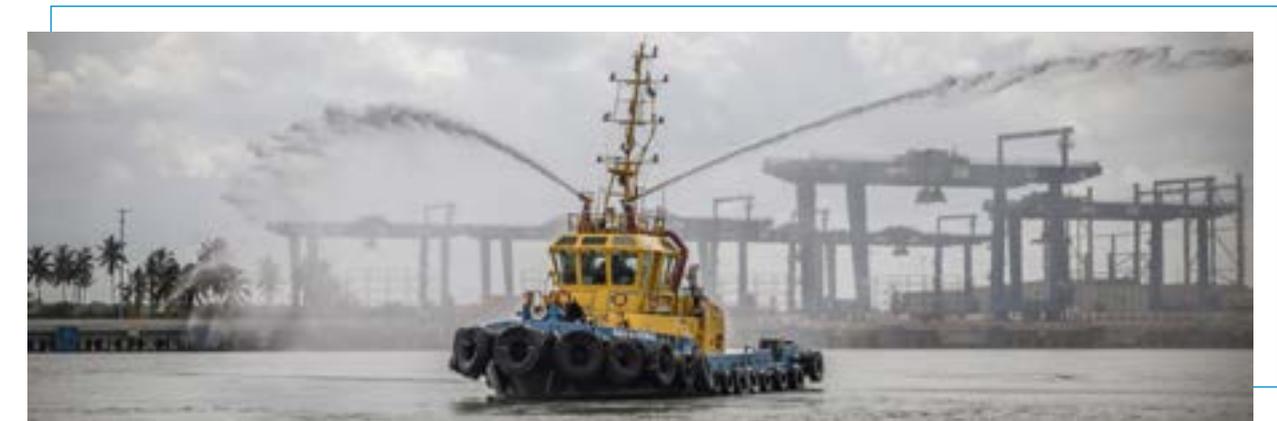
Agreement between SAAM S.A. and Boskalis

On February 11, 2019, the company reports that Sociedad Matriz SAAM S.A. (SM SAAM), through its subsidiary SAAM S.A. (SAAM), has signed a Term Sheet with its partner Boskalis Holding B.V. (Boskalis), establishing the essential terms and conditions for acquiring 49% of Boskalis shares in SAAM SMIT Towage México S.A. de C.V., which includes the operations in Mexico, Canada and Panama, and 50% of the shares of SAAM SMIT Towage Brasil S.A. The total price agreed is US\$201,250,000, which is to be paid with a combination of cash and bank financing. Should the deal be completed, SAAM would come to control 100% of the shares of both companies.

SAAM and Boskalis agreed to sign the respective contracts to carry out this transaction, which must be approved by the appropriate regulatory authorities in the countries of the partnerships and comply with other conditions that are customary for this type of deal.

As of the date of this release, the impact of the events reported herein on the results of SM SAAM cannot be accurately determined.

By virtue of this Essential Event filing, the company informs the Financial Market Commission that the release filed by SM SAAM regarding these negotiations is no longer considered confidential.



Dividend Payment

At a board meeting on March 8, 2019, Sociedad Matriz SAAM S.A., agreed to propose at the next annual general shareholders' meeting scheduled for April 5, 2019, distribution of a final dividend of Ch\$19,473,583,966, equivalent to Ch\$2 per share charged to net income for the year 2018. This dividend comprises the mandatory minimum dividend plus an additional dividend. It proposed paying this final dividend on May 2, 2019, to all shareholders registered in the respective registry at midnight on the fifth business day prior to that date.

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Complementary Information on Boskalis Interest

On October 30, 2019, the company complements the information reported as an essential event on February 11, 2019, regarding the acquisition of the shares of Boskalis Holding B.V. (Boskalis) in SAAM SMIT Towage México S.A. de C.V., and SAAM SMIT Towage Brasil S.A.

On October 30, 2019, having fulfilled the closure terms and conditions agreed in the share purchase agreement signed between the parties on May 8, 2019, the acquisition of 49% of the shares of Boskalis in SAAM SMIT Towage México S.A. de C.V., which includes operations in Mexico, Canada and Panama, and 50% of its shares in SAAM SMIT Towage Brasil S.A., has been completed. As a result, Sociedad Matriz SAAM S.A. (SM SAAM), through its subsidiary SAAM S.A., now controls 100% of both companies.

After customary adjustments for this type of transaction, the cash disbursement for this operation totals US\$194,355,622, which was paid with a combination of cash and bank financing. The impact of the events reported on SM SAAM's financial statements will be communicated promptly in conformity with the deadlines established in IFRS 3.

REGULATORY FRAMEWORK

TOWAGE

The harbour towage business operated by SM SAAM, its subsidiaries and associates is subject to the laws of each country. It is generally a highly regulated industry.

Towage maneuvers in Chile can only be undertaken by Chilean flagged tugs. Compliance with the special nationality requirements of Article 11 of Law No. 2,222 on Navigation is required to obtain this flag. The harbour towage market abroad is governed by local regulations, and is generally regarded as cabotage.

The industry is regulated from an operational point of view by the maritime authorities in each country, mainly relating to technical, safety and labor issues.

Finally, local authorities have adopted various business models to control towage services from a commercial perspective, ranging from single operator concessions and regulated rates through to open markets and unrestricted rates.

PORT TERMINALS

Law 19,542 dated 1997 modernized the state port sector in Chile and regulated private participation in developing, maintaining and operating docks owned by state port companies through port concessions offered by public tender. The purpose was to promote long-term investment and ensure that basic services provided by the successful bidder are performed under competitive, high quality and transparent conditions, in order to maximize their direct benefit to end users. The tender processes where SAAM Ports S.A. have been awarded concessions in Chile are San Antonio Terminal Internacional, San Vicente Terminal Internacional, Antofagasta Terminal Internacional and Iquique Terminal Internacional. Accordingly, these concession contracts have established standards to ensure non-discriminatory and equal access to port services, rate setting criteria that promote competitiveness and high quality standards, and compliance

LOGISTICS

The logistics business in Chile must abide by a series of specific regulations for its diverse areas of business, based on type of warehouse (e.g. common deposit versus bonded warehouse) or type of cargo, with each type of merchandise having particular transport and storage requirements. Substances considered hazardous must be handled in accordance with Regulation No. 298 of 1994, from the Ministry of Transportation and Telecommunications, which regulates transportation, and Regulation No. 43 of 2015, from the Ministry of Health, which establishes storage standards. There are also other sector-specific rules for handling this type of cargo, including the Regulation for Handling and Storing Hazardous Cargo in Port Facilities, No. 96 of 1996, from the Ministry of Transportation and Telecommunications.

with relevant regulations relating to free competition that secure the structural safeguards required to protect horizontal and vertical integration.

SAAM Ports S.A. participates in port operations in other countries, which also have regulatory frameworks for this industry. These promote investment and improve productivity and competitiveness through concessions awarded to private operators by port and state authorities, who monitor how the concessionaires manage their business, particularly with respect to free competition. Generally, port operations managed by SAAM Ports S.A. abroad are governed by principles covering user non-discrimination, published regulated rates and structural safeguards that protect horizontal and vertical integration.

A large part of SAAM's logistics business consists of airport services provided by Aerosan, including the distribution centers within Arturo Merino Benítez Airport. These centers are sub-concessions granted in a tender process by the new airport concessionaire, Sociedad Concesionaria Nueva Pudahuel S.A. Accordingly, it is governed by the terms and conditions of the sub-concession agreement and the general and particular standards that govern the airport concession.



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MAIN PROPERTIES AND FACILITIES

The following table describes SM SAAM's principal properties and facilities used to operate its three businesses.

PORT TERMINALS

Division	Country	Company	Owned/Leased	General Location	Total Surface Area (m2)	Site Purpose
Port Terminal	Chile	Iquique Terminal Internacional (ITI)	Leased	Iquique	135,000	Operations
Port Terminal	Chile	Antofagasta Terminal Internacional (ATI)	Leased	Antofagasta	157,000	Operations
Port Terminal	Chile	San Antonio Terminal Internacional (STI)	Leased	San Antonio	305,000	Operations
Port Terminal	Chile	San Vicente Terminal Internacional (SVTI)	Leased	Talcahuano	409,000	Operations
Port Terminal	Chile	Portuaria Corral	Owned	Valdivia, Corral	45,000	Operations and offices
Port Terminal	Chile	Portuaria Corral	Leased	Valdivia, Corral	35,000	Operations
Port Terminal	Chile	Portuaria Corral	Leased	Corral	20,000	Operations
Port Terminal	Ecuador	Terminal Portuario Guayaquil (TPG)	Leased	Guayaquil	225,000	Operations
Port Terminal	Colombia	Puerto Buenavista (PBV)	Leased	Cartagena de Indias	62,000	Operations
Port Terminal	Costa Rica	Puerto Caldera	Leased	Caldera	270,000	Operations
Port Terminal	Mexico	Terminal Maritima Mazatlán (TMAZ)	Leased	Mazatlan, Sinaloa	152,000	Operations
Port Terminal	US	Florida International Terminal (FIT)	Leased	Port Everglades, Florida	194,249	Operations
Total					2,009,249	

TOWAGE

Division	Company	Facility Name	Owned/Leased	Location	Total Surface Area (m2)	Site Purpose
Towage Services	Brazil	SAAM Towage Brasil	Leased	Matriz, Angra, São Cristóvão, Santos, Paranaguá, Sepetiba, Sao Luis, Itajaí, Salvador, Macapá, Rio Grande, Vitória, Suape, Vila do Conde, Pecém.	4,838	Offices
Towage Services	Panama	SAAM Towage Panamá	Leased	La Boca, Manzanillo	361	Offices
Towage Services	Canada	SAAM Towage Canadá	Leased	New Westminster, Vancouver and Squamish	1,801	Operations
Towage Services	Canada	SAAM Towage Canadá	Leased	New Westminster, Prince Rupert and Kitimat	56,050	Offices
Towage Services	Mexico	SAAM Towage México	Leased	Mexico City, Lázaro Cárdenas, Veracruz, Altamira, Tuxpan	1,615	Offices
Towage Services	Mexico	SAAM Towage México	Leased	Veracruz and Paraiso	850	Operations
Towage Services	Costa Rica	Concesionaria SAAM Costa Rica	Leased	San Jose	97	Offices
Towage Services	Ecuador	Ecuastibas	Owned	Guayaquil	2026	Offices
Towage Services	Guatemala	Marex S.A.	Leased	Puerto Quetzal	80	Offices
Towage Services	Honduras	SAAM Remolques Honduras	Leased	Puerto Cortes	33	Offices
Towage Services	Uruguay	KIOS S.A.	Leased	Montevideo	85	Offices
Towage Services	Chile	SAAM S.A.	Leased	Valparaíso	465	Offices
Total					68,301	

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LOGISTICS

Division	Country	Company	Owned/ Leased	Location	Total Surface Area (m2)	Site Purpose
Logistics	Chile	Inmobiliaria San Marco	Owned	Iquique, Valparaíso, San Antonio, Santiago, Puerto Montt, Puerto Chacabuco, Punta Arenas	476,439	Operations
Logistics	Chile	Inmobiliaria San Marco	Owned	Valparaíso	536	Offices
Logistics	Chile	Inmobiliaria San Marco	Popia	Arica, Antofagasta, Coquimbo, Valparaíso, Santiago, San Antonio, Talcahuano, Chacabuco, Calbuco, Punta Arenas	488,302	Leased to Third Parties
Logistics	Chile	Inmobiliaria San Marco	Owned	San Antonio, Calbuco	3,452,000	Development projects
Logistics	Chile	Aerosan	Leased	Arturo Merino Benitez Airport	88	Offices
Logistics	Chile	Aerosan	Leased	Arturo Merino Benitez Airport (Stgo)	13,628	Operations
Logistics	Ecuador	Aronem	Leased	Mariscal Sucre Airport (Quito)	2,304	Operations
Logistics	Colombia	Transaereo	Leased	Cargo Terminal at Bogotá and Barranquilla international airports	9,575	Operations
Logistics	Colombia	Transaereo	Leased		462	Offices
Logistics	Chile	Reloncaví	Leased	Talcahuano	2,000	Workshops
Logistics	Chile	Reloncaví	Leased	Talcahuano	300	Offices
Logistics	Chile	Reloncaví	Leased	Valdivia	1,000	Offices / machine shop
Logistics	Chile	Reloncaví	Owned	Pto Montt	1,500	Workshops
Total					4,448,133	

MAIN TRADEMARKS AND PATENTS

The company and its subsidiaries have registered trademarks for the following corporate and trade names as well as some services and products.

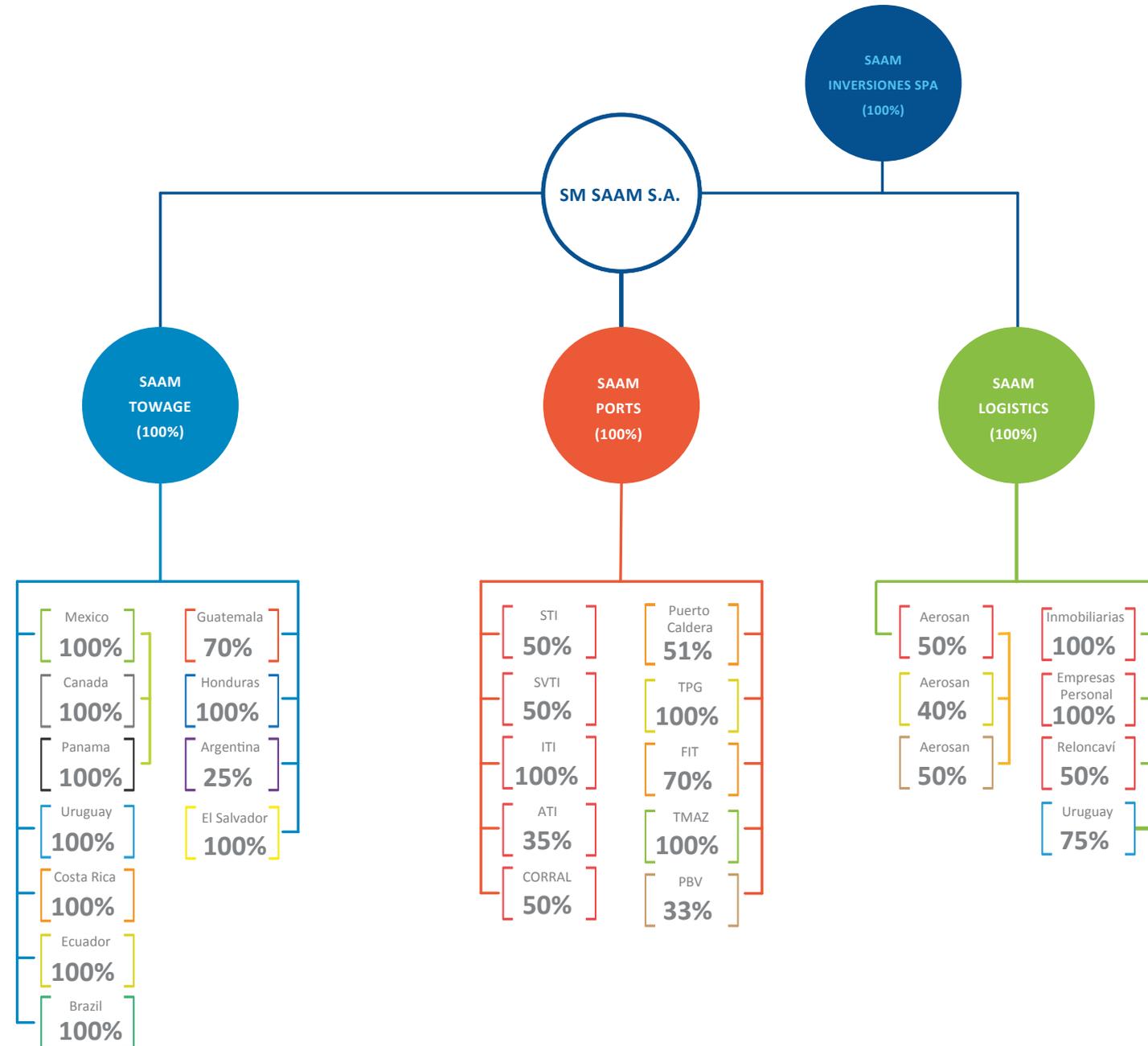
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CORPORATE STRUCTURE

FINAL SUMMARIZED STRUCTURE

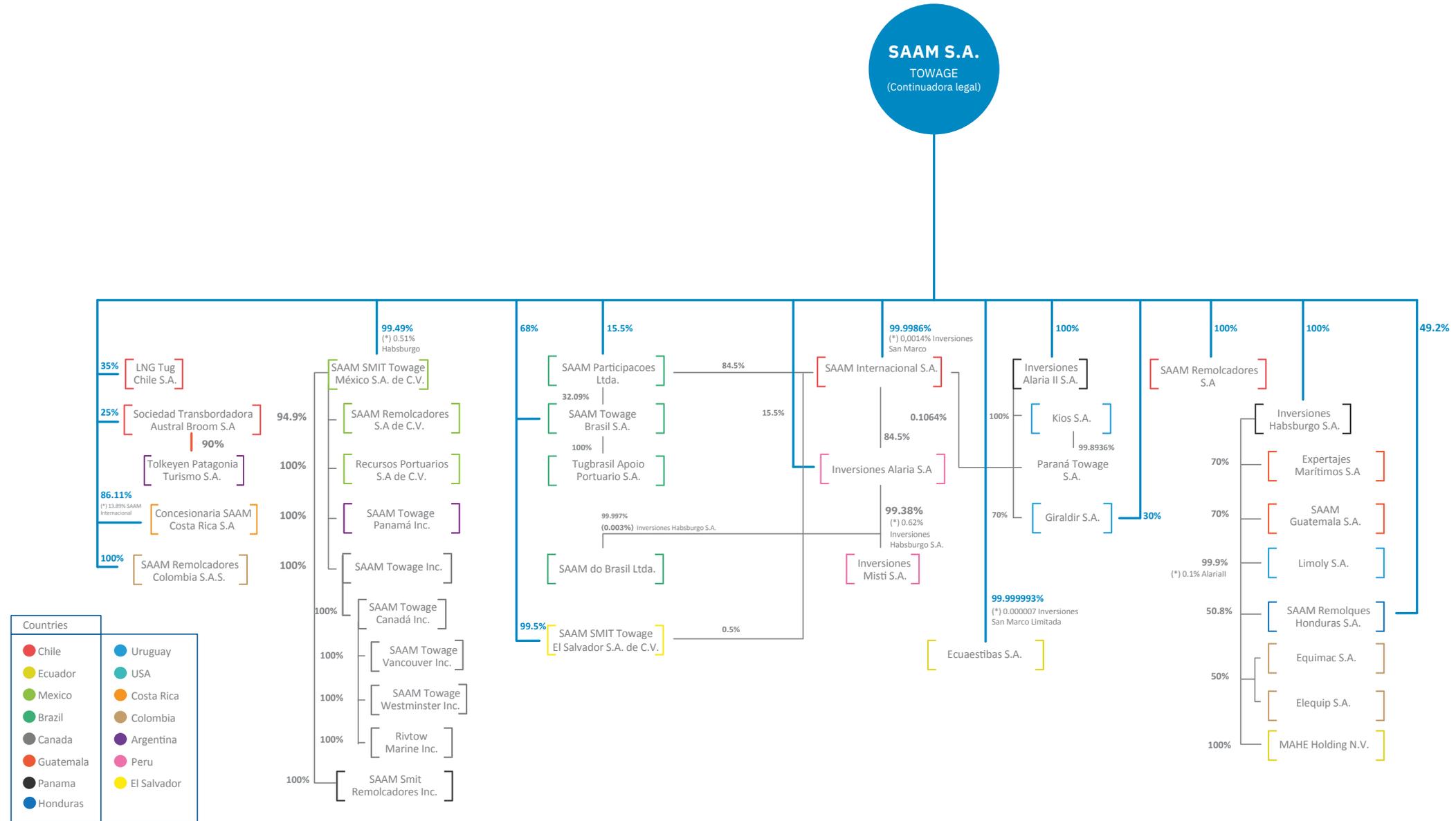
Countries	
● Chile	● Honduras
● Ecuador	● Uruguay
● Mexico	● USA
● Brazil	● Costa Rica
● Canada	● Colombia
● Guatemala	● Argentina
● Panama	● El Salvador



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SAAM TOWAGE

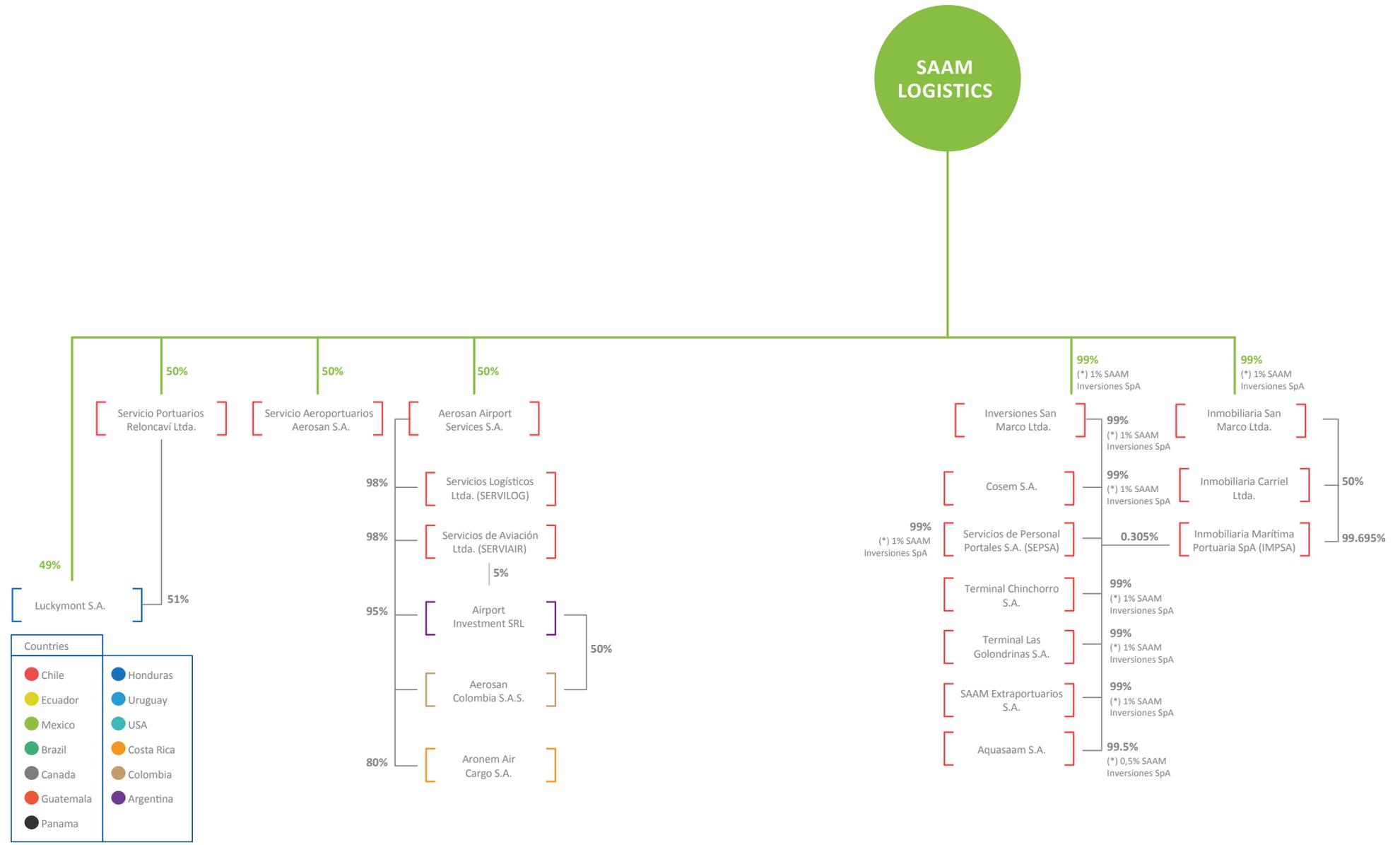


Countries	
● Chile	● Uruguay
● Ecuador	● USA
● Mexico	● Costa Rica
● Brazil	● Colombia
● Canada	● Argentina
● Guatemala	● Peru
● Panama	● El Salvador
● Honduras	

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ESG INDICATORS AND
GRI TABLE

SOCIEDAD MATRIZ SAAM S.A.

MAIN METRICS

ESG

General Summary	2019
Number of total employees (includes subsidiaries and associates)	8.161
Female employees (% of total)	13,5%
Women in leadership positions	9,2%
Gender salary gap (average salary women/total men employed) ¹	99,0%

1 Figures are for SAAM S.A.

Workforce and Equity	2019
Board of Directors	
By Gender	
Women	0
Men	7
Total	7
By Nationality	
Chilean	7
Foreign	0
Total	7
By Length of Service	
Less than 3 years	2
3 to 6 years	2
6 to 9 years	3
9 to 12 years	0
More than 12 years	0
Total	7
Age Group	
Under 30	0
30 - 40	1
41 - 50	1
51 - 60	3
61 - 70	2
Over 70	0
Total	7

Workforce and Equity	2019
Management (CEO and managers who report to CEO or board)	
By Gender	
Women	2
Men	15
Total	17
By Nationality	
Chilean	17
Foreign	0
Total	17
By Length of Service	
Less than 3 years	7
3 - 6	4
6 - 9	5
9 - 12	1
More than 12 years	0
Total	17
Age Group	
Under 30	0
30 - 40	5
41 - 50	4
51 - 60	7
61 - 70	1
Over 70	0
Total	17

Organizational Diversity	
By Country	
Bolivia	0
Brazil	471
Canada	131
Chile	4.609
Colombia	786
Costa Rica	274
Ecuador	916
USA	21
Guatemala	27
Honduras	0
Mexico	487
Panama	154
Peru	0
Uruguay	285
Total	8.161
By Gender	
Women	1.100
Men	7.061
Total	8.161
By Length of Service	
Less than 3 years	3.713
3 - 6	1.128
6 - 9	1.487
9 - 12	545
More than 12 years	1.288
Total	8.161
Age Group	
Under 30	1.755
30 - 40	2.585
41 - 50	2.104
51 - 60	1.369
61 - 70	339
Over 70	9
Total	8.161

1 Figures are for SAAM S.A.

Organizational Diversity	
By Nationality	
Peru	16
Venezuela	68
Haiti	39
Argentina	4
Brazil	470
Colombia	804
Ecuador	913
Canada	132
USA	19
Chile	4.479
Costa Rica	263
Nicaragua	4
El Salvador	0
Guatemala	27
Dominican Republic	1
Mexico	479
Uruguay	284
Cuba	0
Bolivia	3
Panama	147
Spain	2
Paraguay	1
France	0
Switzerland	1
Holland	3
Angola	1
Russia	1
Other	0
Total	8.161
By Seniority	
Managers	163
Professionals	2.142
Other	5.856
Total	8.161
Salary gap (average base salary women r/a men, same level on compensation scale)¹	
Executives	100,0%
Professionals and managers	99,0%
Administrators and technicians	97,0%
Operators and warehouse staff	99%

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Unionization	2019
Unionization rate	38.0%

Health and Safety	2019
Accident frequency rate	11.2%
Accident severity rate	485
Number of fatal accidents	0

Training and Development	2019
Number of persons trained	4,488
Number of total training hours	130,017
Number of average training hours per employee	29.0
% coverage for Corporate Code of Ethics (all companies)	98.9%(1)

(1) : As of year-end, 98.9% of employees covered by the Code of Ethics have signed and accepted it.

Engagement	2019
Engagement (semi-annual measurement)	71%
% employee participation in survey	88%

Complaint Mechanism	2019
Number of complaints received	22
Number of complaints dismissed	23 (1)
Number of complaints resolved	37 (1)

(1) : From 2017 to 2018, a total of 60 complaints were received, of which 23 were dismissed and 37 were investigated and resolved.

Environment			
Energy consumption 2019	Logistics	Ports	Towage
Oil (liters)	1,090,982	15,377,609	32,517,986
Liquid gas (kg)	70,879	428,090	0
Electricity (KWh)	8,366,055	71,080,948	1,602,472

Total Energy Consumption (Gj)	2019
Total energy consumed	454,052.67
Electricity	291,778.12
Diesel	136,996.64
GLP	25,277.91

Water Consumption	2019
Total consumption (m3) ¹	284,542

¹ Includes DTP, Logística (except Aerosan Chile and Luckymont) and Towage (except Canada, Chile and Panama)

OPERATIONS AND FINANCE

General Summary (information for consolidated subsidiaries and associates at 100%)	2019
Number of countries with operations	12
Number of ports with operations	79
Number of port terminals	10
Number of tugs	152
Number of towage maneuvers (thousands)	104
Total throughput (millions)	3.4
Tons transferred (millions)	37.9

EBITDA by Business Area (SM SAAM consolidated)	
Towage	41%
Port Terminals	54%
Logistics	5%

EBITDA by Geographic area (SM SAAM consolidated)	
North America	27%
Central America	22%
South America excl. Chile	28%
Chile	23%

Net Income (SM SAAM consolidated)	2019
Sales (MUS\$)	529.8
EBITDA (MUS\$)	177.0
Net interest EBITDA (%)	33.4%
Net income attributable to the controller (MUS\$)	57.8
Equity attributable to the controller (MUS\$)	786.6

Towage (information for consolidated subsidiaries and associates at 100%)	
Net Income (SM SAAM and consolidated subsidiaries at 100%)	
Sales (MUS\$)	207.3
EBITDA (MUS\$)	78.2
Net interest EBITDA (%)	38%
Net income attributable to the controller (MUS\$)	26.2

Port terminals (information for consolidated subsidiaries and associates at 100%)	2019
Tons transferred (thousands) (1)	37,942
Total throughput (thousands) (1)	3,407

(1) Includes the full volumes of subsidiaries and associates

Port terminals (information for consolidated subsidiaries and associates at 100%)	2019
Net Income (SM SAAM and consolidated subsidiaries at 100%)	
Sales (MUS\$)	274.1
EBITDA (MUS\$)	104.7
Net interest EBITDA (%)	38.0%
Net income attributable to the controller (MUS\$)	36.7

Logistics (information for consolidated subsidiaries and associates at 100%)	2019
Net Income (SM SAAM and consolidated subsidiaries at 100%)	
Sales (MUS\$)	51.3
EBITDA (MUS\$)	9.9
Net interest EBITDA (%)	19.0%
Net income attributable to the controller (MUS\$)	10.8

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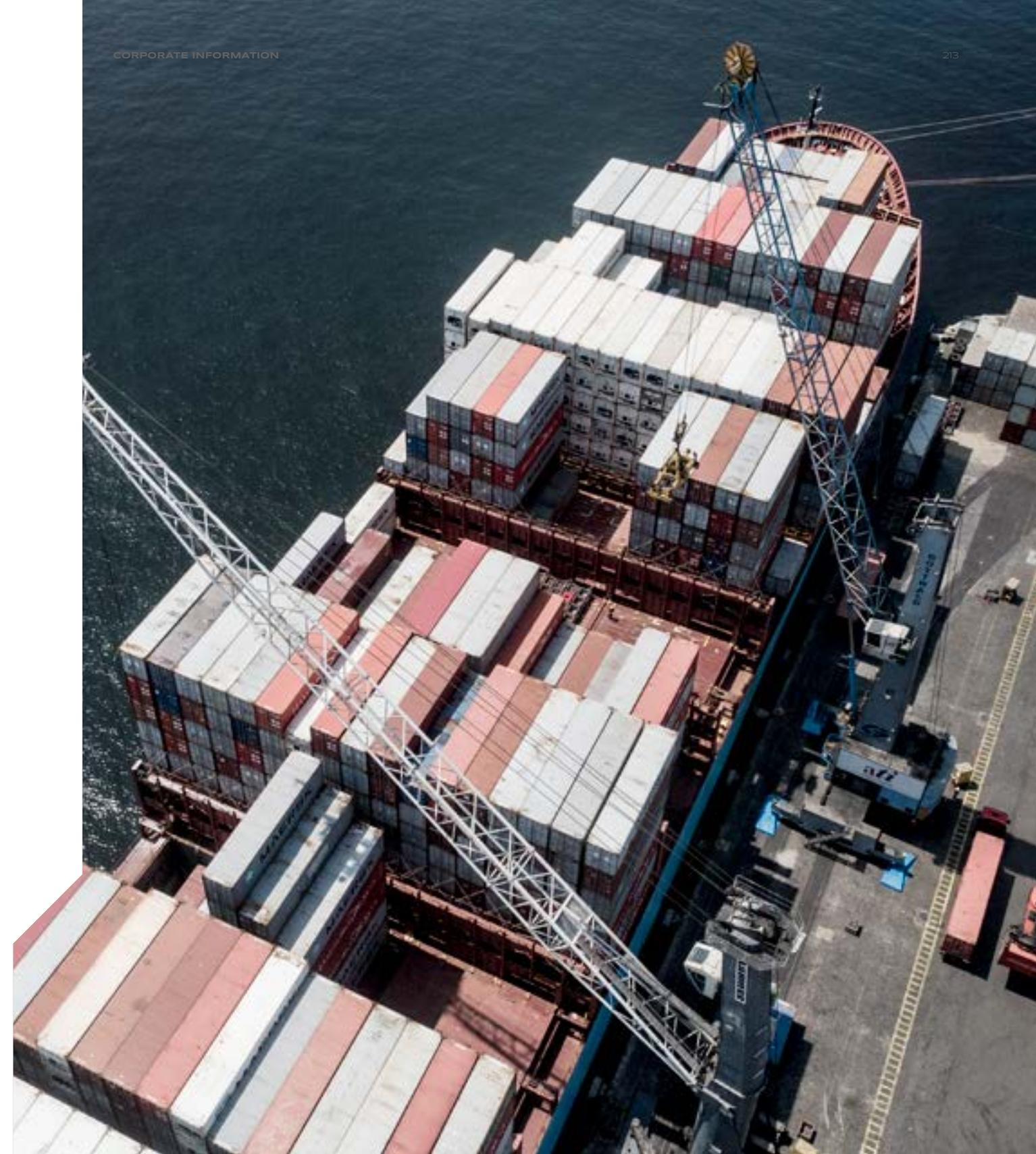
CYBERSECURITY AND INFORMATION SECURITY

Breaches	2017	2018	2019
Number of information security breaches or other cybersecurity incidents	4	7	8
Number of information security breaches related to customer personal data that reveals identity	0	0	0
Number of customers affected by data breaches	0	0	0
Total fines/penalties related to information security breaches or other cybersecurity incidents	0	0	0

Insurance coverage for data and cybersecurity breaches	2017	2018	2019
SAAM has insurance coverage for risks related to data and cybersecurity (insurance with Global Sign and Organization SSL certificates)	x	x	x

IT infrastructure	2017	2018	2019
Percentage of certified IT infrastructure and IT management systems (ISO 27001, NIST or similar): Our IT infrastructure and management processes are evaluated every year by our financial statement auditors. Also, in 2019 we specifically evaluated our information security and cybersecurity management with help from an external expert.	70%	70%	70%
External assurance by external auditors. Our IT infrastructure and management processes are evaluated every year by our financial statement auditors. Also, in 2019 we specifically evaluated our information security and cybersecurity management with help from an external expert.	YES	YES	YES
Analysis of weaknesses in the event of cyber attacks Each year the company performs an ethical hacking exercise.	YES	YES	YES

Security practices	2017	2018	2019
Policies and procedures implemented and available for all employees. Since 2019, our policies are available on the Intranet for all employees.	No	No	YES
Awareness training on information security and cybersecurity. Since 2019, all SM SAAM employees participate in an orientation course on information security. This is complemented each year with an awareness campaign consisting of e-mails and informational spots published on the Intranet.	No	No	YES
The course for all employees addresses the scalable response procedure for employees in the event they note anything suspicious.	No	No	YES



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GRI TABLE

GRI Standard	GRI	Contents	Chapter	Page	Response
	102-1	Name of the organization	Chapter 1	p.10	Company name: Sociedad Matriz SAAM S.A. Taxpayer ID: 76.196.718-5
	102-2	Activities, brands, products, and services	Chapter 3 and Chapter 10	p.61, 65, 71, 75, 79, 83-91, 97, 351, 352	SM SAAM operates three business divisions: Towage, Port Terminals and Logistics, with operations in 12 countries and broad sector and geographic diversification.
	102-3	Location of headquarters	Chapter 1	p.10	Legal Address: Av. Avenida Apoquindo 4800, Torre II, piso 18, Las Condes, Santiago. Postal Code: 7560969 Phone: 56- 2 2731 8240 Fax: 56- 2 2731 8250 Website: www.saam.com
	102-4	Location of operations	Chapter 7 and Chapter 10	pgs. 61, 65, 71, 75, 79, 83-91, 97, 351, 352	
Organizational Profile	102-5	Ownership and legal form	Chapter 1	pg. 12	Type of Company: Publicly traded corporation. Sociedad Matriz SAAM S.A. (SM SAAM) is a publicly held corporation that was spun off from Compañía Sud Americana de Vapores S.A. (CSAV) at an extraordinary shareholders' meeting held on October 5, 2011, whose minutes were summarized in a public instrument dated October 14, 2011, and legalized in the Valparaíso Notary of Mr. Luis Enrique Fischer Yávar. An extract of that deed was registered on page 63,113 number 46,346 of the Commerce Registry at the Santiago Property Registrar for 2011 and was published in the Official Gazette on October 25, 2011.
	102-6	Markets served	Chapter 3 and Chapter 10	pg. 71	
	102-7	Scale of the organization	Chapter 3	pg. 34	In addition, the corporate web (investors link) contains quarterly results presentations: https://www.saam.com/inversionistas/
	102-8	Information on number of employees and other workers	Chapter 9	pgs. 32, 102, 34, 206, 207, 208	"SM SAAM, its subsidiaries and associates employ 8,161 people, whose commitment and professionalism are key to delivering excellent service in each of the business areas."
	102-9	Supply chain	Chapter 9	pgs. 99,120,	
	102-10	Significant changes to the organization and its supply chain	Chapter 5	pg .56	Purchase and integration of joint operations with Boskalis in Brazil, Mexico, Panama and Canada
	102-11	Precautionary principle or approach	Chapter 8	pg. 108	SM SAAM has a Comprehensive Risk Management Model designed to reduce the probability of any negative event adversely affecting the company's ability to achieve its defined objectives.
	102-14	Statement from senior decision-maker	Chapter 2	pg. 16	Chairman's Report
Strategy	102-15	Description of key impacts, risks and opportunities	Chapter 8	pgs. 108, 128-129	SM SAAM's strategy is based on the strategic principles defined by the company, which in turn give rise to strategic objectives. These include: Operational excellence. Growth and diversification and integration of sustainability.

GRI Standard	GRI	Contents	Chapter	Page	Response
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	Chapter 4 and Chapter 9	pgs. 42, 132-139	The corporate values of Honesty, Respect, Responsibility, Safety and Service are a starting point for guiding actions and modeling the identity the company is known for. These values are present in all actions, tasks and processes carried out on a daily basis and in how all people relate to their surroundings. The process to identify relevant issues ranked Compliance as one of the highest priority issues in the matrix.
	102-17	Mechanisms for advice and concerns about ethics	Chapter 5	p.132-139	SM SAAM has made a program available to all employees to disseminate and train them on the Compliance Model, as well as the controls, duties and obligations at different levels within the company. That program includes orientation courses, in-person talks, e-learning courses, internal newsletters and meetings to generate awareness on topics such as ethics, compliance and prevention methods.
Governance	102-18	Governance structure	Chapter 2	p.21-28	Corporate Governance at SM SAAM is led by shareholders through the Annual General Shareholder's Meetings, which delegate part of their authority to the board of directors. The board, together with the Directors' Committee, the Chief Executive Officer and the senior management team are the bodies responsible for ensuring proper governance at the company.
	102-19	Delegation of responsibility	Chapter 2	p.21-28	SM SAAM is managed by a seven-member board of directors. Directors hold their positions for three years and may be reelected. In compliance with Article 50 bis of Law No. 18,046, at least one of the directors must be independent. There are no alternate directors. The board of SM SAAM and its senior management team are responsible for directing the businesses and maintaining investors informed of the activities of the company and its subsidiaries, ensuring compliance of all ethical and legal standards regarding the disclosure of information.
	102-20	Executive-level positions with responsibility for economic, environmental and social topics	Chapter 2		The company has a Corporate Affairs Department responsible for managing sustainability matters that reports to the CEO, who in turn reports to the board.

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GRI Standard	GRI	Contents	Chapter	Page	Response
					<p>"Using the above process, the following relevant issues were identified for the year 2019:</p> <p>Environmental</p> <ul style="list-style-type: none"> • Environmental management • Resilience to climate change • Efficient use of energy and fuel <p>Social</p> <ul style="list-style-type: none"> • Community relations • Talent management and employee development • Labor relations management • Diversity and inclusiveness • Occupational health and safety <p>Governance</p> <ul style="list-style-type: none"> • Compliance • Free competition • Loss of concessions or fines for mismanagement • Cybersecurity <p>Economic</p> <ul style="list-style-type: none"> • Performance"
	102-21	Processes for consultation with stakeholders on economic, environmental and social topics.	Chapter 9	p.121,122	
Governance	102-22	Composition of the highest governance body and its committees	Chapter 2 and Chapter 10	pgs. 20, 21, 22, 23	The current board was elected at the annual general shareholders' meeting held on April 9, 2018, where Óscar Hasbún Martínez, Jean-Paul Luksic Fontbona, Diego Bacigalupo Aracena, Francisco Gutiérrez Philippi, Jorge Gutiérrez Pubill (independent director) and Francisco Pérez Mackenna were re-elected, and Mr. Armando Valdivieso Montes (independent director) was elected. Mr. Hasbún was appointed chairman of the board of directors and Mr. Luksic was appointed vice-chairman at a board meeting held on April 16, 2018. The secretary is Karen Paz Berdichewsky, attorney, Chilean ID number 8.129.981-1. The Director's Committee of Sociedad Matriz SAAM S.A. was established at an extraordinary board meeting held on January 23, 2013, in accordance with Article 50 bis of Law 18,046. Since April 9, 2018, the Directors' Committee has been composed of the independent directors of Sociedad Matriz SAAM S.A., Armando Valdivieso Montes, chairman, Jorge Gutiérrez Pubill and Francisco Pérez Mackenna.
	102-23	Chair of the highest governance body	Chapter 2 and Chapter 10	p.17	Mr. Hasbún was appointed chairman of the board of directors and Mr. Luksic was appointed vice-chairman at a board meeting held on April 16, 2018.
	102-24	Nomination and selection process for highest governance body	Chapter 2 and Chapter 10	pgs. 20, 21, 22, 23	SM SAAM is managed by a seven-member board of directors. The directors perform their duties for a period of three years and may be reelected indefinitely. The current board was elected in full at the annual general shareholders' meeting on April 9, 2018.
	102-25	Conflicts of interest	Chapter 2 and Chapter 10	pgs. 42, 132-139	Conflicts of interest arise when the interest of a person—financial or otherwise—interferes with, affects or appears to interfere with or affect, in any way, his/her judgment, objectivity and independence in the decisions that s/he must make in the fulfillment of his/her duties. SM SAAM strives for its employees, executives and directors to fulfill their duties without conflicts of interest that compromise the quality of their work or influence their ability to make decisions in the company's best interest.

GRI Standard	GRI	Contents	Chapter	Page	Response
	102-26	Highest governance body's role in setting purpose, values and strategy	Chapter 2 and Chapter 10	pgs. 20, 21, 22, 23	Each year the company presents the board with its priorities and objectives for the period and progress is reviewed on a quarterly basis by the board.
	102-27	Collective knowledge of the highest governance body	Chapter 2	pgs. 20, 21, 22, 23	For more information, review the responses to General Character Standard No. 385 from the Financial Market Commission (CMF) Link: https://www.saam.com/wp-content/uploads/2019/04/Practicas-GobiernoCorporativo-2018.pdf . The orientation procedure for new board members includes providing them with laws applicable to acting directors, a legal report on the duties and responsibilities of directors, jurisprudence and rulings from oversight authorities on specific cases concerning the correct exercise of the duties of each member of the board. The procedure is available at: http://www.saam.com .
	102-28	Performance evaluation process for highest governance body	Chapter 2		The Board of Directors of SM SAAM S.A., has a formal procedure that establishes a mechanism for detecting and implementing improvements in its organization and operations, which is applied in January of each year. The procedure is available at: http://www.saam.com . For more information, review the responses to General Character Standard No. 385 from the Financial Market Commission (CMF) Link: https://www.saam.com/wp-content/uploads/2019/04/Practicas-GobiernoCorporativo-2018.pdf .
Governance	102-29	Identification and management of economic, environmental and social impact	Chapter 8	p.121,122	The board agreed to disseminate the policies adopted by the company concerning social responsibility and sustainable development and established the procedure of publicly disclosing such information on an annual basis through digital or printed media. These policies are available at: http://www.saam.com . For more information, review the responses to General Character Standard No. 385 from the Financial Market Commission (CMF) Link: https://www.saam.com/wp-content/uploads/2019/04/Practicas-GobiernoCorporativo-2018.pdf .
	102-30	Effectiveness of risk management processes	Chapter 8	pgs. 108, 128-129 and 316	The company's relevant risks, including sustainability risks, and the main sources of those risks, are disclosed to the public in earnings reports and the Annual Report. Both the earnings reports and the Annual Report are available at http://www.saam.com . For more information, review the responses to General Character Standard No. 385 from the Financial Market Commission (CMF) Link: https://www.saam.com/wp-content/uploads/2019/04/Practicas-GobiernoCorporativo-2018.pdf .
	102-31	Evaluation of economic, environmental and social topics	Chapter 9	pgs. 121, 122, 128, 129, 130	
	102-32	Highest governance body's role in sustainability reporting	Chapter 1		All companies or issuers registered in the Securities Registry must prepare an annual report as established in article 74 of Law No. 18,046, on Corporations and article 10 of Law No. 18,045, on Securities Markets.
	102-33	Communication of critical concerns	Chapter 9	pgs. 121, 122, 128, 129, 130	

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	102-40	List of stakeholder groups	Chapter 9	p.121, 122, 123, 124, 125, 126	
	102-41	Collective bargaining agreements	Chapter 9 and Chapter 10	pgs. 144, 147, 208	
Stakeholder engagement	102-42	Identifying and selecting stakeholders	Chapter 9	pgs. 121, 122, 123, 124, 125, 126	
	102-43	Approach to stakeholder engagement	Chapter 9	p.121, 122, 123, 124, 125, 126	
	102-44	Key topics and concerns that have been raised through stakeholder engagement	Chapter 9	pgs. 121, 122, 128, 129, 130	
	102-45	Entities included in the consolidated financial statements	Financial appendices	p.279	These consolidated financial statements present fairly the financial position of Sociedad Matriz SAAM S.A., and subsidiaries as of December 31, 2019 and 2018, as well as comprehensive income, changes in net equity and cash flows for the years then ended. These consolidated financial statements have been prepared on a going concern and historical cost basis, except for items recognized at fair value. https://www.saam.com/wp-content/uploads/2020/03/Estados_financieros_4Q2019.pdf .
	102-46	Defining report content and topic boundaries	Chapter 1	p.12-13	
	102-47	List of material topics	Chapter 9	p.122	
	102-48	Restatement of information		pg. 12	For 2019 financial and extra-financial information is presented in one document: Integrated Annual Report 2019.
Reporting practice	102-49	Changes in reporting	Chapter 1		An Integrated Annual Report has been prepared for the first time
	102-50	Reporting period	Chapter 1		Annually
	102-51	Date of most recent report	Chapter 1		Mar-19
	102-52	Reporting cycle	Chapter 1		Annual
	102-53	Contact point for questions regarding the report	Chapter 1	pg. 12	
	102-54	Claims of reporting in accordance with the GRI standards	Chapter 1		
	102-55	GRI Content Index	Appendices	pg. 212	
	102-56	State whether the report has been externally assured			Not assured

GRI Standard	GRI	Contents	Chapter	Page	Response
	103-1	Explanation of the material topic and its boundary	Chapter 9	p.128-130	
Management Approach	103-2	The management approach and its components	Chapter 9	p.128-130	
	103-3	Evaluation of the management approach	Chapter 9	p.128-130	
Market presence	202-1	Ratio of standard entry level wage by gender compared to local minimum wage	Chapter 10		
Indirect economic impact	203-1	Infrastructure investments and services supported	Chapter 10	p.208	
	205-2	Communication and training about anti-corruption policies and procedures	Chapter 9	p.150, p.208	
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Chapter 9	p.137	None reported
Energy	302-1	Energy consumption within the organization	Chapter 9	pgs. 130, 137, 139, 139, 140	
Health and safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Chapter 9	pgs. 137, 139, 139, 140	Frequency and severity.
Training and education	404-1	Average hours of training per year per employee	Chapter 9	p.207	
Diversity and equal	405-1	Diversity of governance bodies and employees	Chapter 9	p.130, 166, 168, 169, 163, 210	
	405-2	Ratio of basic salary and remuneration of women to men	Chapter 9		
Customer privacy	418-1	Substantiated grievance concerning breaches of customer privacy and losses of customer data	Chapter 9 and Chapter 10		

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SUBSIDIARIES AND ASSOCIATES

CHILEAN COMPANIES

SAAM S.A.	
Company name:	SAAM S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$78,364,572.40
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	45.61%
Corporate purpose:	/a/ Directly performing or through other companies of all kinds of maritime towage and launch activities, including the construction, acquisition, development and operation of tugs, launches and barges, as well as providing towage, maneuvering and transport services, including assistance, salvage, pilotage, supply and support to vessels, naval vessels, offshore operations and the maritime industry in general; /b/ Acting as representative of national or foreign companies; and in particular, representing shipowners and shipping companies in general in providing agency services and attending merchant, special or any other ships, and providing agency services for freight, passenger and tourism; /c/ Acquiring, purchasing, selling and disposing of shares in corporations, shares or rights in other companies, bonds, debentures, commercial paper and other transferable securities; administering, transferring, benefiting from, receiving their income and gaining from their sale and disposal; granting financing to related companies and providing all kinds of services and advising in Chile and abroad; and /d/ Carrying out any other activities related to the company's business, acting on its own behalf or on behalf of third parties and/or associate or in participation with third parties.
Board of directors:	Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Felipe Rioja Rodríguez
Main contracts with the parent company:	Providing administration and accounting services, financial and tax advice, legal advice, internal audit services and public relations advice.

SAAM LOGISTICS S.A.	
Company name:	SAAM Logistics S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$24,805,307.15
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	14.60%
Corporate purpose:	/a/ Providing logistics services covering storage, transport, distribution and assembly of any kind of kits, products or consumables, including providing additional services related to these products, such as packaging, marking, selecting, weighing, sorting, fumigating, certifying, temperature controlling and any similar task; /b/ providing logistics services related to procurement, availability, delivery, distribution, storage and management of product information of any nature; /c/ providing complementary services required by the cargo and containers, such as consolidation and deconsolidation, loading and unloading on vehicles, loading and unloading of merchandise, connections to specialized plants, certificates, temperature controls, and intermediate operations in port precincts, for berthed vessels and for maneuvering vessels, such as stowage, stacking, horizontal and vertical movements and other ancillary tasks related to loading or unloading vessels and naval craft; /d/ providing maintenance services for containers, such as cleaning, greasing, maintenance, repairs and modifications; /e/ providing technical assistance and consulting services, including administrating, managing, supplying, planning, organizing and surveying services, and executing systems and technology projects relating to transport and storage; /f/ leasing containers with packaging, and cranes or cargo-handling equipment in general; /g/ importing, exporting and selling products and consumables of any nature, with representation; /h/ managing national and international transport services in general, and providing shipping agency services, loading and unloading agency services or wharfage services, shipper's agent; forwarding agent or freight forwarder, and other services of a similar nature; (i) providing other activities related to the company's purpose, for its own benefit or on behalf of third parties, and/or associates or joint ventures with third parties and participate as a shareholder or partner in other companies.
Board of directors:	Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Fernando Encinas Ciesla

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SAAM PORTS S.A.	
Company name:	SAAM Ports S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$40,181,686.18
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	26.89%
Corporate purpose:	/a/ Directly, or through other companies, performing any port activity, including constructing, acquiring, developing, operating and benefiting from ports and port terminals, providing port services, including mobilization services, shipping, loading and unloading of merchandise, warehousing and storage, stevedoring services, attending to vessels and the embarkation and disembarkation of passengers; /b/ acquiring, investing, operating and/or managing companies engaged in operating ports and/or port terminals, for its own benefit or on behalf of third parties or associated with third parties; and /c/ performing any other investments or tasks necessary, useful, ancillary or related to the above.
Board of directors:	Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Enrique Brito Marín

AEROSAN AIRPORT SERVICES S.A.	
Company name:	Aerosan Airport Services S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$4,479,276.40
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.81%
Corporate purpose:	Attending to aircraft, freight and passengers at airports, airport maintenance, vessel maintenance and repair, cargo handling and its reception, storage, shipping and delivery. Providing land transport for passengers and cargo to and from airports.
Board of directors:	Macario Valdés Raczynski (2), Hernán Gómez Cisternas (3), José Freig and Alfredo González
Chief Executive Officer:	Eric Lobo Sepúlveda

ANTOFAGASTA TERMINAL INTERNACIONAL S.A.	
Company name:	Antofagasta Terminal Internacional S.A.
Type of entity:	Private limited corporation, registered in the special register of reporting entities.
Subscribed and paid-in share capital:	US\$7,000,000
Ownership interest (%):	35.00%
Investment as a percentage of the parent company's net assets:	0.58%
Corporate purpose:	Developing, maintaining and operating Berth 2 at the port of Antofagasta. Wharfage and storage for this berth.
Board of directors:	Standing members: Felipe Barison Kahn, Felipe Irarrázaval Ovalle, Juan Esteban Bilbao García, Enrique Brito Marín, Luis Mancilla Pérez, Katharina Jenny, Exequiel Ramírez Tapia and Macario Valdés Raczynski (2) Alternates: Hernán Gómez Cisternas (3), Andrés Marambio Taylor, Diego Urenda Salamanca, Rodrigo Faura Soletic and Alberto Bórquez Calbucura
Chief Executive Officer:	Enrique Arteaga Correa

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AQUASAAM S.A.	
Company name:	Aquasaam S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$8,009,400,337
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.02%
Corporate purpose:	Consulting and executing engineering projects of any nature, particularly in the maritime sector, providing construction, development, assembly and maintenance services for rafts and boats, mooring services, maintenance and repair of nets and other services related to the salmon industry, and representation and marketing of implements and attachments used mainly in the salmon industry and fish-farming in general.
Board of directors:	Hernán Gómez Cisternas (3), Juan Antonio Núñez Parada and Fernando Encinas Ciesla
Chief Executive Officer:	Fernando Encinas Ciesla

COSEM S.A.	
Company name:	Cosem S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$50,176,840
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing skilled labor to mobilize cargo
Board of directors:	Gastón Moya Rodríguez (4), Fernando Encinas Ciesla and Roberto Bravo Sánchez
Chief Executive Officer:	Fernando Encinas Ciesla

INMOBILIARIA CARRIEL LIMITADA	
Company name:	Inmobiliaria Carriel Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$140,024,660
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.01%
Corporate purpose:	Administrating, leasing, using and benefiting from urban real estate in any manner
Board of directors:	Standing members: Hernán Gómez Cisternas (3), Javier Olivos Santa María, Rodolfo Skalweit Waschmann and Martin Skalweit Rudloff
Chief Executive Officer:	Nelson Soto León

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INMOBILIARIA MARÍTIMA PORTUARIA SpA	
Company name:	Inmobiliaria Marítima Portuaria SpA
Type of entity:	Private limited company
Subscribed and paid-in share capital:	Ch\$31,148,043,427
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	8.65%
Corporate purpose:	Entering into any kind of trade agreement and/or related business involving: /a/ investments in real estate, including acquiring, selling, marketing, benefiting from and constructing them in any form; /b/ investments in tangible or intangible movable property, such as shares, bonds, debentures, rights in companies, and any kind of commercial paper, including acquiring, selling, marketing, benefiting from and constructing them in any form; and /c/ benefiting from concessions of any nature
Management:	Managed by SAAM S.A. through duly appointed representatives.
Chief Executive Officer:	Hernán Gómez Cisternas (3)

INMOBILIARIA SAN MARCO LIMITADA	
Company name:	Inmobiliaria San Marco Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$33,717,023,789
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	8.75%
Corporate purpose:	Directly or indirectly administrating, leasing and generally using urban real estate; and any other related business agreed by the shareholders.
Management:	Managed by SAAM S.A. through duly appointed representatives.
Chief Executive Officer:	Hernán Gómez Cisternas (3)

INMOBILIARIA SEPBIO LIMITADA	
Company name:	Inmobiliaria Sepbio Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$10,710,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.02%
Corporate purpose:	Acquiring, managing, benefiting from, transferring and marketing any kind of tangible and intangible, agricultural and non-agricultural, urban or rural property, performing real estate transactions for its own benefit or on behalf of third parties, and directly or indirectly performing any kind of general real estate transaction, and any other complementary business agreed by the shareholders
Management:	Board of directors through duly appointed representatives.
Chief Executive Officer:	Gonzalo Fuentes Robles

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INVERSIONES SAN MARCO LIMITADA	
Company name:	Inversiones San Marco Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	US\$9,451,811.82
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.84%
Corporate purpose:	Performing any business and investment, for its own benefit or on behalf of third parties, using any kind of movable and immovable, tangible and intangible property, including securities and commercial paper.
Management:	Managed by SAAM S.A. through duly appointed representatives.
Chief Executive Officer:	Hernán Gómez Cisternas (3)

IQUIQUE TERMINAL INTERNACIONAL S.A.	
Company name:	Iquique Terminal Internacional S.A.
Type of entity:	Private limited corporation, registered in the special register of reporting entities.
Subscribed and paid-in share capital:	US\$10,000,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	3.86%
Corporate purpose:	Developing, maintaining and operating Berth 2 at the port of Iquique, owned by Empresa Portuaria Iquique. Wharfage and storage for this berth.
Board of directors:	Felipe Barison Kahn, Macario Valdés Raczynski (2), Alberto Bórquez Calbucura, Enrique Brito Marín and Javier Olivos Santa María
Chief Executive Officer:	Ricardo Córdova Marinao

LNG TUGS CHILE S.A.	
Company name:	LNG Tugs Chile S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$500,000
Ownership interest (%):	35.00%
Investment as a percentage of the parent company's net assets:	0.02%
Corporate purpose:	Providing towage services for berthing, deberthing, stand-by maneuvers and other related activities for vessels transporting liquefied natural gas and calling at Quintero bay, for its own benefit or on behalf of third parties.
Board of directors:	Standing members: Alfredo Hübner Almendras, Ricardo Cardemil Garay, Pablo Cáceres González, Marcos Piña Cofré and José Antonio Vargas Castro Alternates: Matthias Reinarz Blass, Alberto Hernández Riquelme, Ricardo Soto Barrera, Patricio Cabezón Espinoza and Cristóbal Hildebrandt San Martín
Chief Executive Officer:	Raimundo Grez Duval

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LOGISTICS & SOLUTIONS S.A.	
Company name:	Logistics & Solutions S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$2,000,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	/a/ Acquiring, marketing, selling, leasing and operating in any form all kinds of containers, cranes, machinery and equipment for handling cargo in general; /b/ providing and/or managing for itself, or on behalf of third parties, transport services in general, whether national or international; /c/ providing storage and deposit services for cargo and containers, and any required complementary services; /d/ providing technical assistance and consultancy services, including administration, management, supply, planning, organization, surveys, systems and technology projects related to transport and storage activities; and /e/ engaging in other activities related to the business of the company, acting on its own behalf or on behalf of third parties and/or associated or in participation with third parties and to participate as a shareholder or partner in other companies.
Board of directors:	Rodrigo Jiménez Pacheco, Enrique Brito Marín, Juan Esteban Bilbao García and Felipe Barison Kahn
Chief Executive Officer:	Felipe Barison Kahn

MUELLAJE ATI S.A.	
Company name:	Muellaje ATI S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$40,000,000
Ownership interest (%):	35.3239%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing Antofagasta International Terminal with the skilled labor required by complementary services performed by maritime transport or any other activity required by those services.
Board of directors:	Felipe Barison Kahn, Enrique Arteaga Correa and Macarena Iribarren Aguilar
Chief Executive Officer:	Hugo Parodi Farías

MUELLAJE DEL LOA S.A.	
Company name:	Muellaje del Loa S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$40,000,000
Ownership interest (%):	34.65%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing the skilled labor required by complementary services performed by maritime transport or any other activity required by those services.
Board of directors:	Felipe Barison Kahn, Enrique Arteaga Correa and Macarena Iribarren Aguilar
Chief Executive Officer:	Hugo Parodi Farías

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MUELLAJE DEL MAIPO S.A.	
Company name:	MUELLAJE DEL MAIPO S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$130,123,761
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.01%
Corporate purpose:	Providing wharfage services for maritime transport.
Board of directors:	Enrique Brito Marín, Carlos Gómez Niada, Cristián Toledo Curimil and Óscar Gamboa Muñoz
Chief Executive Officer:	Óscar Gamboa Muñoz

MUELLAJE ITI S.A.	
Company name:	MUELLAJE ITI S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$148,184
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.21%
Corporate purpose:	Providing the skilled labor required by complementary services required by maritime transport and/or any other activity that requires that labor, including providing direct services such as transferring, carrying, storing, loading and unloading, consolidating and deconsolidating containers and/or merchandise, and generally performing any kind of work directly or indirectly related to these activities; and performing any other kind of business agreed by the shareholders that relates to this purpose.
Board of directors:	Felipe Barison Kahn, Gastón Moya Rodríguez (4) and Ricardo Córdova Marinao
Chief Executive Officer:	Ricardo Córdova Marinao

MUELLAJE STI S.A.	
Company name:	MUELLAJE STI S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$56,687,394
Ownership interest (%):	50.25%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing skilled labor to San Antonio Terminal Internacional S.A. as required for complementary services required by maritime transport and/or any other activity that requires that labor, including providing direct port services such as transferring, carrying, storing, loading and unloading, consolidating and deconsolidating containers and/or merchandise in general and performing any kind of work directly or indirectly related to these activities.
Board of directors:	Enrique Brito Marín, Carlos Gómez Niada and Cristián Toledo Curimil
Chief Executive Officer:	Óscar Gamboa Muñoz

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MUELLAJE SVTI S.A.	
Company name:	MUELLAJE SVTI S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$168,432,981
Ownership interest (%):	50.25%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing skilled labor to San Vicente Terminal Internacional S.A. as required. Providing direct port services such as transferring, carrying, storing, loading and unloading, consolidating and deconsolidating containers and/or merchandise, and performing any other kind of business agreed by the shareholders that relates to this purpose.
Board of directors:	Enrique Brito Marín, Gonzalo Fuentes Robles, Rodrigo Vidal González and Renato Matus Morales
Chief Executive Officer:	Gonzalo Fuentes Robles

PORTUARIA CORRAL S.A.	
Company name:	PORTUARIA CORRAL S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$4,244,685,631
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.58%
Corporate purpose:	Benefiting from ports and related services
Board of directors:	Hernán Gómez Cisternas (3), Enrique Brito Marín, Felipe Barison Kahn, Andrés Schüler Skalweit, Francisco Javier Jobson and Martin Skalweit Rudloff
Chief Executive Officer:	Diego Sprenger Rochette

SAAM EXTRAPORTUARIOS S.A.	
Company name:	SAAM EXTRAPORTUARIOS S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$672,559
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.33%
Corporate purpose:	Benefiting from warehousing facilities owned by the National Customs Service, in accordance with Article 57 of the Customs Ordinance and its Regulations; providing merchandise storage services until removed for import, export or other customs purpose, including providing complementary and/or additional storage services expressly authorized by the National Customs Service.
Board of directors:	Hernán Gómez Cisternas (3), Fernando Encinas Ciesla and Javier Olivos Santa María
Chief Executive Officer:	Fernando Encinas Ciesla

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Company name:	SAAM INTERNACIONAL S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$2,383,736.09
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	5.25%
Corporate purpose:	Investing abroad in any kind of movable or immovable, tangible or intangible property, in particular purchasing and selling rights and shares, and managing and benefiting from those assets and investments abroad.
Board of directors:	Macario Valdés Raczynski (2), Hernán Gómez Cisternas (3) and Felipe Rioja Rodríguez
Chief Executive Officer:	Hernán Gómez Cisternas (3)
SAAM INVERSIONES S.p.A.	
Company name:	SAAM Inversiones SpA.
Type of entity:	Private limited company
Subscribed and paid-in share capital:	US\$2,437,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.14%
Corporate purpose:	a) Carrying out all kinds of business and investing, on its own behalf or on behalf of others, in all kinds of movable and immovable, tangible and intangible property including transferable securities and commercial paper; b) participating in national or foreign companies or communities with any purpose, and managing them; c) carrying out any other necessary, profitable, complementary or related investments or activities that relate to those indicated above.
Management:	Managed by SAAM S.A. through duly appointed representatives.
Chief Executive Officer:	Hernán Gómez Cisternas (3)

SAAM PUERTOS S.A.	
Company name:	SAAM Puertos S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$47,810,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	22.78%
Corporate purpose:	Providing port services, either directly or through companies.
Board of directors:	Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Enrique Brito Marín
SAN ANTONIO TERMINAL INTERNACIONAL S.A.	
Company name:	San Antonio Terminal Internacional S.A.
Type of entity:	Private limited corporation, registered in the special register of reporting entities.
Subscribed and paid-in share capital:	US\$33,700,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	4.81%
Corporate purpose:	Developing, maintaining and benefiting from the Molo Sur berth at the port of San Antonio, owned by Empresa Portuaria San Antonio. Providing wharfage and storage for this berth.
Board of directors:	Standing members: Enrique Brito Marín, Carlos Urriola Tam, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2), Jamie Neal and John Aldaya Alternates: Felipe Barison Kahn, Juan Carlos Croston, Alberto Bórquez Calbucura, Hernán Gómez Cisternas (3), Rigoberto Espinosa and Matthew McCardell
Chief Executive Officer:	José Iribarren Monteverde

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SAN VICENTE TERMINAL INTERNACIONAL S.A.	
Company name:	San Vicente Terminal Internacional S.A.
Type of entity:	Private limited corporation, registered in the special register of reporting entities.
Subscribed and paid-in share capital:	US\$10,000,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	2.98%
Corporate purpose:	Developing, maintaining and benefiting from the berth at the port of San Vicente, owned by Empresa Portuaria Talcahuano-San Vicente. Providing wharfage and storage for this berth.
Board of directors:	Standing members: Carlos Urriola Tam, Enrique Brito Marín, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2), Jamie Neal and John Aldaya Alternates: Juan Carlos Croston, Felipe Barison Kahn, Alberto Bórquez Calbucura, Hernán Gómez Cisternas (3), Rigoberto Espinosa and Matthew McCardell
Chief Executive Officer:	Gonzalo Fuentes Robles

SEPSA S.A.	
Company name:	Servicios de Personal Portales S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$3,733,805.63
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.37%
Corporate purpose:	Providing skilled labor to third parties involved in the storage, consolidation and deconsolidation of cargo and containers containing merchandise.
Board of directors:	Gastón Moya Rodríguez (4), Fernando Encinas Ciesla and Roberto Bravo Sánchez
Chief Executive Officer:	Fernando Encinas Ciesla

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SERVICIOS PORTUARIOS Y EXTRAPORTUARIOS BIO BIO LIMITADA	
Company name:	Servicios Portuarios y Extraportuarios Bio Bio Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$10,000,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing the complementary services required by maritime or inland transport businesses, directly performing services covering transferring, carrying, storing, loading, unloading, consolidating and deconsolidating containers and any kind of merchandise; providing skilled labor and logistics services to receive and attend vessels upon arrival at ports; preparing the notice of readiness and dispatching vessels; providing the services required to attend and operate vessels in ports; purchase, sell and lease.
Management:	Board of directors through duly appointed representatives.
Chief Executive Officer:	Gonzalo Fuentes Robles

SERVICIOS AEROPORTUARIOS AEROSAN S.A.	
Company name:	Servicios Aeroportuarios Aerosan S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US \$726,164.81
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.60%
Corporate purpose:	Benefiting from storing import and export merchandise and complementary services.
Board of directors:	Macario Valdés Raczynski (2), Hernán Gómez Cisternas, José Freig and Alfredo González
Chief Executive Officer:	Eric Lobo González

SERVICIOS DE AVIACIÓN LIMITADA	
Company name:	Servicios de Aviación Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$19,306,473
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing skilled labor for airport services.
Management:	Managed by Aerosan Airport Services S.A. through duly appointed representatives.
Chief Executive Officer:	Eric Lobo González

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SERVICIOS LOGÍSTICOS LIMITADA	
Company name:	Servicios Logísticos Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	US \$98,569.34
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing logistics services, personnel management services, airport services, aircraft leasing, air transport, representation and third party warehouse management, air, land and sea freight, courier services, general sales agents, equipment and machinery leasing, travel agency, IT solutions, storage and distribution and other related services.
Management:	Managed by Aerosan Airport Services S.A. through duly appointed representatives.
Chief Executive Officer:	Eric Lobo González

SERVICIOS PORTUARIOS RELONCAVÍ LIMITADA	
Company name:	Servicios Portuarios Reloncaví Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	Ch\$165,000,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.68%
Corporate purpose:	Providing cargo loading and unloading services.
Board of directors:	Hernán Gómez Cisternas (3), Felipe Barison Kahn, Francisco Javier Jobson and Martin Skalweit Rudloff
Chief Executive Officer:	Diego Sprenger Rochette

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SOCIEDAD TRANSBORDADORA AUSTRAL BROOM S.A.	
Company name:	Sociedad Transbordadora Austral Broom S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$15,403,397,240
Ownership interest (%):	25.00%
Investment as a percentage of the parent company's net assets:	1.58%
Corporate purpose:	Providing maritime transport for cargo, vehicles and passengers in the Straits of Magellan or other parts of Chile.
Board of directors:	Standing members: Pedro Lecaros Menéndez, James Wells Muñoz, Cecilia Glusevic Ferreira, and Felipe Rioja Rodríguez Alternates: Gerardo Alvarez Zenteno, Andrés Núñez Sorensen, Roberto Peragallo Guajardo and Macario Valdés Raczynski (2)
Chief Executive Officer:	Alejandro Kusanovic Glusevic

TERMINAL CHINCHORRO S.A.	
Company name:	Terminal Chinchorro S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$ 375,724
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.05%
Corporate purpose:	Benefiting from warehousing facilities owned by the National Customs Service, in accordance with Article 57 of the Customs Ordinance and its Regulations; providing merchandise storage services until removed for import, export or other customs purpose, including providing complementary and/or additional storage services expressly authorized by the National Customs Service.
Board of directors:	Hernán Gómez Cisternas (3), Fernando Encinas Ciesla and Roberto Bravo Sánchez
Chief Executive Officer:	Fernando Encinas Ciesla

TERMINAL EL COLORADO S.A.	
Company name:	Terminal El Colorado S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$47,473
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing services related to national and international cargo transport, such as full or empty container storage, container maintenance, and complementary cargo and container services.
Board of directors:	Felipe Barison Kahn, Enrique Brito Marín and Gastón Moya Rodríguez (4)
Chief Executive Officer:	Felipe Barison Kahn

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TERMINAL LAS GOLONDRINAS S.A.	
Company name:	Terminal Las Golondrinas S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$28,023
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing services related to national and international cargo transport, such as full or empty container storage, container maintenance, and complementary cargo and container services.
Board of directors:	Fernando Encinas Ciesla, Gastón Moya Rodríguez (6) and Roberto Bravo Sánchez
Chief Executive Officer:	Fernando Encinas Ciesla

TRANSPORTES FLUVIALES CORRAL S.A.	
Company name:	Transportes Fluviales Corral S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	Ch\$2,147,376,520
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.14%
Corporate purpose:	Providing maritime, river and related transport services.
Board of directors:	Hernán Gómez Cisternas (3), Enrique Brito Marín, Andrés Schüler Skalweit and Francisco Javier Jobson
Chief Executive Officer:	Diego Sprenger Rochette

FOREIGN COMPANIES

AEROSAN S.A.S. (Colombia)	
Company name:	AEROSAN S.A.S.
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	COL\$236,628,400
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.24%
Corporate purpose:	Providing airport services, cargo handling on land, and other related airport services and facilities.
Board of directors:	Macario Valdés Raczyński (2), Hernán Gómez Cisternas (3), José Freig and Alfredo González
Chief Executive Officer:	Carlos Saenz

AIRPORT INVESTMENTS S. DE R.L. (Panama)	
Company name:	Airport Investments S. de R.L.
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	US\$ 1,000
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.52%
Corporate purpose:	Investment company.
Board of directors:	Julio Linares Franco, Eric Lobo González, Pablo Rioseco González and Javier Ramírez Hidalgo
Chief Executive Officer:	Board of directors through duly appointed representatives.

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ARONEM AIR CARGO S.A. (Ecuador)	
Company name:	Aronem Air Cargo S.A.
Type of entity:	Privately held corporation
Subscribed and paid-in share capital:	US\$40,000
Ownership interest (%):	40.00%
Investment as a percentage of the parent company's net assets:	0.06%
Corporate purpose:	Providing airport and air cargo services.
Board of directors:	Jaime Pérez Clavijo, Eric Lobo González, Hernán Gómez Cisternas and Marco Benítez Proaño
Chief Executive Officer:	Freddy Parra Guerra

CONCESIONARIA SAAM COSTA RICA S.A. (Costa Rica)	
Company name:	Concesionaria SAAM Costa Rica S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$3,000,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.75%
Corporate purpose:	Providing transportation, agency, towage, salvage, attendance, shipwreck removal, pilot, launch and cabotage services.
Board of directors:	Felipe Rioja Rodríguez, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Joaquín Dueñas Pardo

ECUAESTIBAS S.A. (Ecuador)	
Company name:	Ecu aestibas S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$586,640
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	1.01%
Corporate purpose:	Providing any kind of port service, such as port operator and/or providing complementary services.
Board of directors:	Felipe Rioja Rodríguez, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Juan Alfredo Illingworth

ELEQUIP S.A (Colombia)	
Company name:	Elequip S.A. being wound up
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	COL\$992,674,600
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Benefiting from operating equipment used in stevedoring and complementary services.
Liquidator:	Owner: Jaime Alberto Vargas
	Alternates: Harold Colino

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EQUIMAC S.A. (Colombia)	
Company name:	Equimac S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	COL\$97,338,600
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	0.28%
Corporate purpose:	Providing towage services.
Board of directors:	Standing members: Felipe Rioja Rodríguez, Felipe Barison Kahn, Juan Carlos Rueda Estévez and Bernd Haubold Kausel
	Alternates: Hernán Gómez Cisternas (3), Beatriz Oesterreich Groeper and José Salinas Martínez
Chief Executive Officer:	Antonio Rodríguez Martínez

EXPERTAJES MARITIMOS S.A. (Guatemala)	
Company name:	Expertajes Marítimos S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	GTQ5.000
Ownership interest (%):	70.00%
Investment as a percentage of the parent company's net assets:	0.10%
Corporate purpose:	Providing port and maritime services. Purchasing, selling, subcontracting, leasing, exchanging, assigning, and any legal activity, task, contract or business, relating to businesses, investments, and movable and immovable property.
Board of directors:	Felipe Rioja Rodríguez, Macario Valdés Raczynski (2), Hernán Gómez Cisternas (3) and Harry Marcus Nadle
Chief Executive Officer:	Harry Marcus Nadle

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FLORIDA INTERNATIONAL TERMINAL, LLC (USA)	
Company name:	Florida International Terminal, LLC
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	US\$3,000,000
Ownership interest (%):	70.00%
Investment as a percentage of the parent company's net assets:	0.69%
Corporate purpose:	Operating port terminals and providing stevedoring services.
Board of directors:	Enrique Brito Marín, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2), Alberto Bórquez Calbucura, Felipe Irrarrázaval Ovalle and José Fernando Rodríguez Pinochet
Chief Executive Officer:	Klaus Stadthagen González

GIRALDIR S.A. (Uruguay)	
Company name:	Giraldir S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	UR\$50,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.16%
Corporate purpose:	Providing towage and general maritime services.
Board of directors:	Felipe Rioja Rodríguez and Macario Valdés Raczynski (2)

INARPI S.A. (Ecuador)	
Company name:	INARPI S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$22,215,800
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.61%
Corporate purpose:	Providing port services, such as port operator for Terminal Portuario Guayaquil.
Management:	Enrique Brito Marín, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Luisenrique Navas Nuque

INVERSIONES ALARIA S.A. (Peru)	
Company name:	Inversiones Alaria S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	S/. 179,475,465
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	2.17%
Corporate purpose:	Purchasing and selling any kind of movable and immovable property. Investing in general, including in movable and immovable property, and participating in industrial, commercial, financial or real estate companies. Benefiting from maritime businesses, or those relating to river, sea, air or land transport, and operating maritime agencies in Panama or abroad. Participating in Panamanian or foreign companies.
Board of directors:	Hernán Gómez Cisternas (3), Macario Valdés Raczynski (2) and Felipe Rioja Rodríguez
Manager:	Hernán Gómez Cisternas (3)

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INVERSIONES ALARIA II S.A. (Panama)	
Company name:	Inversiones Alaria II S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$25,962,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	2.58%
Corporate purpose:	Purchasing and selling any kind of movable and immovable property. Investing in general, including in movable and immovable property, and participating in industrial, commercial, financial or real estate companies. Benefiting from maritime businesses, or those relating to river, sea, air or land transport, and operating maritime agencies in Panama or abroad. Participating in Panamanian or foreign companies.
Board of directors:	Julio Linares Franco, Felipe Rioja Rodríguez and Hernán Gómez Cisternas (3)

INVERSIONES HABSBURGO S.A. (Panama)	
Company name:	Inversiones Habsburgo S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$170,961.71
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	11.64%
Corporate purpose:	Purchasing and selling any kind of movable and immovable property. Investing in general, including in movable and immovable property, and participating in industrial, commercial, financial or real estate companies. Benefiting from maritime businesses, or those relating to river, sea, air or land transport, and operating maritime agencies in Panama or abroad. Participating in Panamanian or foreign companies.
Board of directors:	Julio Linares Franco, Felipe Rioja Rodríguez and Hernán Gómez Cisternas (3)

INVERSIONES MISTI S.A. (Peru)	
Company name:	Inversiones Misti S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	S/. 648,029
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.42%
Corporate purpose:	Operating maritime and port businesses, which includes providing loading, unloading, storage, port operator, weighing, and launch services, vessel ownership and agency, port equipment, cargo and container transport and handling services, etc. Participating in other companies.
Board of directors:	Hernán Gómez Cisternas (3), Macario Valdés Raczynski (2) and Felipe Rioja Rodríguez
Chief Executive Officer:	Hernán Gómez Cisternas (3)

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KIOS S.A. (Uruguay)	
Company name:	Kios S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	UR\$45,000,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	2.25%
Corporate purpose:	Providing towage services in general.
Board of directors:	Felipe Rioja Rodríguez, Fernando Capurro Sarasketa and Francisco Licio Siniscalchi
Chief Executive Officer:	Francisco Licio Siniscalchi

LIMOLY S.A. (Uruguay)	
Company name:	LIMOLY S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	UR\$400,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.13%
Corporate purpose:	Industrializing and commercializing merchandise, leased goods, works and services.
Board of directors:	Felipe Rioja Rodríguez and Macario Valdés Raczynski (2)

LUCKYMONT S.A. (Uruguay)	
Company name:	Luckymont S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	UR\$9,000
Ownership interest (%):	74.50%
Investment as a percentage of the parent company's net assets:	0.28%
Corporate purpose:	Legally establishing the Duty-Free Zone, and providing logistics services for the Montes del Plata pulp mill at Punta Pereira, Colonia, Uruguay.
Board of directors:	Francisco Javier Jobson, Hernán Gómez Cisternas (3), Felipe Barison Kahn and Martin Skalweit Rudloff
Chief Executive Officer:	Luis Fabini Williamson
MAHE HOLDING N.V. (Curaçao)	
Company name:	Mahe Holding N.V.
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	US\$ 6,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.12%
Corporate purpose:	Investment company
Manager:	United International Trust N.V.

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PARANA TOWAGE S.A. (Argentina)	
Company name:	Parana Towage S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	AR\$12,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.02%
Corporate purpose:	Providing maritime services in general.
Board of directors:	Fernando Capurro Sarasketa, Jorge Portela and Sergio Pez
Chief Executive Officer:	Fernando Capurro Sarasketa

PUERTO BUENAVISTA S.A. (Colombia)	
Company name:	Puerto Buenavista S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	COL\$49,557,000
Ownership interest (%):	33.33%
Investment as a percentage of the parent company's net assets:	0.34%
Corporate purpose:	Investing in port construction, maintenance and administration. Providing loading, unloading and storage services at ports, other services directly related to ports and all other activities that port companies are permitted to perform by virtue of Law 01/91 and its supplementary regulations.
Board of directors:	Standing members: Alberto Jiménez Rojas, Andrés Osorio Barrera, Miguel Caro Navarro, Laurent Jackie Trost, Hernán Gómez Cisternas (3) and Alberto Bórquez Calbucura Alternates: Carlos Castaño Muñoz, Rafael Zorrilla Salazar, Edith González León, Mónica Durán Santamaría, Enrique Brito Marín and Felipe Barison Kahn
Chief Executive Officer:	Ramiro Ensuncho Barcenás

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RECURSOS PORTUARIOS MAZATLÁN S.A. DE C.V. (Mexico)	
Company name:	Recursos Portuarios Mazatlán S.A. DE C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	MX\$50,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing technological and laboring services, technical advice, training personnel and providing administrative services.
Board of directors:	Enrique Brito Marín, Hernán Gómez Cisternas (3) and Macario Valdés Raczynski (2)
Chief Executive Officer:	Mauricio Ortiz Medina

RECURSOS PORTUARIOS S.A. DE C.V. (Mexico)	
Company name:	Recursos Portuarios S.A. DE C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	MX\$5,729,116
Ownership interest (%):	51%
Investment as a percentage of the parent company's net assets:	0.02%
Corporate purpose:	Providing technological and laboring services, technical advice, training personnel and providing administrative services.
Board of directors:	Standing members: Cristián Rojas Morales
Chief Executive Officer:	Alternates: Marcelo Ruiz Berardi and Beatriz García Hernández
Chief Executive Officer:	Cristián Rojas Morales

RIVTOW MARINE INC. (Canada)	
Company name:	Rivtow Marine Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	C\$100
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing maritime, port and offshore towage services.
Managers:	Alexander Bickers and Felipe Rioja Rodríguez

SAAM FLORIDA, INC.	
Company name:	SAAM Florida, Inc.
Type of entity:	Private limited US company
Subscribed and paid-in share capital:	US\$2,100,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.65%
Corporate purpose:	Investment company
Board of directors:	Macario Valdés Raczynski (2), Hernán Gómez Cisternas (3) and Enrique Brito Marín
Chief Executive Officer:	Klaus Stadthagen González

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SAAM DO BRASIL LIMITADA (Brazil)	
Company name:	Sudamericana Agencia Maritima do Brasil Limitada
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	R\$5,000,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	Providing port navigation support services; operating terminals; loading and unloading cargo; logistical services for transporting merchandise, except for dangerous products and movements between interstate and international cities; any other water based transport ancillary services; general storage; issuing guarantees; managing port infrastructure; maintaining and repairing equipment and various products.
Manager:	Rosane Martins

SAAM GUATEMALA S.A. (Guatemala)	
Company name:	SAAM Guatemala S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	GTQ10.402.701
Ownership interest (%):	70.00%
Investment as a percentage of the parent company's net assets:	0.35%
Corporate purpose:	Providing port and maritime services. Purchasing, selling, subcontracting, leasing, exchanging, assigning, and any legal activity, task, contract or business, relating to businesses, investments, and movable and immovable property.
Board of directors:	Felipe Rioja Rodríguez, Macario Valdés Raczynski (2), Hernán Gómez Cisternas (3) and Harry Marcus Nadle
Chief Executive Officer:	Harry Marcus Nadle

SAAM INVERSIONES PORTUARIAS COSTA RICA S.A. (Costa Rica)	
Company name:	SAAM Inversiones Portuarias Costa Rica S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	₡\$10,000.00
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	%
Corporate purpose:	Trading in general. Purchasing, selling, leasing, producing, distributing, transforming, industrializing, importing, exporting, and generally conducting its business in compliance with the laws of the Republic of Costa Rica; acquiring, selling and encumbering the immovable property required to develop its business and granting any kind of commercial contract.
Board of directors:	Enrique Brito Marín, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)

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SAAM OPERADORA DE PUERTOS EMPRESA DE ESTIBA Y DESESTIBA COSTA RICA S.A. (Costa Rica)	
Company name:	SAAM Operadora de Puertos Empresa de Estiba y Desestiba Costa Rica S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$45,056
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	4.32%
Corporate purpose:	Trading in general. Purchasing, selling, leasing, producing, distributing, transforming, industrializing, importing, exporting, and generally conducting its business in compliance with the laws of the Republic of Costa Rica; acquiring, selling and encumbering the immovable property required to develop its business and granting any kind of commercial contract.
Board of directors:	Enrique Brito Marín, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)

SAAM PARTICIPACOES LIMITADA (Brazil)	
Company name:	SAAM Participacoes Limitada.
Type of entity:	Limited liability company
Subscribed and paid-in share capital:	R\$20,000,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	3.91%
Corporate purpose:	Participating in other companies as a partner or shareholder.
Manager:	Rosane Martins

SAAM REMOLCADORES COLOMBIA S.A.S. (Colombia)	
Company name:	SAAM Remolcadores Colombia S.A.S. in Liquidation
Type of entity:	Private limited company
Subscribed and paid-in share capital:	COL\$3,564,959,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	i) Providing port services and any kind of service directly related to ports, such as loading, unloading, storage, pilotage, towage, launches, cargo handling or transport on land, dredging, classifying, recognizing and using, mooring, casting off, supplying and preparing cranes and equipment, opening and closing warehouses and companion ways, tallies, lashing, recognizing and classifying, filling and emptying containers, cargo packaging, repairing cargo packaging, weighing and displacement, equipment leasing, garbage reception and container repairing, ii) performing various maritime tasks and providing corresponding services, including but not limited to maritime towage, consisting of all maneuvers involved in attending, supporting, transporting and rescuing services for vessels and naval craft within Colombian territorial waters and ports using tugs and iii) developing any other legal business
Board of directors:	Felipe Rioja Rodríguez, Macario Valdés Raczynski (2), and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Juan Pablo González Bestard

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SAAM REMOLCADORES S.A. (Panama)	
Company name:	SAAM Remolcadores S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$10,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.63%
Corporate purpose:	Providing towage services to any port by private contract or public concession.
Board of directors:	Julio Linares Franco, Felipe Rioja Rodríguez and Hernán Gómez Cisternas (3)

SAAM REMOLCADORES S.A. DE C.V. (Mexico)	
Company name:	SAAM Remolcadores S.A. de C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	MX\$67,112,513
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.52%
Corporate purpose:	Providing towage services using cables, and launch and vessel pilotage services
Board of directors:	Standing members: Cristián Rojas Morales, David Foulkes Wood and Robert Bosman
Alternates:	Marcelo Ruiz Berardi, Beatriz García Hernández, Miguel Martínez Ramírez and Miguel Huerta Pérez
Chief Executive Officer:	Cristián Rojas Morales

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SAAM REMOLQUES HONDURAS S.A. (Honduras)	
Company name:	SAAM Remolques Honduras S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	LP\$25,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.00%
Corporate purpose:	<p>/a/ Providing port services and any kind of service directly related to ports, such as loading, unloading, storage, pilotage, towage, launches, cargo handling or transport on land, dredging, classifying, recognizing and using, mooring, casting off, supplying and preparing cranes and equipment, opening and closing warehouses and companion ways, tallies, lashing, recognizing and classifying, filling and emptying containers, cargo packaging, repairing cargo packaging, weighing and displacement, equipment leasing, garbage reception and container repairing, /b/ performing various maritime tasks and providing corresponding services, including but not limited to maritime towage, consisting of all maneuvers involved in attending, supporting, transporting and rescuing services for vessels and naval craft within Colombian territorial waters and ports using tugs and /c/ carrying out any kind of commercial and/or service business as approved by the shareholders, and any service related to the above, provided it is legal, and entering into any kind of contract that achieves the purposes described above. It is understood that the foregoing enumeration of activities is merely illustrative but not limiting, so the company may perform and promote in whatever form it may take, any other transaction whether or not similar, related or connected, which is not included above, and generally any other legal business.</p>
Board of directors:	Felipe Rioja Rodríguez, Hernán Gómez Cisternas (3) and Macario Valdés Raczynski (2)
Chief Executive Officer:	Joaquín Dueñas Pardo

SAAM TOWAGE CANADA INC. (Canada)	
Company name:	SMIT Towage Canada Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	C\$12,087
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	1.04%
Corporate purpose:	Providing maritime, port and offshore towage services.
Managers:	Alexander Bickers and Felipe Rioja Rodríguez

SAAM TOWAGE VANCOUVER INC. (Canada)	
Company name:	SAAM Towage Vancouver Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	C\$0.01
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	%
Corporate purpose:	Providing maritime, port and offshore towage services.
Managers:	David Bourlaouen and Sanders Bickers

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SAAM TOWAGE WESTMINSTER INC. (Canada)	
Company name:	SAAM Towage Westminster Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	C\$1
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	%
Corporate purpose:	Providing maritime, port and offshore towage services.
Manager:	Alexander Bikkers and Felipe Rioja Rodríguez

SAAM SMIT REMOLCADORES INC. (Panama)	
Company name:	SAAM SMIT Remolcadores Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$ 10,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.07%
Corporate purpose:	Providing port services including towage, mooring using cables, and launch services.
Board of directors:	Cristián Rojas Morales and Walter van der Dussen
Chief Executive Officer:	Walter van der Dussen

SAAM TOWAGE BRASIL S.A. (Brasil)	
Company name:	SAAM Towage Brasil S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	R\$122,529,473.18
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	7.69%
Corporate purpose:	Providing maritime, port and offshore towage services.
Board of directors:	Standing members: Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2) and Felipe Rioja Rodríguez
	Alternates: Hernán Gómez Cisternas (3)
Chief Executive Officer:	Mauro Sales

SAAM TOWAGE INC. (Canada)	
Company name:	SAAM Towage Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	C\$14,640
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	2.02%
Corporate purpose:	A holding company.
Manager:	Alexander Bikkers and Felipe Rioja Rodríguez

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SAAM SMIT TOWAGE EL SALVADOR S.A. DE C.V. (Mexico)	
Company name:	SAAM SMIT Towage El Salvador S.A. de C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	US\$ 2,000
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	XX%
Corporate purpose:	Providing all types of sea towage and lighter services
Board of directors:	Standing members: Felipe Rioja Rodríguez, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2)
	Alternates: Hernán Gómez Cisternas (3)
Chief Executive Officer:	Cristián Rojas Morales

SAAM SMIT TOWAGE MÉXICO S.A. DE C.V. (Mexico)	
Company name:	SAAM SMIT Towage México S.A. de C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	MX\$1,885,605,930.22
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	11.98%
Corporate purpose:	Providing port services including towage, mooring using cables, and launch services.
Board of directors:	Standing members: Felipe Rioja Rodríguez, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2)
	Alternates: Hernán Gómez Cisternas (3)
Chief Executive Officer:	Cristián Rojas Morales

SAAM TOWAGE PANAMA, INC. (Panama)	
Company name:	SAAM Towage Panama Inc.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$66,752,787
Ownership interest (%):	51.00%
Investment as a percentage of the parent company's net assets:	3.62%
Corporate purpose:	Providing general maritime services, including towage, pilotage, launches, pollution and fire control, rescue, communications, and maritime traffic control services at ports in the Republic of Panama.
Board of directors:	Cristián Rojas Morales and Walter van der Dussen
Chief Executive Officer:	Walter van der Dussen

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Company name:	Sociedad Portuaria de Caldera (SPC) S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$1,000,000
Ownership interest (%):	51.00%
Investment as a percentage of the parent company's net assets:	0.32%
Corporate purpose:	Exclusively executing the public service concession contract for the Caldera Terminal awarded following International Public Tender number zero one-two thousand one-INCOP, under which it can buy, sell, receive as a pledge or mortgage, lend, lease, encumber or dispose of the property and rights it owns; receiving fiduciary property, and acting as trustor, trustee or beneficiary; granting loans to its subsidiaries using its own funds, provided that the prevailing economic and financial conditions allow it and a pecuniary benefit is received; granting bonds or guarantees of any kind, provided they benefit the company; all in the broadest manner to best fulfill these purposes. Performing its business in any country in the world.
Board of directors:	Standing members: Enrique Brito Marín, Gerardo Ramírez Steller, José Pablo Chávez Zamora, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2), Amparo Pinzón Nieto and Alberto Bórquez Calbucura Alternates: Hernán Gómez Cisternas (3), Miguel Ramírez Steller, Mónica Chávez Zamora, Felipe Barison Kahn, Gastón Moya Rodríguez (4), Margarita Isaza Pinzón and Javier Olivos Santa María
Chief Executive Officer:	Ricardo Ospina León

SOCIEDAD PORTUARIA GRANELERA DE CALDERA (SPGC) S.A.	
Company name:	Sociedad Portuaria Granelera de Caldera (SPGC) S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$10,000,000
Ownership interest (%):	51.00%
Investment as a percentage of the parent company's net assets:	0.80%
Corporate purpose:	Exclusively executing the public service concession contract for the Puerto Caldera Bulk Terminal awarded following International Public Tender number zero three-two thousand one-CNC, in accordance with the law governing Public Works Concessions for Public Services, under which it can buy, sell, receive as a pledge or mortgage, lend, lease, encumber or dispose of the property and rights it owns; receiving fiduciary property, and acting as trustor, trustee or beneficiary; granting loans to its subsidiaries using its own funds, provided that the prevailing economic and financial conditions allow it and a pecuniary benefit is received; granting bonds or guarantees of any kind, provided they benefit the company; all in the broadest manner to best fulfill these purposes. Performing its business in any country in the world.
Board of directors:	Standing members: Enrique Brito Marín, Gerardo Ramírez Steller, José Pablo Chávez Zamora, Óscar Hasbún Martínez (1), Macario Valdés Raczynski (2), Amparo Pinzón Nieto and Alberto Bórquez Calbucura Alternates: Hernán Gómez Cisternas (3), Miguel Ramírez Steller, Mónica Chávez Zamora, Gastón Moya Rodríguez (4), Felipe Barison Kahn, Margarita Isaza Pinzón and Javier Olivos Santa María
Chief Executive Officer:	Ricardo Ospina León

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TERMINAL MARÍTIMA MAZATLÁN S.A. DE C.V. (Mexico)	
Company name:	Terminal Marítima Mazatlán S.A. de C.V.
Type of entity:	Private Mexican corporation.
Subscribed and paid-in share capital:	MX\$401,558,470
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	1.95%
Corporate purpose:	Benefiting from publicly owned goods, developing and building port facilities; operating the port concession at Puerto Mazatlan, Sinaloa; providing port, trade and representative services, and other services.
Board of directors:	Enrique Brito Marín, Macario Valdés Raczynski (2) and Hernán Gómez Cisternas (3)
Chief Executive Officer:	Mauricio Ortiz Medina

TPG TRANSPORTES S.A. (Ecuador)	
Company name:	TPG Transportes S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	US\$ 800
Ownership interest (%):	100%
Investment as a percentage of the parent company's net assets:	0.04%
Corporate purpose:	Providing transport for heavy cargo.
Management:	Board of directors through duly appointed representatives.
Chief Executive Officer:	Nelson Arancibia Rojas

TOLKEYEN PATAGONIA TURISMO S.A. (Argentina)	
Company name:	Tolkeyen Patagonia Turismo S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	AR\$4,000,000
Ownership interest (%):	24.75%
Investment as a percentage of the parent company's net assets:	0.05%
Corporate purpose:	Providing services related to tourism, trade, accommodations, transport, exports and imports, etc.
Manager:	Alejandro Kusanovic Glusevic
Chief Executive Officer:	César Rojas Velásquez

TUG BRASIL APOIO MARITIMO PORTUARIO S.A. (Brazil)	
Company name:	Tug Brasil Apoio Portuario S.A.
Type of entity:	Private limited corporation
Subscribed and paid-in share capital:	R\$192,808
Ownership interest (%):	50.00%
Investment as a percentage of the parent company's net assets:	4.92%
Corporate purpose:	Providing maritime navigation and port services. Leasing equipment and boats to third parties. Participating in any kind of company as a partner or shareholder.
Board of directors:	Board of directors through duly appointed representatives.
Chief Executive Officer:	Mauro Sales

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NOTES:

A) Directors and senior executives of Sociedad Matriz SAAM S.A. who also hold these positions in subsidiaries and associated companies:

(1) Óscar Hasbún Martínez Chairman of the Board

(2) Macario Valdés Raczynski Chief Executive Officer

(3) Hernán Gómez Cisternas Chief Financial Officer

(4) Gastón Moya Rodríguez Chief Human Resource Officer

B) Currency symbols

Ch\$: Chilean peso	COL\$: Colombian peso
US\$: US dollar	UR\$: Uruguayan peso
AR\$: Argentinean peso	MX\$: Mexican peso
S/.	: Peruvian new sol	GTQ	: Quetzal (Guatemala)
R\$: Brazilian real	LP\$: Honduran lempira
₡\$: Costa Rican colon	C\$: Canadian dollar

SOCIEDAD MATRIZ SAAM S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 AND 2018

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ThUS\$ = Thousands of US dollars.

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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITOR'S REPORT

Santiago, March 6, 2020
(Free translation from the original in Spanish)

To the Shareholders and Directors
Sociedad Matriz SAAM S.A.

We have audited the accompanying consolidated financial statements of Sociedad Matriz SAAM S.A. and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2019 and 2018 and the corresponding consolidated statements of comprehensive income by function, changes in equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). This responsibility includes the design, implementation and maintenance of a relevant internal control for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audit in accordance with Chilean generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Consequently, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



Santiago, March 6, 2020
Sociedad Matriz SAAM S.A.
2

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Sociedad Matriz SAAM S.A. and subsidiaries as of December 31, 2019 and 2018, and the results of their operations and cash flows for the years then ended, in accordance with International Financial Reporting Standards (IFRS).

Digitally signed by Jonathan Yeomans Gibbons RUT: 13.473.972-k. The digital certificate is embedded in the electronic version of this document.

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CONSOLIDATED STATEMENTS OF FINANCIAL
POSITION

Statement of financial position	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	9	229,572	241,412
Other financial assets, current	10	-	11
Other non-financial assets, current	14	13,841	9,455
Trade and other receivables, current	11	85,925	74,271
Related party receivables, current	12	7,806	11,007
Inventories, current	13	16,144	12,885
Tax assets, current	20.1	26,144	25,619
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners		<u>379,432</u>	<u>374,660</u>
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	8	<u>11,629</u>	<u>18,142</u>
Total current assets		<u>391,061</u>	<u>392,802</u>
Non-current assets			
Other financial assets, non-current	10	2,383	3,661
Other non-financial assets, non-current	14	21,490	22,158
Trade and other receivables, non-current	11	14,494	15,832
Inventories, non-current	13	1,147	1,056
Equity method investments	16	120,417	216,257
Intangible assets other than goodwill	17.3	226,646	226,832
Goodwill	17.1	72,282	45,664
Property, plant and equipment	18	737,018	484,299
Investment property	19	1,843	1,854
Tax assets, non-current	20.1	418	-
Deferred tax assets	21.1 and 21.2	28,790	14,822
Total non-current assets		<u>1,226,928</u>	<u>1,032,435</u>
Total assets		<u>1,617,989</u>	<u>1,425,237</u>

Equity and liabilities	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Liabilities			
Current liabilities			
Other financial liabilities, current	22	92,335	43,787
Trade and other payables	23	41,691	36,267
Related party payables, current	12	1,309	332
Other short-term provisions	24	1,559	950
Tax liabilities, current	20.2	16,132	13,375
Employee benefit provisions, current	26.2	22,892	18,243
Other non-financial liabilities, current	25	20,178	17,309
Total current liabilities		<u>196,096</u>	<u>130,263</u>
Non-current liabilities			
Other financial liabilities, non-current	22	488,419	290,328
Other long-term provisions	24	1,375	999
Deferred tax liabilities	21.1 and 21.2	92,946	74,614
Provisions for employee benefits, non-current	26.2	10,363	8,666
Other non-financial liabilities, non-current	25	42	-
Total non-current liabilities		<u>593,145</u>	<u>374,607</u>
Total liabilities		<u>789,241</u>	<u>504,870</u>
Total equity			
Share capital		586,506	586,506
Retained earnings		223,817	201,550
Other reserves	27.2	(23,682)	(15,650)
Equity attributable to owners of the parent company		<u>786,641</u>	<u>772,406</u>
Non-controlling interests		<u>42,107</u>	<u>147,961</u>
Total Equity		<u>828,748</u>	<u>920,367</u>
Total liabilities and equity		<u>1,617,989</u>	<u>1,425,237</u>

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CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME BY FUNCTION

Statement of net income by function		01/01/2019		01/01/2018	
		12/31/2019		12/31/2018	
	Note	ThUS\$	ThUS\$		
Consolidated net income					
Operating revenue	28	529,793	515,987		
Cost of sales	29	(365,506)	(366,442)		
Gross profit		164,287	149,545		
Other income	32	1,890	2,273		
Administrative expenses	30	(68,086)	(74,811)		
Other expenses, by function	32	(4,709)	(5,991)		
Other gains (losses)	34	6,210	9,756		
Net operating income		99,592	80,772		
Financial income	31	7,046	5,908		
Financial costs	31	(20,316)	(18,106)		
Share of profit (loss) of equity method associates and joint ventures	16.1	13,203	18,256		
Exchange differences	37	(310)	(3,730)		
Gain from indexation adjustments		77	(78)		
Net income (loss) before tax		99,292	83,022		
Income tax expense from continuing operations	21.3	(29,344)	(21,231)		
Net income (loss) from continuing operations		69,948	61,791		
Net income attributable to					
Net income (loss) attributable to owners of the parent company		57,780	49,607		
Net income (loss) attributable to non-controlling interests		12,168	12,184		
Net income for the year		69,948	61,791		
Earnings per share (see Note 27)					
Basic earnings per share from continuing operations	US\$/share	0.00593	0.00509		
Diluted earnings per share from continuing operations	US\$/share	0.00593	0.00509		

Statement of comprehensive income

	01/01/2019		01/01/2018	
	12/31/2019		12/31/2018	
	ThUS\$		ThUS\$	
Net income for the year	69,948		61,791	
Components of other comprehensive income, before tax				
Exchange differences on translation^(*)				
Gain (loss) from exchange differences on translation, before tax	1,497		(16,069)	
Other comprehensive income, exchange differences on translation, before tax	1,497		(16,069)	
Cash flow hedges^(*)				
Gain (loss) on cash flow hedges, before tax	1,012		4,497	
Other comprehensive income, cash flow hedges, before tax	1,012		4,497	
Other comprehensive income, actuarial gains (losses) on defined benefit plans, before tax	85		(1,670)	
Other components of other comprehensive income, before tax	2,594		(13,242)	
Income tax relating to other comprehensive income^(*)				
Income tax relating to cash flow hedges	(272)		(17)	
Income taxes relating to defined benefit plans	201		6	
Total income tax relating to components of other comprehensive income	(71)		(11)	
Other comprehensive income	2,523		(13,253)	
Total comprehensive income	72,471		48,538	
Comprehensive income				
Comprehensive income attributable to owners of the parent company	58,973		42,498	
Comprehensive income attributable to non-controlling interests	13,498		6,040	
Total comprehensive income	72,471		48,538	

(*) Items that have been or may subsequently be reclassified to net income

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CONSOLIDATED STATEMENTS OF CASH
FLOW

	01/01/2019 12/31/2019 ThUS\$	01/01/2018 12/31/2018 ThUS\$
Statements of cash flow, direct method		
Cash flow from (used in) operating activities		
Proceeds from operating activities		
Proceeds from selling goods and providing services	588,691	545,922
Proceeds from premiums and claims, annuities and other policy benefits	277	2,201
Proceeds from other operating activities	1,657	4,152
Payments for operating activities		
Payments to suppliers for goods and services	(247,029)	(238,930)
Payments to and on behalf of employees	(127,588)	(131,177)
Payments for premiums and claims, annuities and other policy obligations	(9,030)	(8,046)
Other payments for operating activities	(40,368)	(37,766)
Net operational cash flow	166,610	136,356
Interest received	1,370	29
Income taxes refunded (paid)	(19,969)	(19,406)
Net cash flow from (used in) operating activities	148,011	116,979

	Note	01/01/2019 12/31/2019 ThUS\$	01/01/2018 12/31/2018 ThUS\$
Statements of cash flow, direct method			
Cash flow from (used in) investing activities			
Payments to obtain control of subsidiaries or other businesses	15.2 and 17.2	(63,772)	-
Payments to purchase of non-controlling interests	15.2 and 27.2.4	(124,492)	-
Payments to acquire associates		(277)	
Proceeds from sale of property, plant and equipment	39	1,806	9,877
Purchases of property, plant and equipment	39	(50,924)	(47,854)
Purchases of intangible assets	39	(3,229)	(8,791)
Dividends received	39	14,388	23,902
Interest received		3,398	3,118
Other cash receipts (payments)	39	-	5,045
Proceeds from sale of non-controlling interests	34	12,772	-
Net cash flow from (used in) investing activities		(210,330)	(14,703)
Cash flow from (used in) financing activities			
Proceeds from long-term loans	39	149,476	21,834
Proceeds from short-term loans		6,019	2,061
Loan repayments	39	(47,806)	(47,356)
Payments of finance lease obligations		(2,177)	(2,542)
Payments of operating lease liabilities IFRS 16		(6,534)	-
Dividends paid	39	(36,059)	(43,994)
Interest paid		(7,383)	(8,955)
Other cash receipts (payments), classified as financing activities		(4,303)	(1,687)
Net cash flows from (used in) financing activities		51,233	(80,639)
Increase (decrease) in cash & cash equivalents before exchange rate effects		(11,086)	21,637
Effect of exchange rates on cash and cash equivalents		(754)	(2,287)
Net increase (decrease) in cash and cash equivalents		(11,840)	19,350
Cash and cash equivalents at the beginning of the year		241,412	222,062
Cash and cash equivalents at the end of the year	9	229,572	241,412

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CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY

	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Actuarial gains and losses on defined benefit plans reserve	Other miscellaneous reserves	Total other reserves	Retained earnings	Equity attributable to owners of the parent company	Non- controlling interests	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2019	586,506	(60,901)	5,210	(4,162)	44,203	(15,650)	201,550	772,406	147,961	920,367
Increase (decrease) due to changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Opening equity restated	586,506	(60,901)	5,210	(4,162)	44,203	(15,650)	201,550	772,406	147,961	920,367
Changes in equity										
Comprehensive income										
Net income for the year	-	-	-	-	-	-	57,780	57,780	12,168	69,948
Other comprehensive income	-	199	746	24	-	1,193	-	1,193	1,330	2,523
Comprehensive income	-	199	746	24	-	1,193	57,780	58,973	13,498	72,471
Equity issued										
Increase (decrease) for transfers and other changes in equity	-	-	-	-	(9,225)	(9,225)	(3,836)	(13,061)	(111,961)	(125,022)
Dividends (Note 27.3)	-	-	-	-	-	-	(31,677)	(31,677)	(7,391)	(39,068)
Increase (decrease) in equity	-	199	746	24	(9,225)	(8,032)	22,267	14,235	(105,854)	(91,619)
Equity as of December 31, 2019	586,506	(60,702)	5,956	(3,914)	34,978	(23,682)	223,817	786,641	42,107	828,748
Note		27.2.1	27.2.2	27.2	27.2.4	27.2				

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	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Actuarial gains and losses on defined benefit plans reserve	Other miscellaneous reserves	Other miscellaneous reserves	Total other reserves	Retained earnings	Equity attributable to owners of the parent company	Non- controlling interests	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2018	586,506	(50,872)	725	(2,597)	44,280	44,280	(8,464)	184,287	762,329	152,189	914,518
Increase (decrease) due to changes in accounting policy	-	-	-	-	-	-	-	(275)	(275)	-	(275)
Opening equity restated	586,506	(50,872)	725	(2,597)	44,280	44,280	(8,464)	184,012	762,054	152,189	914,243
Changes in equity											
Comprehensive income											
Net income for the year	-	-	-	-	-	-	-	49,607	49,607	12,184	61,791
Other comprehensive income	-	(10,029)	4,485	(1,565)	-	-	(7,109)	-	(7,109)	(6,144)	(13,253)
Comprehensive income	-	(10,029)	4,485	(1,565)	-	-	(7,109)	49,607	42,498	6,040	48,538
Equity issued											
Increase (decrease) for transfers and other changes in equity	-	-	-	-	(77)	(77)	(77)	77	-	(340)	(340)
Dividends (Note 27.3)	-	-	-	-	-	-	-	(32,146)	(32,146)	(9,928)	(42,074)
Increase (decrease) in equity	-	(10,029)	4,485	(1,565)	(77)	(77)	(7,186)	17,538	10,352	(4,228)	6,124
Equity as of December 31, 2018	586,506	(60,901)	5,210	(4,162)	44,203	44,203	(15,650)	201,550	772,406	147,961	920,367
Note		27.2.1	27.2.2	27.2.3	27.2.4	27.2.4	27.2				

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 CORPORATE INFORMATION

Sociedad Matriz SAAM S.A. was incorporated on February 15, 2012. Its bylaws are recorded in a public deed dated October 14, 2011, granted at the Valparaíso Notary of Mr. Luis Enrique Fischer Yávar, who also recorded a summary of the minutes of an Extraordinary Shareholders' Meeting dated October 5, 2011.

Sociedad Matriz SAAM SA, (hereinafter SM SAAM or the Company) is the holder of approximately 99.9995% of the shares in SAAM SA, a closed corporation, whose corporate purpose is providing services related to foreign trade, mainly the tugboat, ports and logistics businesses.

The stock certificates of Sociedad Matriz SAAM SA, Chilean identification number 76,196,718-5, registered in the Securities Registry of the Financial Market Commission (formerly Superintendency of Securities and Insurance) under 1,091, began to be traded on March 1, 2012 and its capital was divided into 9,736,791,983 shares.

The Company's domicile is Avenida Apoquindo 4800 Tower 2, Piso 18, Las Condes, Santiago. Its purpose is the acquisition, purchase, sale and disposal of shares of corporations, shares or rights in other companies, bonds, debentures, commercial paper and other transferable securities; administer, transfer, exploit them, receive returns and take advantage of their sale and disposal; as well as granting finance to related companies and providing all kinds of services and advisory services, thus being classified as an investment company whose economic activity code is 1,300.

These consolidated financial statements include the indirect subsidiary, Iquique Terminal Internacional S.A. registered in the Register of Reporting Entities under 57 (Law 20,382) of the Financial Market Commission. The remaining indirect subsidiaries are not directly subject to the Commission's control.

Hereinafter, the "Sociedad Matriz SAAM S.A. and Subsidiaries" will be referred to as SM SAAM or the Company. The Company conducts its business through the direct subsidiaries SAAM S.A., SAAM Ports S.A. and SAAM Logistics S.A., providing tugboat and port terminals and logistics services, respectively.

Since January 11, 2016, SM SAAM has been controlled by the Quiñenco group, in accordance with Articles 97 and 99 of the Securities Market Law 18,045, with 52.20% ownership through the following companies

Company	Ownership Interest	No. of Shares
Quiñenco S.A.	15.64%	1,522,794,376
Inversiones Rio Bravo S.A.	33.25%	3,237,543,274
Inmobiliaria Norte Verde S.A.	3.31%	322,149,301
Total Quiñenco Group	52.20%	5,082,486,951

As at December 31, 2019, SM SAAM has 3,320 shareholders in its register (3,371 shareholders as of December 31, 2018).

NOTE 2 PRESENTATION BASIS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

a. Statement of Compliance

The consolidated financial statements as of December 31, 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and approved by its Board at a meeting on March 6, 2020.

b. Presentation basis for the consolidated financial statements

These consolidated financial statements faithfully reflect the financial position of Sociedad Matriz SAAM S.A. and its subsidiaries as of December 31, 2019 and 2018, the comprehensive income by function, changes in equity and cash flows for the years ended December 31, 2019 and 2018.

These consolidated financial statements have been prepared under the principle of an ongoing concern, based on the principle of historic cost, except for the items that are recognized at fair value.

The carrying amount of assets and liabilities hedged with transactions that qualify for hedge accounting are adjusted to reflect changes in the fair value in relation to the hedged risks.

c. Use of estimates and judgments

Several critical accounting estimates have been used to prepare these consolidated financial statements, to quantify specific assets, liabilities, income, expenses and commitments. The areas that involve a greater degree of judgment or complexity, or the areas in which the assumptions and estimates are significant for the consolidated financial statements are described as follows:

1. The evaluation of potential impairment losses on specific assets. (See Notes, 3.6e, 3.7e, 3.8, 3.15a 2, 3.15a 7, 3.15c, 3.16).
2. The assumptions used in the actuarial calculation of employee benefits liabilities. (See Note 26.3).
3. The useful lives of property, plant and equipment and intangible assets (see Notes 3.6d and 3.b).
4. The probability of occurrence and valuation of certain liabilities and contingencies (see Note 24).
5. The fair value of specific financial instruments (see Note 3.18).
6. The probability of recovery of deferred tax assets (see Note 21).

These estimates are based on the best available information.

In any event, it is possible that future events may require that such estimates are amended in future years. If required, such amendments would be made prospectively, such that the effects of the change would be recognized in future financial statements.

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NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

a) Subsidiaries

Subsidiaries are all entities controlled by SM SAAM. Control exists when the Company has the power to direct the financial and operational policies of the entity with the purpose of obtaining benefits from its activities. The evaluation of whether SM SAAM controls another entity is based on the existence and effect of potential voting rights that are currently exercised or convertible in shares or other instruments that allow control to be exercised over another entity. Subsidiaries are consolidated from the date that control is transferred to SM SAAM and are excluded from the consolidation on the date it ceases.

b) Transactions eliminated from consolidation

Intercompany balances and any unrealized income or expense arising from their transactions are eliminated during the preparation of the consolidated financial statements. Unrealized gains or losses from transactions with companies whose investment is recognized under the equity method are eliminated in the percentage their equity interest.

c) Investments in associates and joint ventures (equity method)

Associates are those entities where the Company has significant influence, but not control over financial and operating policies. Significant influence is assumed when SM SAAM owns between 20% and 50% of the voting rights of another entity. Joint ventures are those entities in which SM SAAM has joint control over their activities, established by contractual agreements and requiring unanimous consent to make financial, operational and strategic decisions. Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. SM SAAM's investments include goodwill identified in the acquisition, net of accumulated impairment losses.

An investment will be accounted for using the equity method from the date on which it becomes an associate or joint venture. When the investment is acquired, any difference between the purchase cost and the entity's share of the net fair value of the identifiable assets and liabilities, of the investee shall be accounted for as goodwill and included in the book value of the investment.

The requirements of IAS 28 are applied to determine whether an impairment loss must be recognized for the Company's investments in associates or joint ventures. When necessary, the total carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of assets, as one single asset by comparing its recoverable amount (the higher value between the use value and the fair value less costs to shell) with its carrying amount; any impairment loss recognized forms part of the investment's book value. Any reversal of that impairment loss recognized in accordance with IAS 36 increases the investment's value based on the recoverable amount of the investment.

The Company stops using the equity method on the date on which the investment ceases to be an associate or joint venture, or when the investment is classified as held for sale.

The consolidated financial statements include the participation in the earnings in the equity movements of the investments recognized according the equity method, after adjustments to align the accounting criteria of associates with those of SM SAAM, from the date on which significant influence and/or joint control begins.

When the share of losses generated in the associates exceeds the book value of that equity interest including any long-term investment, the investment is reduced to zero and the recognition of more losses is discontinued except in the case that SM SAAM has the obligation or has made payments on behalf of the company in which it participates.

When the Company reduces its interest in an associate or a joint venture, and continues to use the equity method, any effects previously recognized in other comprehensive income must be reclassified to profit and loss in proportion to the decrease in interest in that associate or joint venture.

When a Group company carries out transactions with an associate or joint venture, gains and losses resulting from transactions with the associate or joint venture are recognized in the Company's consolidated financial statements only to the extent of the equity interests of third parties of the associate or joint venture.

d) Changes in Company's interests in current subsidiaries

Changes in a parent company's ownership interest in a subsidiary that do not result in a loss of control are equity transactions. Any difference between the fair value of the acquisition price and the book value of that interest is recognized directly in equity and attributed to the owners of the parent company.

When the control of a subsidiary is lost, a gain or loss is recognized in net income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest.

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3.2 Entities included in consolidation

These consolidated financial statements include the following subsidiaries:

Chilean ID number	Company	Country	Functional currency	Direct	Indirect	12/31/2019 Total	12/31/2018 Total
92,048,000-4	SAAM S.A. and Subsidiaries	Chile	US dollars	99.9995%	0.0005%	100.00%	100.00%
76,729,932-K	SAAM Logistics S.A. and subsidiaries	Chile	US dollars	99.99945%	0.0055%	100.00%	100.00%
76,757,003-1	SAAM Ports S.A. and Subsidiaries	Chile	US dollars	99.9995%	0.0005%	100.00%	100.00%
96,973,180-0	SAAM Internacional S.A. and Subsidiaries	Chile	US dollars	-	100.00%	100.00%	100.00%
76,479,537-7	SAAM Inversiones SPA	Chile	US dollars	100.00%	-	100.00%	100.00%
76,002,201-2	SAAM Puertos S.A. and Subsidiaries	Chile	US dollars	-	100.00%	100.00%	100.00%
76,708,840-K	Inmobiliaria San Marco Ltda. and Subsidiaries	Chile	US dollars	-	100.00%	100.00%	100.00%
96,720,220-7	Inversiones San Marco Ltda. and Subsidiaries	Chile	US dollars	-	100.00%	100.00%	100.00%
Foreign	SAAM Remolques S.A. de C.V. and Subsidiaries(1)	Mexico	US dollars	-	100.00%	100.00%	51.00%
Foreign	SAAM Towage Brasil S.A. and Subsidiaries(1)	Brazil	US dollars	-	100.00%	100.00%	N/A
Foreign	Concesionaria SAAM Costa Rica S.A	Costa Rica	US dollars	-	100.00%	100.00%	100.00%
Foreign	Ecuaestibas S.A	Ecuador	US dollars	-	100.00%	100.00%	100.00%
Foreign	SAAM Remolcadores Colombia S.A.	Colombia	US dollars	-	100.00%	100.00%	100.00%
Foreign	Inversiones Habsburgo S.A.	Panama	US dollars	-	100.00%	100.00%	100.00%
Foreign	Inversiones Alaria S.A.II	Panama	US dollars	-	100.00%	100.00%	100.00%
Foreign	Saam Remolcadores Panamá S.A.	Panama	US dollars	-	100.00%	100.00%	100.00%

The subsidiaries included in the consolidation and their subsidiaries have adopted the same accounting criteria as the parent company, in order to ensure uniformity in the presentation of the consolidated financial statements of SM SAAM.

(1) On October 30, 2019, the closing terms and conditions were met as described in the purchase agreement concluded on May 8, 2019 with Boskalis Holding B.V. (Boskalis), which resulted in acquiring 49% of Boskalis shares in SAAM SMIT Towage Mexico S.A. de C.V., which operates businesses in Mexico, Canada and Panama, and 50% of its interest in SAAM SMIT Towage Brazil S.A. This acquisition gives SM SAAM control over all the shares of SST Brazil and increased its percentage interest in SST Mexico to 100%, while keeping control.

After the usual adjustments for such transactions, the cash payment was ThUS\$194,356, which was paid with a combination of its own capital and bank financing.

3.3 Functional and presentation currency

a) Functional currency

The consolidated financial statements are presented in United States dollars, which is the functional currency or SM SAAM. Each group entity has determined its functional currency based on the currency of the main economic environment in which it operates.

Items in a currency other than the functional currency are considered to be foreign currency transactions and are initially recorded at the exchange rate on the transaction date. At the end of each period, monetary assets and liabilities in foreign currency are translated at the closing exchange rate, and non-monetary items in foreign currency are remain translated at the exchange rate on the transaction date.

The exchange differences account in the consolidated statement of comprehensive income by function includes the effects of exchange rate changes on the value of assets and liabilities in foreign currencies.

b) Presentation currency

Group entities with a functional currency other than the currency of SM SAAM must translate, at the reporting date, their results and statement of financial position at the presentation currency of the parent company by translating their assets and liabilities at the closing exchange rate and their results at the average exchange rate. The main companies presenting their financial statements in US dollars are SAAM Towage Canada Inc. and Subsidiaries, whose functional currency is the Canadian dollar, and Terminal Marítima Mazatlán whose functional currency is the Mexican peso.

Exchange differences arising from the translation into the presentation currency are recognized as a separate component of equity, in other comprehensive income, in the reserve account of exchange differences on translation.

3.4 Translation basis for transactions in foreign currencies and indexed units

The principal foreign currency assets and liabilities are stated at their equivalent value in US dollars, calculated at the following closing exchange rates.

Currency	12/31/2019	12/31/2018
Chilean peso	748.74	694.77
Mexican peso	18.8870	19.6812
Canadian dollar	1.3061	1.3633

The assets and liabilities indexed in Unidades de Fomento (UF) were presented in US dollars at the following values at the reporting date

Closing date	12/31/2019 US\$	12/31/2018 US\$
UF / US\$	37.81	39.68

3.5 Business combinations

The acquisition method is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- Fair values of the transferred assets.
- Liabilities incurred by the former owners of the acquired business.
- Shares issued by the Company.
- Fair value of any asset or liability resulting from a contingent arrangement.
- Fair value of any pre-existing interest in the subsidiary.

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Identifiable assets, liabilities and contingencies acquired in a business combination are initially valued at fair value as of the acquisition date, with limited exceptions. The Company recognizes any non-controlling interest in the acquired entity on a purchase by purchase basis either at its fair value or at the non-controlling shareholders' proportional share of the acquired entity's net identifiable assets.

Costs relating to the acquisition are accounted for as expenses, which also includes the excess of:

- The consideration transferred.
- The amount of any non-controlling interest in the acquired entity.
- The fair value at the acquisition date of any previous equity interest in the acquired entity over the fair value of the identifiable net assets acquired is recorded as goodwill. If these amounts are less than the fair value of the identifiable net assets of the acquired entity, the difference is recognized directly in the statement of net income as a purchase on advantageous terms.

When payment of any portion of the acquisition price is deferred, amounts payable in the future will be discounted to their present value on the date of change. The discount rate used is the entity's incremental loan rate, which is the rate at which a similar loan could be obtained from an independent lender under comparable terms and conditions.

Any contingent acquisition price is classified as either capital or financial liabilities. The amounts classified as financial liabilities are subsequently valued at fair value with changes in profit and loss.

If the business combination occurs in stages, the book value as of the acquisition date of the interest previously held by the acquirer is revalued at fair value as of the acquisition date. Any gain or loss arising from that revaluation is recognized in the statement of net income.

3.6 Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in bank checking accounts, time deposits and other financial investments that mature within 90 days. They also include cash management investments, such repurchase and resale agreements that mature before the same deadline.

Bank overdrafts are included in short-term loans under current liabilities.

Cash and cash equivalents in the financial statements include cash, bank checking accounts, and other highly liquid short-term investments (with original maturities of three months or less) that can be quickly liquidated and have no significant risk of changes in value.

3.7 Trade and other receivables

Trade receivables are recognized at fair value, less impairment losses.

They also include non-trade receivables, such as sundry debtors, loans to staff and to foreign entities.

3.8 Inventories

Inventories are valued at the lesser of cost or net realisable value. The cost of inventories is based on in the FIFO method (first in, first out), and includes the acquisition cost of inventories and other costs incurred in moving them to their current location and condition.

The net realisable value is the estimated sales value in the normal course of business, less estimated selling expenses.

Spare parts are valued at historical acquisition cost and recognized in net income using the FIFO method.

Low-turnover spare parts, mainly those that are used in the repair and maintenance of the Company's main assets, tugs and cranes, constitute strategic inventories, and given their unpredictable demand, they are classified as non-current inventory.

3.9 Intangible assets

Intangible assets are identifiable non-monetary assets, without physical substance, that are generated by commercial transactions. Only those intangible assets whose costs can be objectively estimated and those assets from which it is likely that economic benefits will be obtained in the future are recognized for accounting purposes.

Intangible assets with finite useful lives are initially recognized at acquisition or development cost and will be valued at cost less accumulated amortization and any impairment losses.

a) Port concessions

Port concession assets that are recognized under IFRIC12 are recorded as intangible assets as they have the right to collect revenues based on use. The cost of these intangible assets includes the mandatory infrastructure defined in the concession contract and the present value of all minimum contract payments, for which a financial liability is recorded for the value of the intangible asset.

These consolidated financial statements contain port concession agreements registered with indirect subsidiaries Iquique Terminal Internacional S.A. and Maritime Terminal Mazatlán S.A. of C.V., Sociedad Portuaria Caldera S.A. and Sociedad Portuaria Granelera de Caldera S.A. (See Note 35).

The associates that record port concession agreements in their financial statements are Antofagasta Terminal Internacional S.A., San Antonio Terminal Internacional S.A. and San Vicente Terminal Internacional S.A.

b) Customer relationships

Intangible assets called "Customer Relationships" arise from business combinations and they are amortized over the estimated period that benefits will be received from the current customer portfolio in each company at the acquisition date. These assets are amortized as of July 1, 2014 (ST Canada) and November 1, 2019 (ST Brazil), which are the dates these transactions took place.

c) Goodwill

Goodwill represents the difference between the acquisition value of the shares or rights of subsidiaries, associates and joint ventures and the fair value of the identifiable contingent assets and liabilities at the acquisition date. Goodwill related to acquisitions of associates and joint ventures is included in investments recognized using the equity and joint-ventures method.

Goodwill arising on acquisitions of subsidiaries, joint ventures and businesses associated with functional currencies other than the US dollar is valued in the functional currency of the acquired company, translating it into US dollars at the exchange rate prevailing at the date of the statement of financial position.

Goodwill is not amortized, and at the end of each accounting period. It is estimated whether there are indications of impairment that could reduce its recoverable value to an amount lower than the recorded cost, in which case an impairment loss is recorded.

As of the date of these consolidated financial statements there are no indications of impairment that warranted making an adjustment.

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d) Amortization of intangible assets

Amortization is recognized in the income statement, on a straight-line basis over the estimated period of use, or right of use for concessions, with effect from the date on which the asset became available for use.

Estimated useful lives by asset class are detailed as follows:

Class	Minimum	Maximum
Goodwill		Indefinite
Water rights		Indefinite
Licenses and franchises	5 years	20 years
Port concessions (Note 35)		Concession term
Tug boat concessions (Note 35)		Concession term
Customer relationships (Note 17.3)	10 years	15 years
Contracts and others (Note 17.3)	3 years	5 years
Computer software	3 years	7 years

e) Impairment of intangible assets

Intangible assets with indefinite useful lives are valued at cost and tested annually for impairment.

At the year end, or when deemed necessary, the Company and its subsidiaries evaluate whether there are indicators of impairment in their assets. If there are such indications, the Company estimates the recoverable value of the asset. The recoverable amount of an asset is the higher of the fair value less cost to sell and the value in use.

Fair value less selling costs is determined using independent expert reports or available objective information. Value in use is determined using estimated future cash flows discounted at the Company's WACC rate.

As of the reporting date, SM SAAM S.A. and its subsidiaries are not aware of any evidence of impairment due to significant changes, such as a decrease in market value, obsolescence, physical damage, market return, etc. that may affect the valuation of intangible assets, other than those already recognized this year.

3.7 Property, plant and equipment

a) Recognition and measurement

Items of property, plant and equipment are measured at cost minus accumulated depreciation and impairment losses, where appropriate.

Cost includes expenses directly attributed to the asset's acquisition. The cost of self-built assets includes the cost of materials, direct labor, financial expenses related to external financing that are directly attributable until the asset is operational, and any other cost directly allocated to the process of making the asset fit for its use, and the costs of dismantling and removing the assets and restoring the place where they are located.

When the significant parts of an item of property, plant and equipment have different useful lives, they are recorded as separate elements within the sub-ledger of property, plant and equipment.

Gains or losses on the sale of an item of property, plant and equipment are determined by comparing the sales price with the book value of property, plant and equipment and are recognized within "other income (losses)" in the statement of net income.

b) Subsequent Costs

The cost for replacing part of an item of property, plant and equipment is recognized in its carrying amount if it is possible that the future economic benefits incorporated within the part will flow in more than one period to SM SAAM and its cost can be measured reliably

The costs of daily maintenance of property, plant and equipment are recognized in the statement of net income when incurred.

Subsequent to the acquisition, only disbursements incurred that increase the economic useful life of the asset or its economic capacity and that are different from routine maintenance will be capitalized.

c) Depreciation and useful lives

Depreciation is recognized in the consolidated statement of net income by function using the straight-line depreciation method over the useful lives of each item of property, plant and equipment. This is the method that best reflects the use and consumption of the asset.

The estimated useful lives for the current periods are as follows.

Class	Minimum	Maximum
Buildings and construction	40	80
Port terminal infrastructure(1)		Concession term
Leasehold property improvements		Lease term
Vessels, tugboats, barges and lighters	10	30
Machinery	5	15
Transport equipment	3	10
Office machinery	1	3
Furniture, fixtures and fittings	3	5

(1) Includes assets not controllable by the entity granting the concession. The useful lives of these assets may exceed the concession period when the asset is transferable to other operations of the Company.

d) Leases

The Company recognizes contracts that meet the definition of a lease as an asset with a right to use and a liability for a lease on the date on which the underlying asset is available for use.

Right to use assets are valued at cost including the following.

- The amount of the initial measurement of the lease liability
- The initial direct costs

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Right to use assets are recognized in the statement of financial position under Property, plant and equipment (See Note 18).

Lease liabilities include the net present value of the following payments.

- Essentially fixed payments
- Variable payments based on an index or rate
- Call options at the exercise price, when these are reasonably certain to be exercised.

The Company determines the present value of the lease payments using the rates implicit in the underlying lease contracts, using the incremental interest rate.

Lease liabilities are recognized in the statement of financial position under current and non-current other financial liabilities (See Note 22). Interest accrued on financial liabilities is recognized in the consolidated statement of net income under "Financial costs".

Capital and interest installments paid are recognized in the consolidated statement of cash flow as "Payments of liabilities under finance leases" and "Interest paid" in the Cash Flow from Financing Activities.

The Company does not have any embedded leases in contracts that require separation.

e) Impairment of property, plant and equipment

At the end of each year, or when deemed necessary, the Company and its subsidiaries evaluate whether there are indications of impairment in their assets, such as significant decreases in value, indicators of obsolescence or physical deterioration, or changes in the legal, economic or technological environment in which the asset is used. If there are such indications, the Company estimates the recoverable value of the asset. The recoverable amount of an asset is the higher of the fair value less cost to sell and the value in use.

Fair value less selling costs is determined using independent expert reports or available objective information. Value in use is determined using estimated future cash flows discounted at the Company's WACC rate.

In the case of assets that do not generate cash flows independently, impairment will be evaluated based on the grouping of assets that generate identifiable flows (cash generating units).

If the recoverable amount of the asset is less than its net book value, the corresponding impairment adjustment is recognized in the statement of net income, leaving the asset at its recoverable value.

Impairment losses on revalued assets are recognized with a charge to equity up to the amount of the previous revaluation.

Impairment losses recognized in prior periods will be evaluated at each year-end, in order to determine any indication that the loss has decreased or disappeared, recognizing the reversal with credit to the statement of net income unless an asset is recorded at the revalued amount, in which case the reversal is credited to equity.

As of the reporting date, SM SAAM S.A. and its subsidiaries are not aware of any evidence of impairment due to significant changes, such as a decrease in market value, obsolescence, physical damage, market return, etc. that may affect the valuation of property, plant and equipment, other than those already recognized this year.

3.8 Investment properties

Investment properties are properties held to receive rental income, to benefit from capital appreciation, or both, but not for sale in the normal course of business, use in production or supply of goods or services, or for administrative purposes. Investment properties are valued at cost less accumulated depreciation and accumulated impairment losses. When the use of a property changes, its value, is reclassified to the item in the statement of financial position that best reflects its new use.

3.9 Provisions

A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is likely that a resource disbursement, including economic benefits, will be required to settle the obligation, and its value can be reliably estimated. The provision is the best estimate of the amount payable, as of the reporting date. When the estimated payment period is long term and can be estimated with sufficient reliability, the provision is recorded at its present value, discounting the estimated payment flows at a market interest rate that reflects the specific risks of the obligation.

Provisions should be reviewed at the end of each reporting period and adjusted accordingly to reflect the best available estimate at any given time.

3.10 Financial liabilities

These liabilities are initially recognized at the transaction value. Costs incurred that are directly attributable to the transaction are depreciated over the period of the loan and presented as a reduction in the liability. They are valued at amortized cost, using the effective interest rate method (equivalent annual charge).

3.11 Trade and other payables

These include payables for trade purchases and related expenses, plus non-trade payables, such as sundry creditors, retentions from staff remuneration and others.

3.12 Employee benefits

a) Defined benefit plans

The Company is obliged to pay severance indemnities under the collective bargaining agreements. This obligation is provided for by applying the actuarial value method to the accrued cost of the benefit, with a nominal annual discount rate ranging from 1.23% to 1.9%, considering estimates such

as future tenure, employee mortality rate and future salary increases, determined on the basis of actuarial calculations. Discount rates are determined by reference to market interest curves.

The present value of the obligation is determined by actuarial valuations. Actuarial valuation involves making assumptions about the discount rate, future salary increases, mortality rates and future pension increases. All assumptions are reviewed once a year. Discount rates take as a reference the interest rates of instruments issued by the Central Bank of Chile. The mortality rate is based on publicly available mortality tables for the country. Future increases in salaries and pensions are based on projected future increases in the inflation rate for the country. (Details of the actuarial assumptions used can be found Note 26.3).

b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and accounted for in the statement of net income by function as the related service is accrued.

3.13 Operating revenue and costs of sales

Revenue from ordinary activities and the costs of sales from providing services are recognized in income on accrual basis.

Revenue from ordinary activities is recognized only to the extent that it can be reliably measured and it is probable that the economic benefits will flow to the Company regardless of when that occurs.

The cost of sales associated with the services provided are recognized on an accrual basis directly to the respective business areas of the Company.

Revenue from ordinary activities and costs of sales are recognized net of discounts.

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3.14 Financial income and financial costs

Financial income is recognized in the statement of comprehensive income by function according to its accrual basis.

Financial costs are generally taken to the statement of net income when they are incurred, except those that finance the construction or development of qualifying assets that require a substantial period to prepare them for use, and those related to the actuarial cost of staff benefits.

3.15 Income tax

The Company and its subsidiaries in Chile account for income tax based on net taxable income determined according to the rules established in Income Tax Law. This calculation for foreign subsidiaries complies with the laws in their respective countries.

3.16 Deferred taxes

Deferred tax assets and liabilities are recognized using the statement of financial position method. Temporary differences between the book value of the assets and liabilities and their tax base are recorded as established in IAS 12 "Income tax".

Deferred taxes are valued at tax rates expected to be applied when temporary differences are reversed, based on laws that have been approved or are about to be approved on the closing date of each financial statement.

3.17 Investments and other financial assets

a.1) Classification

SM SAAM classifies its financial assets into the following categories of measuring.

- Those that are subsequently valued at fair value (either through other comprehensive income, or through profit and loss), and
- Those that are valued at amortized cost.

This valuation depends on the business model used by the Company to manage the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, Gains and losses are recorded in net income or other comprehensive income. Gains and losses on investments in equity instruments that are not held for trading will depend on whether the Company has made an irrevocable decision at initial recognition to record the investment at fair value through other comprehensive income. The Company only reclassifies debt instruments when it changes its business model for managing those assets.

a.2) Recognition

Routine purchases and sales of financial assets are recognized as of the transaction date, which is the date that the Company commits to purchase or sell the asset. Financial assets are de-recognized when the rights to receive cash flows from the financial asset have expired or have been transferred and the Company has transferred substantially all risks and property benefits.

a.3) Measurement

Financial assets are valued at initial recognition at fair value plus transaction costs directly attributable to the acquisition of the financial asset, in the case of a financial asset that is not recognized at fair value through profit or loss. Transaction costs of financial assets recognized at fair value through profit and loss are recorded in the statement of net income. Financial assets with embedded derivatives are considered in their entirety when determining whether cash flows are only payments of principal and interest.

b) Non-derivative financial instruments

Financial instruments are classified at the time of initial recognition as a financial asset, financial liability or equity instrument, in accordance with the substance of the contractual arrangement.

Also, financial instruments are classified for valuation purposes into four categories, financial assets at fair value through profit or loss, loans and receivables, investments held-to-maturity and financial liabilities. This classification depends on the characteristics of the instrument and the purpose for its acquisition. SM SAAM de-recognizes a financial liability when its contractual obligations are cancelled or expire.

After initial recognition, non-derivative financial instruments are valued as follows.

b.1) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are financial assets held for trading, or are designated as such upon initial recognition. A financial asset or liability is classified as held for trading if:

- It is acquired or incurred primarily for the purpose of selling or repurchasing it in the immediate future.
- It is part of a portfolio of identified financial instruments, which are managed together and for which there is evidence of a recent pattern of short-term profit.
- It is a derivative, except a derivative that has been designated as a hedging instrument and meets the conditions to be effective.

Financial assets at fair value through profit or loss are initially recorded at fair value. Transaction costs directly attributable to the purchase or issue are recognized as an expense when incurred. Subsequent to initial recognition, they are recognized at fair value with changes recorded in the statement of net income.

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c) Other non-derivative financial instruments

Other non-derivative financial instruments including loans and receivables are valued at amortized cost using the effective interest rate method, less any impairment loss.

d) Financial asset impairment

Provisions for doubtful debts are based on the expected losses, by evaluating the historical payment behavior of customers in the various portfolio segments. They are evaluated by preparing recoverability matrices composed of age ranges, which show expected uncollectibility percentages during the life of the asset and are recognized from the outset.

Loans and receivables are included in "Trade and other receivables" in the consolidated statement of financial position, except for those maturing more than 12 months after the closing date, that are classified as trade and other receivables, non-current. They are recorded at amortized cost in accordance with the effective interest rate method and this is their initial fair value.

The effective interest rate method is a method of calculating the amortized cost of a financial asset or liability and of allocating the financial income or expense over the corresponding period. The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument (or when appropriate over a shorter period) with the net carrying amount of the financial asset or financial liability.

Current trade receivables are not discounted. The Company has determined that amortized cost does not differ from the amount invoiced because the transaction does not involve any significant costs.

3.18 Derivatives and hedge transactions

a) Derivative financial instruments

Derivative financial instruments used to hedge risk exposure in foreign currency and interest rates are initially recognized at fair value. Attributable transaction costs are recognized in the statement of net income when they are incurred. After initial recognition, derivative financial instruments are measured at fair value, and any changes are recorded as follows.

a.1) Fair value hedges

Derivative financial instruments that satisfy hedge accounting criteria are initially recognized at fair value plus / minus the transaction costs that are directly attributable to contracting or issuing the instrument, as appropriate. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated statement of net income, together with any change in the fair value of the hedged asset or liability that are attributable to the hedged risk.

a.2) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in the statement of other comprehensive income. Any loss or gain related to the ineffective portion is recognized immediately in the consolidated statement of net income within other income (losses). The amounts accumulated in equity are reclassified to the statement of net income in the periods in which the protected item impacts the statement of net income.

Variable interest rate hedges that are recognized in the statement of other comprehensive income are reclassified to the statement of net income to the line of financial expenses as the interest of the associated debts are earned.

Foreign currency hedges that are recognized in the statement of other comprehensive income are reclassified to the statement of net income as the hedged items are impacted by changes in exchange rates and affect the statement of net income.

When a hedge instrument matures, or is sold, or when it no longer satisfies hedge accounting criteria, any gain or loss accumulated in the statement of other comprehensive income until that point remains in the statement of other comprehensive income and is recognized when the forecast transaction is finally recognized in the consolidated statement of net income. When the forecast transaction is not expected to occur, any accumulated gain or loss accumulated in the statement of other comprehensive income is recognized immediately in the consolidated statement of net income within other income (losses).

a.3) Derivatives not designated as hedges

Hedge accounting is not applicable to derivative instruments that financially cover monetary assets and liabilities denominated in foreign currencies. Changes in the fair value of such derivatives are recognized in the statement of net income by function as part of gains and losses from foreign currency.

Derivative financial instruments that do not satisfy hedge accounting criteria are classified and valued as financial assets or liabilities at fair value through profit and loss.

3.19 Non-current assets held for sale

Non-current assets, or groups of assets and liabilities, that are expected to be recovered principally through sales rather than through continuous use, are classified as held for sale and are valued at the lower of their book value and fair value less selling costs.

Immediately prior to this classification, these assets or disposal groups are valued at the lower of their book value and fair value less selling costs.

Any impairment loss in a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis. Impairment losses when initially classified as held for sale and subsequent gains or losses are recognized in the statement of net income. Gains are only recognized when accumulated impairment losses are covered.

3.20 Determination of fair values

Some criteria and accounting disclosures of the Group require that the fair value of certain financial assets be determined as follows.

a) Financial assets

The fair value of financial assets at fair value through profit and loss and financial assets held for sale is market value.

b) Trade and other receivables

As trade receivables are collected within 120 days, their fair value is not estimated to differ significantly from their book value.

c) Derivatives

The fair value of derivative contracts is based on their quoted price.

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3.21 Minimum dividend

As of December 31, 2019, the Company has provided for a minimum dividend according to Article 79 of Chilean Corporate Law, which establishes that listed corporations should distribute an annual cash dividend to their shareholders, in proportion to their shares or the proportion established in the company's by-laws if it has preferred shares, of at least 30% of net distributable income for each year, except when accumulated losses from prior years must be absorbed, and unless unanimously agreed otherwise by shareholders of all issued shares. SM SAAM calculates the minimum dividends payable to its shareholders during the next year, which are recorded under "Other non-financial liabilities" and charged to "Retained Earnings (Losses)" in Equity.

3.22 Environment

Disbursements related to environmental protection are charged to the statement of net income when they are incurred.

3.23 New accounting pronouncements

Standards, interpretations and amendments that are mandatory for the first time for financial periods beginning on January 1, 2019.

Standards and Interpretations

IFRS 16 "Leases" - issued in January 2016. Establishes the standards to recognize, value, present and disclose leases. IFRS 16 replaces IAS 17 and introduces a unique lessee accounting model that requires a lessee to recognize the assets and liabilities of all rental contracts with a term of over 12 months, unless the underlying asset is of low value. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, and early implementation is permitted for entities that apply IFRS 15, or before the date that IFRS 16 is initially implemented. The impact of applying this standard is reflected in the following table.

	01-01-2019 12-31-2019 ThUS\$
Gross asset value (initial)	32,846
Financial liability value (initial)	32,846
Net asset value (final)	27,835
Accumulated depreciation (final)	(5,378)
Financial liabilities, current	5,044
Financial liabilities, non-current	23,288
Financial costs	1,597
Cash outflows due to lease payments	6,474

IFRIC 23 "Uncertainty over Income Tax Treatments" - issued in June 2017. This interpretation clarifies how to apply the recognition and measurement requirements of IAS 12 when there is uncertainty regarding income tax treatment.

Amendments and improvements

Amendment to IFRS 9 "Financial Instruments" - issued in October 2017. The amendment allows more assets to be valued at amortized cost than in the previous version of IFRS 9, in particular some prepaid financial assets with negative compensation. The assets affected, which include some loans and debt securities, would otherwise have been valued at fair value through profit and loss (FVTPL). To qualify for amortized cost measurement, the negative compensation must be "reasonable compensation for early termination of the contract".

Amendment to IAS 28 "Investments in Associates and Joint Ventures" - issued in October 2017. This amendment clarifies that companies that account for long-term interests in an associate or joint venture, where the equity method is not applied - should use IFRS 9. The IASB Council has published an example that illustrates how companies should apply the requirements of IFRS 9 and IAS 28 to long-term interests in an associate or joint venture.

Amendment to IFRS 3 "Business Combinations" - issued in December 2017. The amendment clarified that gaining control of a joint operation company is a business combination that is achieved in stages. The acquirer should revalue its previous interest in the joint operation at fair value on the acquisition date.

Amendment to IFRS 11 "Joint Arrangements" - issued in December 2017. The amendment clarified that the entity that gains joint control of a joint operation company must not revalue its previous interest in the joint operation.

Amendment to IAS 12 "Income Taxes" - issued in December 2017. The amendment clarifies that the income tax consequences of dividends on financial instruments classified as equity must be recognized according to where the transactions or past events that generated those distributable profits were recognized.

Amendment to IAS 23 "Borrowing Costs" - issued in December 2017. The amendment clarifies that if a specific loan remains outstanding after the qualifying asset is ready for its intended use or sale, that loan becomes part of general loans.

Amendment to IAS 19 "Employee Benefits" - issued in February 2018. The amendment requires that entities use up-to-date assumptions to determine the cost of the current service and the net interest for the remainder of the period after an amendment, reduction or liquidation of the plan; and recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if this surplus was not previously recognized because it did not exceed the upper asset limit of the asset.

The Company's management believes that the future adoption of these standards (except IFRS 16), interpretations and amendments did not have a significant impact on the Company's consolidated financial statements when they are first applied.

Standards, interpretations and amendments issued, but not yet mandatory and which have not been adopted early.

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Standards and interpretations	Mandatory for annual periods beginning
Amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" - issued in October 2018. It introduces a consistent definition of materiality in all IFRS and the Conceptual Framework for Financial Information; and clarifies the definition of material. It incorporates some of the guidance in IAS 1 on immaterial information.	01/01/2020
Amendment to IFRS 3 "Definition of a business" - issued in October 2018. Revises the definition of a business. According to the feedback received by the IASB, the current guidance is often considered to be too complex, and results in too many transactions that qualify as business combinations.	01/01/2020
IFRS 17 "Insurance Contracts" - issued in May 2017, replaces the current IFRS 4. IFRS 17 will change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features. The standard applies to annual periods beginning on or after 1 January 2021, and early application is permitted for entities that apply IFRS 15, "Revenue from contracts with customers" and IFRS 9, "Financial Instruments".	01/01/2021
Amendment to IFRS 9, IAS 39 and IFRS 7 "Reference Rate Reform" - issued in September 2019. These amendments provide specific simplifications regarding reference rate reform. The simplifications relate to hedge accounting and have an effect on IBOR reform, which generally should not terminate hedge accounting. However, any hedging inefficiencies should continue to be recorded in the statement of net income.	01/01/2020
Amendment to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - issued in September 2014. This amendment addresses an inconsistency between the requirements of IFRS 10 and IAS 28 in the treatment of the sale or provision of goods between an investor and its associate or joint venture. The main consequence of these amendments is that they recognize a full gain or a loss when the transaction involves a business (whether or not in a subsidiary) and a partial gain or loss when the transaction involves assets that do not constitute a business, even if these assets are in a subsidiary.	Undetermined

The Company's management believes that the future adoption of the above standards, amendments and interpretations will have no significant impact on the Company's consolidated financial statements when they are first applied.

NOTE 4 ACCOUNTING CHANGES

During the year from January 1 to December 31, 2019, the Company has uniformly applied its accounting policies compared to 2018.

NOTE 5 RISK MANAGEMENT

The risks facing the Company's business are credit risk, liquidity risk, market risk, currency risk, operational risk and capital management risk. The Company manages exposure to them in accordance with its strategy.

SM SAAM manages its risks in order to identify and analyze the risks faced by the Company, set limits and appropriate risk controls.

The Company's sources of financing are mainly comprised of equity, financial debts from loans and leasing transactions, and payables. Financing should have a balanced short and long term structure, a low risk exposure and repayments that match the Company's cash flow, in order to mitigate the effects of risk.

a) Credit risk

Credit risk is the risk of financial loss arising from a customer or counterparty to a financial instrument failing to meet its contractual obligations. Credit granted to customers is regularly reviewed, in accordance with the controls defined by the Company, and to monitor the status of receivables.

Services are provided to customers under market conditions, which involves simple credit that does not exceed 120 days on average.

These transactions are not concentrated in significant customers, in fact the Company's customers are well fragmented, which distributes this risk.

The Company has defined customer categories with respect to their arrears based on defined default criteria, which further define the corresponding collection measures and when they are exhausted, legal collection. Default is based on the customers' inability to pay their obligations on the dates they fall due. When the credit period expires, the Company will classify the debtor within the established default ranges, and apply the expected loss percentages defined by the Company.

The Company applies the simplified approach of IFRS 9 to measure expected credit losses using an expected loss provision over the life of the instrument for all receivables.

Expected credit losses are measured by grouping receivables by their shared credit risk characteristics and days overdue. Therefore, the Company has concluded that the expected loss rates for receivables are a reasonable approximation of the loss rates for these assets.

The expected loss rates are based on sales payment profiles over a 12-month period prior to December 31, 2019, and the corresponding historical credit losses experienced within the current period. Historical loss rates are adjusted to reflect current and prospective information on various macroeconomic and customer-specific factors that affect their ability to settle receivables, such as the status of the country, industry, inflation, bankruptcy, and other factors. The Company analyses the specific market situation of each customer where necessary and has determined specific events that could affect their creditworthiness, applying higher risk factors where appropriate.

The estimation techniques and assumptions have not been amended during the year.

On this basis, the provision for losses as at December 31, 2019 and December 31, 2018 was as follows.

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Age of Receivable	Expected loss (range)
Not yet due	0.13% - 0.22%
30 days after the receivable due date	0.22% - 4.65%
60 days after the receivable due date	0.37% - 15.73%
90 days after the receivable due date	1.63% - 25.47%
120 days after the receivable due date	11.47% - 36.52%
180 days after the receivable due date	15.90% - 48.74%
240 days after the receivable due date	20.11% - 73.67%
300 days after the receivable due date	40.11% - 94.21%
360 days after the receivable due date	55.06% - 100%
Over 360 days after the receivable due date	98.44% - 100%
Legal collections, checks issued with insufficient funds and other similar situations	100%
High risk customers, case by case review	100%

Currently, the expected loss percentages due to the impairment of receivables are separately calculated by each company within the SAAM Group. This is because each company has different criteria for granting credit and managing collections.

Receivables are derecognized when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor does not suggest a payment plan to the Company, cannot meet contractual payments for a period exceeding 360 days, in addition to carrying out external and judicial collection procedures.

Impairment losses on receivables and contractual assets are presented as net impairment losses in operating income. Subsequent recoveries of previously canceled receivables are credited against the same line.

There are no financial assets that have been eliminated or contractually amended during the period and are pending collection.

Impairment losses

The book value of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk related to trade receivables as of December 31, 2019 and December 31, 2018 was as follows.

	Note	12/31/2019			12/31/2018		
		Current	Non-current	Total	Current	Non-current	Total
Trade receivables		78,402	211	78,613	67,344	-	67,344
Impairment of trade receivables		(4,623)	-	(4,623)	(3,954)	-	(3,954)
Trade receivables, net		73,779	211	73,990	63,390	-	63,390
Other receivables		12,146	14,283	26,429	10,881	15,832	26,713
Impairment of other receivables		-	-	-	-	-	-
Other receivables, net		12,146	14,283	26,429	10,881	15,832	26,713
Total trade and other receivables	11	85,925	14,494	100,419	74,271	15,832	90,103

Change in impairment provision	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Opening balance as of January 1	3,954	4,661
Change in provisions (Note 30)	810	221
Increase due to change in accounting policy (IFRS 9)	-	183
Impairment reversal	(575)	(511)
Debtors written off	(98)	(268)
Effect of changes in exchange rates	532	(332)
Total impairment provision	4,623	3,954

There is no longer any possibility of recovering receivables written off during the current year.

b) Liquidity risk

Liquidity risk is the risk that the Company might face difficulties in meeting obligations associated with its financial liabilities that are settled through paying cash or sending other financial assets. The Company's approach for managing liquidity is to ensure, to the greatest extent possible, that it always has sufficient liquidity to meet its obligations at maturity, both under normal and more demanding conditions, without incurring unacceptable losses or risking the Company's reputation.

SM SAAM estimates its forecast liquidity needs for each year, covering receipts such as customer receivables and dividends, payments such as commercial and financial liabilities, and available cash balances.

Any cash surpluses can be invested in low-risk financial instruments.

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b.1) Exposure to liquidity risk

The contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of clearing agreements are as follows.

12/31/2019	Note	Book value	Contractual cash flows	0 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities							
Secured bank loans	22.1	(363,608)	(414,063)	(74,298)	(60,069)	(219,638)	(60,058)
Unsecured bank loans	22.1	(32,439)	(33,161)	(19,918)	(11,585)	(1,658)	-
Finance lease liabilities	22.2	(2,363)	(2,609)	(1,658)	(527)	(424)	-
Bonds payable	22.3	(107,920)	(118,907)	(2,839)	(55,774)	(4,416)	(55,878)
Financial liabilities under operating lease contracts	22.5	(28,846)	(33,671)	(6,315)	(6,061)	(16,688)	(4,607)
Concession contract obligations	22.6	(43,778)	(81,229)	(4,731)	(5,325)	(17,015)	(54,158)
Trade and other payables, and related entity payables	12 and 23	(43,000)	(43,000)	(43,000)	-	-	-
Derivative financial assets							
Interest rate and currency derivatives used for hedging	10	350	350	-	-	175	175
Derivative financial liabilities							
Interest rate and currency derivatives used for hedging	22.4	(1,800)	(1,800)	(205)	(839)	(626)	(130)
Total		(623,404)	(728,090)	(152,964)	(140,180)	(260,290)	(174,656)

The cash flows included in the maturity analysis are not expected to significantly differ from their settlement dates.

12/31/2018	Note	Book value	Contractual cash flows	0 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-derivative financial liabilities							
Secured bank loans	22.1	(130,416)	(152,260)	(27,584)	(24,479)	(73,057)	(27,140)
Unsecured bank loans	22.1	(43,435)	(46,979)	(14,119)	(13,704)	(15,601)	(3,555)
Finance lease liabilities	22.2	(3,119)	(3,375)	(2,183)	(1,192)	-	-
Bonds payable	22.4	(113,603)	(127,757)	(2,980)	(2,980)	(61,617)	(60,180)
Concession contract obligations		(43,542)	(85,311)	(6,938)	(5,925)	(32,419)	(40,029)
Trade and other payables, and related entity payables	12 and 23	(36,599)	(36,599)	(36,599)	-	-	-
Derivative financial assets							
Interest rate and currency derivatives used for hedging	10	3,041	3,041	11	-	1,515	1,515
Derivative financial liabilities							
Interest rate and currency derivatives used for hedging	22.4	-	-	-	-	-	-
Total		(367,673)	(449,240)	(90,392)	(48,280)	(181,179)	(129,389)

c) Market risk

Market risk is the risk that changes in market rates and prices, such as exchange rates, interest rates or share prices, affect SM SAAM's revenue or the value of its financial instruments. The objective of market risk management is to manage and control exposure to this risk within reasonable parameters, while optimizing profitability.

The Company contracts derivatives and incurs financial obligations to manage market risks. Usually SM SAAM mitigates volatility in its results, caused by net positions of assets and liabilities in foreign currencies, using hedging instruments.

The Company regularly evaluates the profitability of its businesses in accordance with changes in the market that may substantially affect it.

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c.1) Interest rate risk and sensitivity

Interest rate risk arises primarily from those sources of financing that are exposed to variable interest rates indexed to the London Inter Bank Offer Rate ("LIBOR").

The financial liabilities of SM SAAM and its subsidiaries that are subject to changes in interest rates at the reporting date are as follows.

As of December 31, 2019						
Debtor	Creditor	Total debt	Agreed interest rate	Effective rate	Financial cost for the period	Financial cost sensitivity
		ThUS\$			ThUS\$	ThUS\$
Inarpi S.A.	Banco Santander Madrid	11,358	Libor180 +1.8%	3.71%	(421)	(463)
SAAM Remolques S. A. de C. V.	Corpbanca New York Branch	16,566	Libor180 +3%	4.66%	(772)	(849)
SAAM Remolques S. A. de C. V.	Banco Santander México	504	TIE 28+1.66%	10.12%	(51)	(56)
SAAM Remolques S. A. de C. V.	Banco Santander México	1,513	Libor30 +1.6%	3.82%	(58)	(64)
Sociedad Portuaria de Caldera S.A.	Banco Davivienda de Costa Rica	1,082	Libor30 +5.5%	7.26%	(79)	(87)
Sociedad Portuaria Granelera de Caldera S.A.	Banco Davivienda de Costa Rica	1,211	Libor+5.35%	7.11%	(86)	(95)
Sociedad Portuaria Granelera de Caldera S.A.	BAC San José	2,500	Libor+5.35%	5.26%	(132)	(145)
Florida International Terminal, LLC.	Banco Crédito e Inversiones Miami	4,581	Libor180 +3%	4.77%	(219)	(241)
SAAM Towage Brasil	BNDES	3,615	TJLP+3.70%	8.79%	(318)	(350)
SAAM Towage Brasil	Caterpillar	711	TJLP+3.80%	8.89%	(63)	(69)
SAAM SMIT Marine Canada	Scotiabank Canada (75% fixed rate	3,855	Canada BA +	3.73%	(144)	(158)
	25% variable rate)		1.75%			(130)
Total financial liabilities at variable rates		47,496			(2,343)	(2,577)
Total interest-bearing financial liabilities (Notes 22.1, 22.2, 22.3 and 22.5)		535,176				(2,109)
Total financial liabilities at variable rates		8.87%				

As of December 31, 2018						
Debtor	Creditor	Total debt	Agreed interest rate	Effective rate	Financial cost for the period	Financial cost sensitivity
		ThUS\$			ThUS\$	ThUS\$
Inarpi S.A.	Banco Santander Madrid	13,271	Libor 180+1.8%	4.96%	(658)	(724)
SAAM Remolques S. A. de C. V.	Corpbanca New York Branch	24,696	Libor 180+3%	4.31%	(1,064)	(1,171)
Sociedad Operadora de Puertos de Estiba y Desestiba Costa Rica	Banco Estado	8,260	Libor 180+2.0%	3.84%	(317)	(349)
Sociedad Portuaria de Caldera S.A.	Banco Davivienda de Costa Rica	2,300	Libor 30+5.5%	6.43%	(145)	(163)
Sociedad Portuaria Granelera de Caldera S.A.	Banco Davivienda de Costa Rica	2,266	Libor 305.35%	6.85%	(155)	(170)
Florida International Terminal, LLC.	Banco Crédito e Inversiones Miami	4,565	Libor 180+3%	5.97%	(273)	(300)
SAAM SMIT Marine Canada	Scotiabank Canada (75% fixed rate	4,041	Canada BA +	3.20%	(129)	(142)
	25% variable rate)		1.75%			(116)
SAAM SMIT Marine Canada	Scotiabank Canada (75% fixed rate	2,921	Canada BA +	4.10%	(120)	(132)
	25% variable rate)		1.45%			(108)
Total financial liabilities at variable rates		62,320			(2,861)	(3,151)
Total interest-bearing financial liabilities (Notes 22.1, 22.2, 22.3 and 22.5)		290,573				(2,576)
Total financial liabilities at variable rates		21.45%				

The method used to calculate the effect of interest rate changes on variable rate financial instruments that are not protected by hedges consists of changing the interest rate by 100 basis points, and calculating the effect at the end of each period.

As of December 31, 2019, the consolidated exposure to variable interest rate liabilities amounts to ThUS\$47,496 (ThUS\$62,320 as of December 31, 2018).

d) Foreign currency sensitivity

	Spot exchange rate	
	12/31/2019	12/31/2018
Chilean peso	748.74	694.77
Mexican peso	18.887	19.6812
Canadian dollar	1.3061	1.3633

The main foreign currencies to which the Company is exposed, other than the functional currency, are the Chilean peso, the Canadian dollar and the Mexican peso. Based on the Company's net financial assets and liabilities at each reporting date, a weakening/strengthening of the US dollar against these currencies while all other variables are held constant could have affected after-tax income and shareholders' equity, as follows.

Foreign currency exposure in 2019:

	Effect on net income				
	Assets	Liabilities	Net position	Exchange rates +10%	Exchange rates -10%
Currency	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
CLP	28,034	(27,259)	775	(70)	86
CAD	-	-	-	-	-
MXP	33,982	(18,432)	15,550	(144)	1,728
Total effect on net income				(1,484)	1,814

Effect on equity ⁽¹⁾				
Assets	Liabilities	Net position	Exchange rates +10%	Exchange rates -10%
ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
28,754	-	28,754	(2,644)	3,195
104,119	(49,592)	54,527	(4,957)	6,059
35,727	(28,369)	7,358	(669)	818
Total effect on equity			(8,240)	10,072

(1) The effect of exchange rate changes is recorded against equity in translation reserves.

Foreign currency exposure in 2018:

	Effect on net income				
	Assets	Liabilities	Net position	Exchange rates +10%	Exchange rates -10%
Currency	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
CLP	26,714	(26,384)	330	(30)	37
CAD	-	-	-	-	-
MXP	19,594	(32,495)	(12,901)	1,73	(1,433)
Total effect on net income				1,143	(1,396)

Effect on equity ⁽¹⁾				
Assets	Liabilities	Net position	Exchange rates +10%	Exchange rates -10%
ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
28,673	-	28,673	(2,606)	3,185
134,459	(43,846)	90,613	(8,236)	10,066
-	-	-	-	-
Total effect on equity			(10,842)	13,251

(1) The effect of exchange rate changes is recorded against equity in translation reserves.

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The variables used calculate foreign currency sensitivity for 2019 and 2018 are as follows.

Currency	12/31/2019			12/31/2018		
	Exchange rate	Exchange rates +10%	Exchange rates -10%	Exchange rate	Exchange rates +10%	Exchange rates -10%
CLP	748.74	823.61	673.87	694.77	764.25	625.29
MXP	18.887	20.7757	16.9983	19.6812	21.6493	17.7131
CAD	1.3061	1.4367	1.1755	1.3633	1.4996	1.227

The effects recorded in equity are the translation effect of those companies whose functional currency is the currency of the country in which they operate, considering the translation criteria established in IAS 21.

e) Capital management

The management of SM SAAM maintains a solid capital base in order to retain the confidence of investors, creditors and the market, and to support the future business development. The Board of Directors monitors the return on capital on a monthly basis.

Senior management maintains a balance between the higher returns that can be achieved with more loans and the advantages and security provided by a strong capital position.

SM SAAM's capital management is restricted exclusively by "covenants" stipulated in its borrowing contracts with national banks. These restrictions are limited to maintaining indices that are disclosed in Note 36.6.

NOTE 6 SEGMENT REPORTING

a.1) Assets, liabilities and impairment by segment:

	Towages and Corporate		Ports		Logistics		Total	
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Assets	659,290	640,492	521,056	440,909	16,420	9,159	1,407,572	1,206,900
Investments accounted for using the equity method	6,271	10,007	79,366	86,800	24,760	20,700	120,417	216,257
Total assets	875,559	755,899	601,242	527,709	41,180	29,859	1,527,989	1,423,157
Total liabilities	(481,506)	(254,059)	(204,550)	(240,565)	(5,005)	(9,366)	(789,345)	(504,870)
Total equity	(393,963)	(500,250)	(398,692)	(287,204)	(46,825)	(39,507)	(738,748)	(920,677)
Reversal of impairment losses recorded in statement of net income	442	(1,060)	307	627	64	300	903	(243)

a.2) Non-current assets by geographical area:

	Chile		South America		Central America		North America		Total	
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-current assets other than financial instruments, investments accounted for using the equity method and deferred tax assets	213,791	205,201	388,953	143,171	206,746	215,850	265,848	233,477	1,075,338	797,699
Total	213,791	205,201	388,953	143,171	206,746	215,850	265,848	233,477	1,075,338	797,699

a.3) Revenue by geographical area:

	Towage		Ports		Logistics		Total	
	01/01/2019	01/01/2018	01/01/2019	01/01/2018	01/01/2019	01/01/2018	01/01/2019	01/01/2018
	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018	12/31/2019	12/31/2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Chile	37,683	37,713	46,059	45,520	50,633	57,700	134,375	140,933
South America	47,282	30,312	97,758	99,585	-	-	145,040	129,897
Central America	35,910	14,132	63,828	64,802	-	-	99,738	78,934
North America	84,205	104,529	66,435	61,694	-	-	150,640	166,223
Total	205,080	186,686	274,080	271,601	50,633	57,700	529,793	515,987

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a.4) Operating revenue by business area and services and detailed by customer is summarized as follows:

Segment	Service	Customers	01/01/2019	01/01/2018
			12/31/2019	12/31/2018
			ThUS\$	ThUS\$
Towage	Tug maneuvers	Total tug maneuvers	205,080	186,686
		Revenue from services provided to customers more than 10% of the total operating revenue from this segment.	-	0
		Revenue from services provided to customers less than 10% of the total operating revenue from this segment.	205,080	186,686
Ports	Port operations	Total port operations	274,080	271,601
		Revenue from services provided to customers more than 10% of the total operating revenue from this segment.	-	-
		Revenue from services provided to customers less than 10% of the total operating revenue from this segment.	274,080	271,601
Logistics and others	Logistics contract	Total logistics and others	50,633	57,700
		Total contract logistics	49,352	55,922
		Revenue from services provided to customers more than 10% of the total operating revenue from this segment.	-	-
	Revenue from services provided to customers less than 10% of the total operating revenue from this segment.	49,352	55,922	
	Other services	Total other services	1,281	1,778
		Revenue from services provided to customers more than 10% of the total operating revenue from this segment.	-	-
Revenue from services provided to customers less than 10% of the total operating revenue from this segment.		1,281	1,778	
		Total revenue	529,793	515,987

a.5) Statements of net income by segment are as follows.

December 31, 2019

Continuing operations	Note	Towage ThUS\$	Ports ThUS\$	Logistics ThUS\$	Others ThUS\$	Eliminations ThUS\$	Total ThUS\$
Operating revenue	28	207,306	274,115	51,334	-	(2,962)	529,793
Cost of sales	29	(141,109)	(188,176)	(39,864)	-	3,643	(365,506)
Gross profit		66,197	85,939	11,470	-	681	164,287
Administrative expenses	30	(22,292)	(21,932)	(5,139)	(20,133)	1,410	(68,086)
Net operating income		43,905	64,007	6,331	(20,133)	2,091	96,201
Non-operating income		(7,458)	(9,224)	58	8,603	(2,091)	(10,112)
Share of income (loss) of equity method associates and joint ventures	16	5,839	1,385	5,914	65	-	13,203
Net income (loss) before tax		42,286	56,168	12,303	(11,465)	-	99,292
Income tax expense	21.3	(8,995)	(14,420)	(1,516)	(4,413)	-	(29,344)
Net income for the year		33,291	41,748	10,787	(15,878)	-	69,948
Net income (loss) attributable to owners of the parent company		26,154	36,717	10,787	(15,878)	-	57,780
Net income (loss) attributable to non-controlling interests		7,137	5,031	-	-	-	12,168

December 31, 2018

Continuing operations	Note	Towage ThUS\$	Ports ThUS\$	Logistics ThUS\$	Others ThUS\$	Eliminations ThUS\$	Total ThUS\$
Operating revenue	28	188,846	271,601	58,735	-	(3,195)	515,987
Cost of sales	29	(129,093)	(193,740)	(47,516)	-	3,907	(366,442)
Gross profit		59,753	77,861	11,219	-	712	149,545
Administrative expenses	30	(23,807)	(22,440)	(7,626)	(23,866)	2,928	(74,811)
Net operating income		35,946	55,421	3,593	(23,866)	3,640	74,734
Non-operating income		(6,675)	(9,418)	157	9,608	(3,640)	(9,968)
Share of income (loss) of equity method associates and joint ventures	16	7,500	3,397	6,949	410	-	18,256
Net income (loss) before tax		36,771	49,400	10,699	(13,848)	-	83,022
Income tax expense	21.3	(8,026)	(12,219)	(1,462)	476	-	(21,231)
Net income for the year		28,745	37,181	9,237	(13,372)	-	61,791
Net income (loss) attributable to owners of the parent company		22,189	31,553	9,237	(13,372)	-	49,607
Net income (loss) attributable to non-controlling interests		6,556	5,628	-	-	-	12,184

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a.6) Cash flow by segment:

Cash flow from (used in) operating activities	12/31/2019	12/31/2018
	Total Cash Flows	Total Cash Flows
	ThUS\$	ThUS\$
	148,011	116,979
Towage	55,899	44,879
Ports	101,302	80,779
Logistics	11,112	9,419
Corporate	(20,302)	(18,098)
Investment	(210,330)	(14,703)
Towage	(20,490)	(22,188)
Ports	(1,511)	(4,051)
Logistics	1,379	1,887
Corporate	(189,708)	9,649
Financing Activities	51,233	(80,639)
Towage	88,366	(4,980)
Ports	(865)	(36,242)
Logistics	(18)	(53)
Corporate	(36,250)	(39,364)
Net increase (decrease) in cash and cash equivalents associated with segments	(11,086)	21,637
Towage	123,775	17,711
Ports	98,926	40,486
Logistics	12,473	11,253
Corporate	(246,260)	(47,813)
Net cash flow from (used in) investing activities not assignable to segments	-	-
Net increase (decrease) in cash and cash equivalents	(11,086)	21,637
Effect of exchange rates on cash and cash equivalents	(754)	(2,287)
Net increase (decrease) in cash and cash equivalents	(11,840)	19,350
Cash and cash equivalents at the beginning of the year	241,412	222,062
Cash and cash equivalents at the end of the year	229,572	241,412

NOTE 7 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

a) Composition of financial assets and liabilities

Financial assets and liabilities	Note	12/31/2019		12/31/2018	
		Book value	Fair value	Book value	Fair value
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
Cash and cash equivalents	9	229,572	229,572	241,412	241,412
Derivative instruments and others	10 a & 10 b	2,383	2,383	3,672	3,672
Trade and other receivables	11	100,419	100,419	90,103	90,103
Related party receivables	12	7,806	7,806	11,007	11,007
Total financial assets		340,180	340,180	346,194	346,194
Bank loans	22.1	(396,047)	(397,210)	(173,851)	(170,020)
Bonds payable	22.3	(107,920)	(112,749)	(113,603)	(113,901)
Finance leases	22.2	(2,363)	(2,363)	(3,119)	(3,156)
Operating leases (IFRS 16)	22.5	(28,846)	(28,846)	-	-
Hedging liabilities	22.4	(1,800)	(1,800)	-	-
Concession contract obligations	22.6	(43,778)	(43,778)	(43,542)	(43,542)
Trade and other payables	23	(41,691)	(41,691)	(36,267)	(36,267)
Related party payables	12	(1,309)	(1,309)	(332)	(332)
Total financial liabilities		(623,754)	(629,746)	(370,714)	(367,218)
Net financial position		(283,574)	(289,566)	(24,520)	(21,024)

The book value of current receivables, cash and cash equivalents, and other financial assets and liabilities is approximately their fair value, due to the short-term nature of these instruments, and for receivables, due to any recoverability loss being already reflected in impairment loss provisions.

The fair value of non-derivative assets and liabilities that are not traded in active markets is estimated using discounted cash flow calculated on the basis of observable market variables at the reporting date. The fair value of derivative instruments is estimated through using discounted cash flow on the basis of observable market data or variables and prices from third parties.

The fair value of bank loans and bond obligations have a level 2 hierarchy.

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b) Financial instruments by category:

12/31/2019	Fair value through profit and loss	Cash and cash equivalents, loans and receivables	Hedging instruments	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Marketable securities and investments in other companies	81	-	-	81
Hedge assets	-	-	350	350
Other financial assets	1,952	-	-	1,952
Total other financial assets	2,033	-	350	2,383
Cash and cash equivalents	-	229,572	-	229,572
Trade and other receivables	-	100,419	-	100,419
Related party receivables	-	7,806	-	7,806
Total financial assets	2,033	337,797	350	340,180

12/31/2019	Fair value through profit and loss	Hedging instruments	Financial liabilities at amortized cost	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	-	-	396,047	396,047
Bonds payable	-	-	107,920	107,920
Finance leases	-	-	2,363	2,363
Operating leases (IFRS 16)	-	-	28,846	28,846
Hedging liabilities	1,389	411	-	1,800
Concession contract obligations	-	-	43,778	43,778
Total other financial liabilities	1,389	411	578,954	580,754
Trade and other payables	-	-	41,691	41,691
Related party payables	-	-	1,309	1,309
Total financial liabilities	1,389	411	621,954	623,754

12/31/2018	Fair value through profit and loss	Cash and cash equivalents, loans and receivables	Hedging instruments	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Derivative financial instruments	11	-	-	11
Marketable securities and investments in other companies	81	-	-	81
Hedge assets	-	-	3,030	3,030
Other financial assets	550	-	-	550
Total other financial assets	642	-	3,030	3,672
Cash and cash equivalents	-	241,412	-	241,412
Trade and other receivables	-	90,103	-	90,103
Related party receivables	-	11,007	-	11,007
Total financial assets	642	342,522	3,030	346,194

12/31/2018	Fair value through profit and loss	Hedging instruments	Financial liabilities at amortized cost	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Bank loans	-	-	173,851	173,851
Bonds payable	-	-	113,603	113,603
Finance leases	-	-	3,119	3,119
Concession contract obligations	-	-	43,542	43,542
Total other financial liabilities	-	-	334,115	334,115
Trade and other payables	-	-	36,267	36,267
Related party payables	-	-	332	332
Total financial liabilities	-	-	370,714	370,714

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The Company uses the following structure to calculate the fair value of its financial instruments recorded at fair value at each reporting date:

12/31/2019	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Marketable securities and investment	81	81	-	-
Hedge assets	350	-	350	-
Other financial assets	1,952	-	1,952	-
Financial assets	2,383	81	2,302	-
Derivative financial instruments	-	-	-	-
Hedging liabilities	1,800	-	1,800	-
Financial liabilities	1,800	-	1,800	-

12/31/2018	Fair value	Fair value hierarchy		
		Level 1	Level 2	Level 3
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Derivative financial instruments	11	-	11	-
Marketable securities and investment	81	-	81	-
Hedge assets	3,030	-	3,030	-
Other financial assets	550	-	550	-
Financial assets	3,672	-	3,672	-
Derivative financial instruments	-	-	-	-
Hedging liabilities	-	-	-	-
Financial liabilities	-	-	-	-

NOTE 8 NON-CURRENT ASSETS HELD FOR SALE

A part of the property, plant and equipment as a group of assets for disposal held for sale, in accordance with Management's intention.

a) The Company closed the sale of its interest in Terminal Puerto Arica S.A. during the year, with a book value of ThUS\$7,786 and sales of minor assets in the Logistics segment of ThUS\$79.

b) The increase this year of ThUS\$1,384 is the reclassification from property, plant and equipment of a building (formerly Corporate) at Blanco 895, Valparaíso, owned by the subsidiary Inmobiliaria Marítima Portuaria SpA.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Opening balance	18,142	19,120
Transfers from property, plant and equipment (Note 18.3) (b)	1,384	-
Disposals of assets held for sale (a)	(7,865)	(911)
Revaluation of assets held for sale	-	-
Presentation currency	(32)	(67)
Total non-current assets classified as held for sale	11,629	18,142

Non-current assets held for sale are detailed as follows.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Real estate	10,987	9,659
Machinery	642	697
Investments in associates	-	7,786
Total non-current assets classified as held for sale	11,629	18,142

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NOTE 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Cash floats	116	123
Bank balances	91,006	55,644
Short-term deposits	134,938	180,338
Other cash and cash equivalents	3,512	5,307
Total cash and cash equivalents	229,572	241,412

Cash and cash equivalents include cash and bank checking accounts. Short-term deposits are with banking institutions for a fixed term and are recorded at investment value plus any interest accrued as of the reporting date.

Cash and cash equivalents by currency are detailed as follows:

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
US dollar	202,489	226,402
Canadian dollar	8,593	1,377
Chilean peso	8,372	7,456
Brazilian real	3,420	13
Mexican peso	3,839	2,268
Other currencies	2,859	3,896
Total cash and cash equivalents by currency	229,572	241,412

NOTE 10 OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Total other financial assets, current (Note 10.a)	-	11
Total other financial assets, non-current (Note 10.b)	2,383	3,661
Total other financial assets	2,383	3,672

Financial assets in 2018 and 2019 are mainly interest rate derivative contracts, which are valued at fair value.

a) Other current financial assets

Other current financial assets are as follows.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Interest rate swap ⁽¹⁾	-	11
Total other financial assets at fair value, current	-	11

(1) Interest rate derivative contracts (swaps), subscribed by the Company, to minimize the risk of changes in the Libor rate.

b) Other non-current financial assets held to maturity

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Non-current		
CCSWAP derivative ⁽¹⁾	350	3,030
Investments in other companies	81	81
Financial guarantees	1,577	123
Other financial assets	375	427
Total other current financial assets, non-current	2,383	3,661

(1) The fair value associated with the cross-currency swap contract between SAAM S.A. and Banco Santander for 2019 and between SM SAAM and Banco Santander for 2018, to minimize the risk of exchange rate fluctuations associated with the bond issue in January 2017.

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NOTE 11 TRADE AND OTHER RECEIVABLES

a) Current and non-current trade and other receivables by currency are detailed as follows.

	Currency	12/31/2019			12/31/2018		
		Current	Non-current	Total	Current	Non-current	Total
		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Trade receivables	CLP	12,981	-	12,981	14,703	-	14,703
	USD	38,136	211	38,347	33,121	-	33,121
	CAD	6,871	-	6,871	6,457	-	6,457
	MXP	7,172	-	7,172	8,663	-	8,663
	BRL	7,656	-	7,656	-	-	-
	Other currencies	963	-	963	446	-	446
Total trade receivables	Total	73,779	211	73,990	63,390	-	63,390
Other receivables	CLP	721	1,597	2,318	741	1,303	2,044
	USD	8,014	12,535	20,549	8,775	14,375	23,150
	MXP	1,741	-	1,741	1,324	-	1,324
	BRL	1,656	151	1,807	-	-	-
	Other currencies	14	-	14	41	154	195
Total other receivables	Total	12,146	14,283	26,429	10,881	15,832	26,713
Total trade and other receivables		85,925	14,494	100,419	74,271	15,832	90,103

Trade debtors are customer receivables for services rendered, mainly related to foreign trade, such as tug services, port operations and cargo logistics.

Other non-current receivables mainly consists of loans to entities abroad with various interest rates and collection periods, which are duly documented by these debtors. This balance also includes staff loans and advances on severance payments.

b) Current and non-current trade and other receivables by number and portfolio are detailed as follows.

Overdue ranges	12/31/2019				12/31/2018			
	No. customers, not renegotiated portfolio	Gross value, not renegotiated portfolio ThUS\$	No. customers, renegotiated portfolio	Gross value, renegotiated portfolio ThUS\$	No. customers, not renegotiated portfolio	Gross value, not renegotiated portfolio ThUS\$	No. customers, renegotiated portfolio	Gross value, renegotiated portfolio ThUS\$
Not yet due	4,096	76,929	-	-	4,085	70,662	-	-
1 to 30 days	1,213	12,886	-	-	1,605	11,872	-	-
31 to 60 days	425	5,549	-	-	861	3,444	-	-
61 to 90 days	859	1,113	-	-	1,004	1,742	-	-
91 to 120 days	497	2,945	-	-	417	405	-	-
121 to 150 days	409	312	-	-	337	177	-	-
151 to 180 days	171	87	-	-	50	85	-	-
181 to 210 days	233	70	-	-	167	152	-	-
211 to 250 days	158	212	-	-	4	7	-	-
Over 250 days	903	4,939	-	-	1,008	5,511	-	-
Total	8,964	105,042	-	-	9,538	94,057		
Allowance for doubtful receivables		(4,623)				(3,954)		
Total net		100,419				90,103		

As of December 31, 2019 and 2018, the Company had no customers in the guaranteed portfolio category.

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c) Current and non-current receivables contested and in judicial collection are detailed as follows.

Unsecured portfolio				
	12/31/2019		12/31/2018	
	No. customers in portfolio	Portfolio value	No. customers in portfolio	Portfolio value
		ThUS\$		ThUS\$
Receivable documents rejected and in legal collection	3	943	10	868

Trade receivables impairment provision				
	Portfolio not renegotiated	Portfolio renegotiated	Write offs for period	Recoveries for period
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
12/31/2019	4,623	-	98	575
12/31/2018	3,954	-	268	511

NOTE 12 RELATED ENTITY BALANCES AND TRANSACTIONS

The net balance of receivables from and payable to non-consolidated related entities is detailed as follows.

	Current	Non-current	Total	Current	Non-current	Total
	12/31/2019	12/31/2019	12/31/2019	12/31/2018	12/31/2018	12/31/2018
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Related party receivables	7,806	-	7,806	11,007	-	11,007
Related party payables	(1,309)	-	(1,309)	(332)	-	(332)
Total	6,497	-	6,497	10,675	-	10,675

All outstanding current balances with related entities are valued under mutually independent conditions and will be settled within twelve months of the reporting date.

(12.1) Related entity receivables

Related entity receivables are detailed as follows:

Chilean ID number	Chilean companies	Currency	Relationship	Transaction	Current 12/31/2019 ThUS\$	Non-Current 12/31/2019 ThUS\$	Current 12/31/2018 ThUS\$	Non-Current 12/31/2018 ThUS\$
96,981,310-6	Compañía Cervecera Kunstmann S.A.	Chilean pesos	Common shareholder	Services	1	-	-	-
96,885,450-K	Aerosan Airport Services S.A.	Chilean pesos	Indirect associate	Services	3	-	7	-
99,511,240-K	Antofagasta Terminal Internacional S.A.	Chilean pesos	Indirect associate	Services	69	-	258	-
90,160,000-7	Compañía Sud Americana de Vapores S.A.	Chilean pesos and US dollars	Shareholder and Common Director	Services	110	-	100	-
89,602,300-4	CSAV Austral SpA	Chilean pesos and US dollars	Shareholder and Common Director	Services	287	-	257	-
99,501,760-1	Embotelladoras Chilenas Unidas S.A.	Chilean pesos	Common Director	Services	1	-	2	-
76,380,217-5	Hapag Lloyd Chile SPA	Chilean pesos and US dollars	Common shareholder	Services	2,020	-	2,325	-
76,140,270-6	Inmobiliaria Carriel Ltda.	Chilean pesos	Indirect associate	Mercantile current account	17	-	-	-
76,028,651-6	LNG Tugs Chile S.A.	US dollars	Indirect associate	Services Dividend	49	-	61	-
96,915,770-5	Muellaje STI S.A.	Chilean pesos	Indirect associate	Other non-derivative financial instruments	2	-	3	-
99,506,030-2	Muellaje del Maipo S.A.	Chilean pesos	Indirect associate	Services	2	-	-	-
76,028,758-K	Norgistics Chile S.A.	Chilean pesos	Common shareholder	Services	67	-	66	-
96,908,970-K	San Antonio Terminal Internacional S.A.	Chilean pesos and US dollars	Indirect associate	Services Dividend	86	-	16	-
96,908,930-0	San Vicente Terminal Internacional S.A.	Chilean pesos	Indirect associate	Services	112	-	54	-
94,058,000-5	Servicios Aeroportuarios Aerosan S.A.	Chilean pesos	Indirect associate	Other non-derivative financial instruments	2	-	-	-
78,353,000-7	Servicios Portuarios Reloncavi Ltda.	Chilean pesos	Indirect associate	Other non-derivative financial instruments Services Dividend	9	-	-	-
96,783,150-6	St. Andrews Smoky Delicacies S.A.	Chilean pesos	Common shareholder	Services	-	-	1	-
96,657,210-8	Transportes Fluviales Corral S.A.	Chilean pesos	Indirect associate	Services	58	-	29	-
Total related entities					4,196	-	3,434	-

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Chilean ID number	Country	Currency	Foreign companies	Relationship	Transaction	Current 12/31/2019 ThUS\$	Non-Current 12/31/2019 ThUS\$	Current 12/31/2018 ThUS\$	Non-Current 12/31/2018 ThUS\$
Foreign	Germany	US dollars	Hapag Lloyd AG	Common shareholder	Services Other non-derivative financial instruments	2,369 1,080	- -	3,487 -	- -
Foreign	Mexico	US dollars	Hapag Lloyd Mexico S.A. de C.V.	Common shareholder	Services	-	-	316	-
Foreign	Ecuador	US dollars	Hapag Lloyd Ecuador	Common shareholder	Services	161	-	-	-
Foreign	Uruguay	US dollars	Luckymont S.A.	Indirect associate	Other non-derivative financial instruments	-	-	5	-
Foreign	Brazil	US dollars	SAAM Towage Brasil S.A.	Formerly indirect associate	Dividend	-	-	2,774	-
Foreign	Brazil	US dollars	Tug Brasil Apoio Marítimo Portuario S.A.	Formerly indirect associate	Services Mercantile current account	- -	- -	459 532	- -
Total related entities						3,610	-	7,573	-
Total related entity receivables						7,806	-	11,007	-

(12.2) Related entity payables

Chilean ID number	Chilean companies	Currency	Relationship	Transaction	Current 12/31/2019 ThUS\$	Non-Current 12/31/2019 ThUS\$	Current 12/31/2018 ThUS\$	Non-Current 12/31/2018 ThUS\$
92,011,000-2	Empresa Nacional de Energía Enx S.A.	Chilean pesos	Common shareholder	Services	93	-	78	-
96,711,590-8	Manantial S.A.	Chilean pesos	Common Director	Services	2	-	-	-
76,380,217-5	Hapag Lloyd Chile SPA	US dollars	Common shareholder	Services	-	-	3	-
96,908,970-K	San Antonio Terminal Internacional S.A.	Chilean pesos	Indirect associate	Services	82	-	75	-
99,567,620-6	Terminal Puerto Arica S.A.	Chilean pesos	Formerly indirect associate	Services	3	-	6	-
82,074,900-6	Transbordadora Austral Broom S.A.	Chilean pesos	Indirect associate	Other non-derivative financial instruments	-	-	3	-
Total related entities					180	-	165	-

Chilean ID number	Country	Currency	Foreign companies	Relationship	Transaction	Current 12/31/2019 ThUS\$	Non-Current 12/31/2019 ThUS\$	Current 12/31/2018 ThUS\$	Non-Current 12/31/2018 ThUS\$
Foreign	Uruguay	US dollars	Luckymont	Indirect associate	Mercantile current account	-	-	1	-
Foreign	Germany	Chilean peso	Hapag Lloyd AG	Common shareholder	Services	1,129	-	-	-
Foreign	Brazil	US dollars	Tug Brasil Apoio Marítimo Portuario S.A.	Formerly indirect associate	Services	-	-	166	-
Total related entities						1,129	-	167	-
Total related entity payables						1,309	-	332	-

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(12.3) Effects of transactions with related entities on the statement of net income

Chilean ID number	Company	Relationship	Country	Transactions	12/31/2019 ThUS\$	12/31/2018 ThUS\$
96,885,450-K	Aerosan Airport Services S.A.	Indirect associate	Chile	Back Office Consultancy services	- 6	5 2
96,566,940-K	Agencias Universales S.A.	Common Director	Chile	Maritime agency Logistics Third-party staff	1 - -	40 4 (11)
76,003,431-2	Aguas CCU-Nestlé Chile S.A.	Common Director	Chile	Logistics	2	-
90,160,000-7	Compañía Sudamericana de Vapores S.A.	Common shareholder	Chile	Port operations Logistics Towage services	91 5 528	14 - 561
89,602,300-4	CSAV Austral SPA S.A.	Common shareholder	Chile	Logistics Port operations Towage services	429 302 824	538 364 826
96,908,970-K	San Antonio Terminal Internacional S.A.	Indirect associate	Chile	Leases Computer services Port terminal services Back Office Consultancy services	33 155 (391) 33 6	31 - (475) 3 15
96,908,930-0	San Vicente Terminal Internacional S.A.	Indirect associate	Chile	Logistics Computer services Other income Towage services Container storage and repair Port terminal services	282 64 25 - - (19)	285 22 30 10 77 -
99,511,240-K	Antofagasta Terminal Internacional S.A.	Indirect associate	Chile	Logistics Leases Port terminal services Computer services Back Office Consultancy services Fleet services	- 38 - 148 33 10 13	21 38 (14) 145 5 29 13
99,567,620-6	Terminal Puerto Arica S.A.	Formerly indirect associate	Chile	Port terminal services	(7)	(28)
96,711,590-8	Manantial S.A.	Common Director	Chile	Port terminal services Third-party staff	(2) -	- (2)

Chilean ID number	Company	Relationship	Country	Transactions	12/31/2019 ThUS\$	12/31/2018 ThUS\$
96,657,210-8	Transportes Fluviales Corral S.A.	Indirect associate	Chile	Towage services Consultancy services	444 -	579 6
96,610,780-4	Portuaria Corral S.A.	Indirect associate	Chile	Consultancy services	-	6
82,074,900-6	Transbordadora Austral Broom S.A.	Indirect associate	Chile	Logistics services Other non-derivative financial instruments	(4) -	- 11
96,989,120-4	Cervecera CCU Chile Ltda.	Common Director	Chile	Logistics	8	31
Foreign	Hapag Lloyd AG	Common Director	Germany	Port operations Towage services Container storage and repair Freezing facility Other non-derivative financial instruments	10,258 1,407 - 3,193 104	10,692 1,942 748 3,245 412
92,011,000-2	Empresa Nacional de Energía ENEX S.A.	Common Director	Chile	Logistics Port terminal services Other expenses	6 (567) (251)	4 - (905)
97,004,000-5	Banco de Chile S.A.	Common Director	Chile	Logistics Port operations Other expenses	8 2 -	3 5 (2)
76,115,132-0	Canal 13 SpA	Common shareholder	Chile	Logistics	1	-
91,041,000-8	Viña San Pedro Tarapacá S.A.	Common Director	Chile	Logistics	18	8
94,058,000-5	Servicios Aeroportuarios Aerosan S.A.	Indirect associate	Chile	Consultancy services	10	-
96,783,150-6	St. Andrews Smoky Delicacies S.A.	Common Director	Chile	Logistics	17	14
99,501,760-1	Embotelladoras Chilenas Unidas S.A.	Common Director	Chile	Logistics	28	91
78,353,000-7	Servicios Portuarios Reloncaví Ltda.	Indirect associate	Chile	Leases Third-party staff Consultancy services Back office:	59 - 8 9	63 28 9 -
76,028,651-6	Lng Tugs Chile S.A.	Indirect associate	Chile	Towage services	1,471	2,009

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Chilean ID number	Company	Relationship	Country	Transactions	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Foreign	Luckymont S.A.	Indirect associate	Uruguay	Back office: Interest Consultancy services	1 - -	- 5 1
Foreign	SAAM Towage Brasil ⁽¹⁾	Formerly indirect associate	Brazil	Computer services	9	-
99,506,030-2	Muellaje del Maipo S.A.	Indirect associate	Chile	Leases	26	21
Foreign	Hapag Lloyd Mexico S.A. de C.V.	Common shareholder	Mexico	Port services Container storage and repair Freezing facility	1,214 136 182	1,236 200 147
76,014,281-6	Antartic Seafood S.A.	Common Director	Chile	Logistics	-	26
96,790,240-3	Minera Los Pelambres	Common Director	Chile	Logistics	1	4
96,919,980-7	Cervecera Austral S.A.	Common Director	Chile	Logistics	2	-
99,586,280-8	Compañía Pisquera de Chile	Common Director	Chile	Logistics	4	7
76,282,509-0	Eléctrica Cipresillos SpA	Common Director	Chile	Logistics	-	2
86,150,200-7	Fábrica de Envases Plásticos S.A.	Common Director	Chile	Logistics	3	7
81,095,400-0	Sonacol S.A.	Common shareholder	Chile	Logistics	2	1
93,453,000-6	Citroen Chile S.A.	Common Director	Chile	Logistics	-	7
76,380,217-5	Hapag Lloyd Chile SpA	Common shareholder	Chile	Maritime agency Logistics Port operations Leases Towage services Services Documentation services	375 67 7,395 919 1,420 (17) 1,053	494 171 6,482 834 1,251 (56) 1,095
Foreign	Hapag Lloyd Ecuador S.A.	Common shareholder	Ecuador	Container storage and repair Port operations	738 188	- -

(1) Associated until October 2019, and from that date SAAM Towage Brasil became a subsidiary of SM SAAM S.A.

Current transactions with related companies are business transactions carried out under equal conditions that usually prevail in the market in terms of price and payment terms.

Sales transactions are freight services, equipment leasing, sale of services, advisory services provided by the subsidiary SAAM S.A. and its subsidiaries to related companies

Purchase transactions with related entities refer mainly to port operation services, logistics and warehousing services, advisory services and other transactions.

(12.4) Director's remuneration

Payments to directors are detailed as follows.

Director	Chilean ID number	Relationship	Company	Profit share for 2018 12/31/2019 ThUS\$	Attendance at Board Meetings 12/31/2019 ThUS\$	Profit share for 2017 12/31/2018 ThUS\$	Attendance at Board Meetings 12/31/2018 ThUS\$
Oscar Hasbún Martínez	11,632,255-2	Chairman (1)	SM SAAM	183	95	156	102
Jean-Paul Luksic Fontbona	6,372,368-1	Vice-Chairman	SM SAAM	91	19	111	17
Felipe Joannon V.	6,558,360-7	Chairman (2)	SM SAAM and ITI	-	-	131	-
Mario Da-Bove A.	4,175,284-K	Director (3)	SM SAAM	33	-	184	18
Francisco Gutiérrez Ph.	7,031,728-1	Director	SM SAAM and ITI	91	48	111	51
Francisco Pérez Mackenna	6,525,286-4	Director	SM SAAM	122	64	184	68
Jorge Gutiérrez Pubill	5,907,040-1	Director	SM SAAM	122	62	184	68
Diego Bacigalupo Aracena	13,828,244-9	Director (4)	SM SAAM	91	48	45	51
Armando Valdivieso Montes	8,321,934-3	Director (5)	SM SAAM	89	64	-	50
Closing balance				822	400	1,106	425

(1) Chairman of SM SAAM since August 4, 2017.

(2) Chairman of SM SAAM until August 4, 2017. Remuneration of ThUS\$8 was paid during 2018, in addition to fees and profit shares.

(3) Director of SM SAAM until April 9, 2018.

(4) Director of SM SAAM since August 5, 2017.

(5) Director of SM SAAM since April 9, 2018.

As of December 31, 2019, the Company has provided ThUS\$813 for accrued 2019 profit shares (ThUS\$697 as of December 31, 2018), which will be paid to SM SAAM Directors in the following year (see Note 24).

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NOTE 13 CURRENT AND NON-CURRENT INVENTORIES

Inventories are detailed as follows.

	12/31/2019			12/31/2018		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Supplies to provide services						
Fuel	5,171	-	5,171	3,987	-	3,987
Spare parts ⁽¹⁾	10,081	1,147	11,228	7,925	1,056	8,981
Consumables	638	-	638	628	-	628
Lubricants	159	-	159	188	-	188
Other inventories	95	-	95	157	-	157
Total inventories	16,144	1,147	17,291	12,885	1,056	13,941

(1) Specific low-turnover spare parts and parts that will be used to maintain the Company's main assets have been classified as non-current inventories.

The cost of inventories consumed as cost of sales for the year ended December 31, 2019 was ThUS\$29,321 (ThUS\$31,769 for the year ended December 31, 2018).

As of December 31, 2019 and 2018, there are no inventories pledged in guarantee.

NOTE 14 OTHER CURRENT AND NON-CURRENT NON-FINANCIAL ASSETS

Other current and non-current non-financial assets are detailed as follows.

	Note	12/31/2019			12/31/2018		
		Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepayments	14.1	7,032	15,149	22,181	4,288	15,536	19,824
Tax credits	14.2	5,736	5,205	10,941	4,706	6,220	10,926
Other non-financial assets	14.3	1,073	1,136	2,209	461	402	863
Total other financial assets		13,841	21,490	35,331	9,455	22,158	31,613

14.1 Prepayments	12/31/2019			12/31/2018		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Insurance prepayments	3,946	-	3,946	3,097	-	3,097
Lease prepayments	558	15,149	15,707	460	15,536	15,996
Municipal licenses	-	-	-	-	-	-
Licenses and subscriptions	82	-	82	310	-	310
Others ⁽¹⁾	2,446	-	2,446	421	-	421
Total	7,032	15,149	22,181	4,288	15,536	19,824

(1) Mainly deferred expenses, which will be amortized to the statement of net income during 2020.

14.2 Tax credit	12/31/2019			12/31/2018		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Remaining tax credit ⁽²⁾	5,736	5,205	10,941	4,706	6,220	10,926
Value added tax	-	-	-	-	-	-
Total	5,736	5,205	10,941	4,706	6,220	10,926

(2) Mainly the remainder of the tax credit for the indirect subsidiaries Ecuastibas S.A. and Inarpi S.A., which is expected to be recovered over the long term

14.3 Other non-financial assets	12/31/2019			12/31/2018		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Guarantee compliance with the concession contract ⁽²⁾	-	249	249	258	-	258
Guarantees for Administración de Aduanas de Mazatlán	1,055	-	1,055	-	-	-
Other guarantees ⁽¹⁾	18	887	905	203	402	605
Total	1,073	1,136	2,209	461	402	863

(1) Guarantees granted, which will be recovered once the Company's obligation has expired.

(2) Cash guarantee that is renewed annually, as stipulated in the concession contract.

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**NOTE 15 FINANCIAL INFORMATION OF SUBSIDIARIES, ASSOCIATES
AND JOINT VENTURES****(15.1) Summarized aggregate financial information for subsidiaries**

Financial information regarding the subsidiaries consolidated in these financial statements as of December 31, 2019 is as follows

Chilean ID number	Company	Country	Functional currency	Ownership interest			Total current assets	Total non-current assets	Total current liabilities	Total non-current liabilities	Operating revenue	Cost of sales	Net income attributable to owners of the parent
				% direct	% indirect	% total							
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
92,048,000-4	SAAM S.A.	Chile	US dollars	99.9995%	0.0005%	100%	206,873	674,636	87,517	382,783	220,347	(147,596)	20,200
76,757,003-1	SAAM Ports. S.A.	Chile	US dollars	99.9995%	0.0005%	100%	147,628	454,072	83,958	210,735	272,049	(192,664)	40,873
76,729,932-K	SAAM Logistics S.A.	Chile	US dollars	99.99945%	0.00055%	100%	41,584	99,604	6,759	6,336	51,334	(39,870)	10,891
76,479,537-7	SAAM Inversiones SPA	Chile	US dollars	100%	-	100%	311	999	3	-	-	-	90

Financial information regarding the subsidiaries consolidated in these financial statements as of December 31, 2018 is as follows

Chilean ID number	Company	Country	Functional currency	Ownership interest			Total current assets	Total non-current assets	Total current liabilities	Total non-current liabilities	Operating revenue	Cost of sales	Net income attributable to owners of the parent
				% direct	% indirect	% total							
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
92,048,000-4	SAAM S.A.	Chile	US dollars	99.9995%	0.0005%	100%	274,429	488,296	43,140	205,467	201,505	(134,785)	8,285
76,757,003-1	SAAM Ports. S.A.	Chile	US dollars	99.9995%	0.0005%	100%	76,147	451,623	67,523	173,042	269,942	(199,001)	33,957
76,729,932-K	SAAM Logistics S.A.	Chile	US dollars	99.99945%	0.00055%	100%	46,523	95,760	6,038	3,328	58,735	(47,539)	8,824
76,479,537-7	SAAM Inversiones SPA	Chile	US dollars	100%	-	100%	227	999	4	-	-	-	87

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(15.2) Details of movements in investments for 2019 and 2018

2019

On October 30, 2019, SM SAAM completed the acquisition through its direct subsidiary SAAM S.A. from Boskalis Holding B.V. (Boskalis) of 49% of its interest in SAAM SMIT Towage Mexico S.A. de C.V., which operates in Mexico, Canada and Panama, and 50% of its interest in SAAM SMIT Towage Brasil S.A. This acquisition gives SM SAAM control over all the shares of SST Brazil and increased its percentage interest in SST Mexico to 100%, while keeping control.

2018

- On August 31, 2018, through a capital increase in Transporte Fluviales Corral S.A., the merger of this company with the indirect associate Empresas de Servicios Marítimos y Portuarios Hualpén Limitada took place. As all the shares of Empresas de Servicios Marítimos y Portuarios Hualpén Limitada were owned by Transportes Fluviales Corral, the company was dissolved.
- On October 25, 2018, the indirect subsidiary Inversiones Habsburgo Costa Rica S.A. was merged with the indirect subsidiary Saam Operadora de Puertos Empresa de Estiba y Desestiba Costa Rica S.A., with the latter becoming the legal successor. This corporate reorganization did not have any effect on the Company's earnings or equity.

(15.3) Summary financial information of associates and joint ventures as of December 31, 2019:

Associates	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Operating revenue	Operating costs	Earnings of associates
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosan Airport Services S.A. & subsidiaries	12,365	32,697	11,378	16,419	32,662	(23,870)	2,570
Antofagasta Terminal Internacional S.A. & subsidiaries	13,969	112,456	18,296	90,003	52,201	(40,924)	3,629
Inmobiliaria Carriel Ltda.	40	350	42	-	14	(129)	(118)
Inmobiliaria Sepbio Ltda.	221	3,493	1,373	1,965	280	(21)	(4)
LNG Tugs Chile S.A.	685	21	233	-	4,463	(4,249)	36
Muellaje ATI S.A.	182	655	2,033	430	5,172	(4,894)	350
Muellaje del Maipo S.A.	3,868	96	3,379	376	21,322	(20,988)	(18)
Muellaje STI S.A.	3,741	1,168	903	3,682	9,184	(8,621)	(12)
Muellaje SVTI S.A.	2,691	4,490	2,229	4,229	21,121	(20,744)	128
Portuaria Corral S.A.	7,209	8,042	3,064	969	10,900	(4,899)	3,922
San Antonio Terminal Internacional S.A. & subsidiary	36,346	187,578	22,621	120,549	94,766	(73,401)	7,726
San Vicente Terminal Internacional S.A. & subsidiaries	17,919	155,861	72,636	59,236	51,059	(57,984)	(12,108)
Puerto Buenavista S.A.	924	24,307	742	14,858	3,681	(2,534)	(242)
Servicios Logísticos Ltda.	3,006	529	562	-	2,773	(1,900)	584
Servicios Aeroportuarios Aerosan S.A.	11,745	25,002	6,256	13,811	24,072	(14,928)	5,986
Servicios Portuarios Reloncaví Ltda.	9,809	7,251	4,903	2,374	18,344	(15,219)	1,894
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	5	-	16	-	-	-	(3)
Transbordadora Austral Broom S.A.	16,788	57,510	11,559	6,582	33,043	(18,374)	11,037
Transportes Fluviales Corral S.A.	2,985	4,479	2,112	1,949	8,090	(6,176)	1,120
Equimac S.A.	356	4,869	8	-	298	-	129
Luckymont S.A.	3,177	3,393	1,874	5	9,611	(7,132)	1,516
SAAM Smit Towage Brasil S.A. ⁽¹⁾	-	-	-	-	80,618	(57,355)	6,135

(1) In October 2019, the acquisition of the remaining 50% interest in this company was completed, leaving it 100% owned. Results as of October 2019.

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(15.3) Summary financial information of associates and joint ventures as of December 31, 2018:

Associates	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Operating revenue	Operating costs	Earnings of associates
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosan Airport Services S.A. & subsidiaries	11,468	24,440	10,431	10,555	31,729	(25,360)	2,404
Antofagasta Terminal Internacional S.A. & subsidiaries	11,570	119,655	34,233	82,165	46,174	(39,534)	(537)
Empresa de Servicios Marítimos Hualpén Ltda. ⁽¹⁾	-	-	-	-	-	(4)	(4)
Inmobiliaria Carriel Ltda.	327	377	233	-	16	(140)	1,517
Inmobiliaria Sepbio Ltda.	216	3,773	1,291	2,290	300	(32)	(15)
LNG Tugs Chile S.A.	792	25	238	-	5,975	(5,685)	58
Muellaje ATI S.A.	76	697	2,213	330	5,206	(5,140)	219
Muellaje del Maipo S.A.	2,923	46	2,547	195	20,088	(19,761)	38
Muellaje STI S.A.	4,261	1,174	1,335	3,731	10,063	(9,465)	(41)
Muellaje SVTI S.A.	3,031	3,921	2,403	3,921	23,017	(22,529)	228
Portuaria Corral S.A.	4,608	9,627	2,106	1,619	9,554	(5,031)	2,559
San Antonio Terminal Internacional S.A. & subsidiary	42,715	198,929	30,583	123,997	93,631	(71,110)	8,872
San Vicente Terminal Internacional S.A. & subsidiaries	33,478	149,094	79,898	48,361	66,104	(64,135)	(3,911)
Puerto Buenavista S.A.	388	21,030	984	11,222	3,660	(2,481)	(509)
Servicios Logísticos Ltda.	2,710	332	771	-	2,594	(1,695)	554
Servicios Aeroportuarios Aerosan S.A.	12,570	4,188	4,634	1,249	24,008	(15,681)	5,379
Servicios Portuarios Reloncaví Ltda.	13,750	7,255	6,854	1,939	23,977	(18,524)	3,150
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	5	-	13	-	-	-	(2)
Transbordadora Austral Broom S.A.	15,918	57,543	13,071	3,076	35,685	(16,233)	16,178
Transportes Fluviales Corral S.A.	2,578	5,159	4,422	780	6,238	(5,289)	305
Equimac S.A.	230	4,869	11	-	-	-	820
Luckymont S.A.	2,535	4,280	2,217	1,098	9,741	(7,042)	1,466
SAAM SMIT Towage Brasil S.A.	34,010	248,069	30,943	112,162	100,189	(72,487)	6,861

(1) Company merged into Transportes Fluviales Corral S.A. on August 31, 2018

NOTE 16 INVESTMENTS IN ASSOCIATES

16.1) Details of investments in associates

Company Name	Country	Currency	Ownership Interest	Balance as of		Capital contributions	Share of net income	Dividends	Translation reserve	Hedge reserve	Unrealized gain (loss)	Employee benefits provision		Balance as of	
				December 31, 2018	December 31, 2019							Other changes	December 31, 2019		
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Aerosan Airport Services S.A.	Chile	US dollars	50.00%	7,307	-	-	1,285	-	(89)	-	-	(19)	-	-	8,484
Antofagasta Terminal Internacional S.A.	Chile	US dollars	35.00%	5,202	-	-	1,270	-	-	-	-	(117)	-	-	6,355
Inmobiliaria Carriel Ltda.	Chile	Peso	50.00%	235	-	-	(59)	-	(13)	-	-	-	-	11	174
Inmobiliaria Sepbio Ltda.	Chile	Peso	50.00%	204	-	-	(2)	-	(14)	-	-	-	-	-	188
LNG Tugs Chile S.A.	Chile	US dollars	35.00%	203	-	-	13	(50)	-	-	-	-	-	-	166
Muellaje ATI S.A.	Chile	US dollars	0.50%	(8)	-	-	1	-	-	-	-	(1)	-	-	(8)
Muellaje del Maipo S.A.	Chile	US dollars	50.00%	114	-	-	(9)	-	-	-	-	-	-	-	105
Muellaje STI S.A.	Chile	US dollars	0.50%	2	-	-	-	-	-	-	-	-	-	-	2
Muellaje SVTI S.A.	Chile	Peso	0.50%	4	-	-	1	-	-	-	-	-	-	-	5
Portuaria Corral S.A.	Chile	Peso	50.00%	5,255	-	-	1,961	(1,181)	(426)	-	-	-	-	-	5,609
San Antonio Terminal Internacional S.A.(1)	Chile	US dollars	50.00%	43,660	-	-	3,738	(8,296)	-	-	-	-	1,275	-	40,377
San Vicente Terminal Internacional S.A.	Chile	US dollars	50.00%	26,950	-	-	(6,054)	-	(26)	-	-	(106)	-	-	20,764
Servicios Aeroportuarios Aerosan S.A.	Chile	US dollars	50.00%	5,436	-	-	2,993	-	-	-	-	(89)	-	-	8,340
Servicios Logísticos Ltda.	Chile	US dollars	1.00%	22	-	-	6	-	-	-	-	-	-	-	28
Servicios Portuarios Reloncaví Ltda.	Chile	Peso	50.00%	6,106	-	-	947	(1,825)	(336)	-	-	-	-	-	4,892
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	Chile	Peso	50.00%	(4)	-	-	(2)	-	-	-	-	-	-	-	(6)
Transbordadora Austral Broom S.A.	Chile	Peso	25.00%	14,328	-	-	2,759	(1,849)	(1,199)	-	-	-	-	-	14,039
Transportes Fluviales Corral S.A.	Chile	Peso	50.00%	1,237	-	-	560	-	(126)	-	-	-	-	10	1,681
Equimac S.A.	Colombia	US dollars	50.00%	2,544	-	-	65	-	-	-	-	-	-	-	2,609
Puerto Buenavista S.A.(3)	Colombia	Peso	33.33%	4,184	277	-	(81)	-	(60)	-	-	-	-	(6)	4,314
Luckymont S.A.	Uruguay	US dollars	49.00%	1,654	-	-	743	(98)	-	-	-	-	-	-	2,299
SAAM Towage Brasil S.A.(2)	Brazil	US dollars	50.00%	91,622	-	-	3,068	(5,693)	3	-	-	-	-	(89,000)	-
Total				216,257	277	13,203	(18,992)	(2,286)	(2,286)	-	-	943	(88,985)	120,417	
							Note 39a)	Note 27.2.1	Note 27.2.2			Note 27.2.3			

(1) Net of the amortization for the complementary investment, the PV is ThUS\$ 3,864 and the amortization for 2019 is ThUS\$ 126.

(2) ThUS\$ 89,000 is classified in Other Variations, which is the acquisition of the remaining 50% of the investment in October 2019.

(3) Goodwill relating to the acquisition of the interest in Puerto Buenavista forms part of the investment value of ThUS\$1,104. The interest at equity value is ThUS\$3,209

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				December 31, 2017 ThUS\$	December 31, 2018 ThUS\$										
Aerosan Airport Services S.A.	Chile	US dollars	50.00%	5,274	-	1,202	-	874	-	-	-	(43)	-	7,307	
Antofagasta Terminal Internacional S.A.	Chile	US dollars	35.00%	5,390	-	(188)	-	-	-	-	-	-	-	5,202	
Empresa de Servicios Marítimos Hualpén Ltda.	Chile	Peso	50.00%	(74)	-	(2)	-	12	-	-	-	-	64	-	
Inmobiliaria Carriel Ltda.	Chile	Peso	50.00%	75	-	758	(585)	(13)	-	-	-	-	-	235	
Inmobiliaria Sepbio Ltda.	Chile	Peso	50.00%	240	-	(8)	-	(28)	-	-	-	-	-	204	
LNG Tugs Chile S.A.	Chile	US dollars	35.00%	268	-	24	(62)	-	-	-	-	-	(27)	203	
Muelleaje ATI S.A.	Chile	Peso	0.50%	(9)	-	1	-	-	-	-	-	-	-	(8)	
Muelleaje del Maipo S.A.	Chile	US dollars	50.00%	95	-	19	-	-	-	-	-	-	-	114	
Muelleaje STI S.A.	Chile	Peso	0.50%	3	-	-	-	-	-	-	-	(1)	-	2	
Muelleaje SVTI S.A.	Chile	Peso	0.50%	7	-	1	-	(1)	-	-	-	-	(3)	4	
Portuaria Corral S.A.	Chile	Peso	50.00%	5,987	-	1,281	(1,315)	(688)	-	-	-	-	(10)	5,255	
San Antonio Terminal Internacional S.A. ⁽¹⁾	Chile	US dollars	50.00%	45,424	-	4,267	(4,531)	-	-	-	(1,419)	(81)	(7)	43,660	
San Vicente Terminal Internacional S.A.	Chile	US dollars	50.00%	29,441	-	(1,957)	-	(65)	-	-	(462)	(7)	-	26,950	
Servicios Aeroportuarios Aerosan S.A.	Chile	US dollars	50.00%	2,705	-	2,690	-	-	-	-	41	-	-	5,436	
Servicios Logísticos Ltda.	Chile	US dollars	1.00%	16	-	6	-	-	-	-	-	-	-	22	
Servicios Portuarios Reloncaví Ltda.	Chile	Peso	50.00%	6,555	-	1,575	(1,320)	(695)	-	-	(9)	-	-	6,106	
Servicios Portuarios y Extraportuarios Bio Bio Ltda	Chile	Peso	50.00%	(3)	-	(1)	-	-	-	-	-	-	-	(4)	
Transbordadora Austral Broom S.A.	Chile	Peso	25.00%	13,609	-	4,045	(1,445)	(1,881)	-	-	-	-	-	14,328	
Transportes Fluviales Corral S.A.	Chile	Peso	50.00%	1,407	-	154	-	(174)	-	-	-	-	(150)	1,237	
Equimac S.A.	Colombia	US dollars	50.00%	2,882	-	410	(748)	-	-	-	-	-	-	2,544	
Puerto Buenavista S.A. ⁽³⁾	Colombia	Peso	33.33%	5,482	-	(170)	-	(1,128)	-	-	-	-	-	4,184	
Luckymont S.A.	Uruguay	US dollars	49.00%	1,484	-	718	(548)	-	-	-	-	-	-	1,654	
SAAM SMIT Towage Brasil S.A. ⁽²⁾	Brazil	US dollars	50.00%	100,102	-	3,431	(12,298)	387	-	-	-	-	-	91,622	
Total				226,360	-	18,256	(22,852)	(3,400)	-	-	-	(1,893)	(214)	216,257	
							Note 39a)	Note 27.2.1	Note 27.2.2			Note 27.2.3			

(1) Net of the amortization for the complementary investment, the PV is ThUS\$ 4,392 and the amortization for 2018 is ThUS\$ 125.

(2) Goodwill relating to the acquisition of the interest in SAAM SMIT Towage Brasil forms part of the investment value of ThUS\$22,136. The interest at equity value is ThUS\$69,486.

(3) Goodwill relating to the acquisition of the interest in Puerto Buenavista forms part of the investment value of ThUS\$1,128. The equity interest amounts to ThUS\$3,389.

16.2) Description of joint ventures and associates

In accordance with IFRS 12, paragraph 21(a)(ii), the most significant strategic interests that the Company holds in associates and joint ventures are detailed as follows.

San Antonio Terminal Internacional S.A. (Chile)

Its purpose is the development, maintenance and operation of the Molo Sur Wharf at San Antonio Port, including wharfage and storage at the wharf, as a result of the concession awarded by Empresa Portuaria San Antonio.

San Vicente Terminal Internacional S.A (Chile)

Its purpose is the development, maintenance and operation of the Wharf at San Vicente Port in Talcahuano, including wharfage and storage at the wharf, as a result of the concession awarded by Empresa Portuaria San Vicente - Talcahuano

Transbordadora Austral Broom S.A. – Tabsa (Chile)

Its corporate purpose is the maritime transport of cargo, vehicles and passengers mainly in the Strait of Magellan (Punta Arenas).

Antofagasta Terminal Internacional S.A. (Chile)

Its corporate purpose is the development, maintenance and operation of the Wharf N°2 that operates docks 4-5, 6 and 7 at Antofagasta Port, including wharfage activities and cargo storage at the wharf, as a result of the concession awarded by Empresa Portuaria de Antofagasta.

Aerosan (Chile, Colombia and Ecuador)

Its corporate purpose is providing aircraft, cargo and passenger services, airport maintenance, aircraft maintenance and repair, cargo handling, reception, storage, loading and delivery, through indirect associates Aerosan Airport Services S.A. and Servicios Portuarios Aerosan S.A. It provides these services at the Comodoro Arturo Merino Benitez International Airport, Santiago. It provides airport services in Colombia at airports in Bogotá, Medellín, San Andrés, Barranquilla, Cartagena and Pereira, through its subsidiary Aerosan Colombia (formerly Transaereo). It provides airport services in Ecuador at the Mariscal Sucre International Airport in Quito, through its subsidiary Aerosan Ecuador (formerly Aeronem Air Cargo).

Reloncaví (Chile)

Its corporate purpose is providing cargo loading and unloading services, maritime and river transport, port operation, and services related to forestry and agriculture industries, through its indirect associates Servicios Portuarios Reloncaví Ltda., Portuaria Corral S.A. and Transportes Fluviales Corral S.A.

16.3) Contingent liabilities

As described in note 36.1, the direct subsidiary SAAM S.A. has issued standby letters of credit to guarantee credit facilities at the indirect associate Luckymont S.A.

The contingent liabilities related to associates and joint ventures have been disclosed in Note 36.2. These are guarantees and joint and several liabilities, granted by the direct and indirect subsidiaries SAAM S.A. and by Alaria S.A. to subsidiary Tug Brasil S.A. and by SAAM Puertos S.A. to Puerto Buenavista S.A.

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16.4) Investments whose direct ownership percentages are lower than 20% but included in investments in associates

- The total direct and indirect investment percentage in the companies listed below exceeds 20%.

Company	Direct investment % 12.31.2019	Indirect investment % 12.31.2019	Total investment % 12.31.2019	Direct investment % 12.31.2018	Indirect investment % 12.31.2018	Total investment % 12.31.2018
Muellaje ATI S.A.(1)	0.5%	34.825%	35.325%	0.5%	34.825%	35.325%
Muellaje STI S.A.(1)	0.5%	49.75%	50.25%	0.5%	49.75%	50.25%
Muellaje SVTI S.A.(1)	0.5%	49.75%	50.25%	0.5%	49.75%	50.25%
Serviair Ltda.(2)	1.00%	49.00%	50.00%	1.00%	49.00%	50.00%
Servicios Logísticos Ltda.(2)	1.00%	49.00%	50.00%	1.00%	49.00%	50.00%

(1) These companies are consolidated by their respective parent companies, STI S.A., ATI S.A. and SVTI S.A.

(2) This company is consolidated by the associate Aerosán Airport Service S.A.

NOTE 17 INTANGIBLE ASSETS, GOODWILL AND BUSINESS COMBINATIONS

(17.1) Goodwill paid for investments in related companies, by company

	12/31/2019			12/31/2018		
	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$	Gross ThUS\$	Accumulated amortization ThUS\$	Net ThUS\$
Goodwill						
Saam Remolques S.A. de C.V.	36	-	36	36	-	36
SAAM Towage Brasil S.A.	25,191	-	25,191	-	-	-
SAAM Towage Canada Inc.	47,055	-	47,055	45,628	-	45,628
Total goodwill	72,282	-	72,282	45,664	-	45,664

(17.2) Business combinations during 2019

On October 30, 2019, the acquisition of Boskalis Holding B.V. (Boskalis) through SAAM S.A. was successfully completed. The acquisition includes a 49% interest in SAAM SMIT Towage Mexico S.A. de C.V., and a 50% interest in SAAM SMIT Towage Brasil S.A. Accordingly, SAAM S.A. obtained control and began to consolidate ST Brasil, and acquired the non-controlling interest in ST Mexico. This acquisition gives SM SAAM control over all the shares of SST Brazil and increased its percentage interest in SST Mexico to 100%, while keeping control.

Under IFRS 3, the acquisition of 49% of ST Mexico is a non-controlling interest and is recognized against equity reserves (see Note 27.2.4). The acquisition of 50% of ST Brasil has been recognized as a business combination, with SAAM S.A. Acquiring the shares in SST Brasil sold by Boskalis.

Consequently: (i) the business combination process between SAAM S.A. and Boskalis was concluded; and (ii) SAAM SMIT Towage Mexico S.A. de CV changed its name to SAAM Towage Mexico S.A. de CV, and SAAM SMIT Towage Brasil S.A. changed its name to SAAM Towage Brasil S.A.

The statement of financial position as of October 31, 2019 for SAAM SMIT Towage Brasil is as follows.

Assets	10/31/2019		Liabilities	10/31/2019	
	ThUS\$			ThUS\$	
Current assets	Book value	Fair value	Current liabilities	Book value	Fair value
Cash and cash equivalents	7,536	7,536	Interest-bearing loans	17,294	17,294
Trade and other receivables	15,163	15,055	Other non-financial liabilities	144	144
Related party receivables	41	41	Trade and other payables	5,540	3,570
Inventories	2,389	2,389	Provisions	1,401	1,401
Prepayments	3,803	3,789	Current tax payables	5,073	5,073
Current tax assets	7,929	7,929	Employee benefit provisions, current	3,432	3,432
			Accumulated (or accrued) liabilities,	5,637	5,637
Total current assets	36,861	36,739	Total current liabilities	38,521	36,551
Non-current assets			Non-current liabilities		
Trade and other receivables	520	520	Interest-bearing loans	93,867	94,435
Related party receivables	166	166	Provisions	387	387
Goodwill	8,121	-	Deferred tax liabilities	8,023	4,136
Intangible assets other than goodwill	7,518	134			
Property, plant and equipment	217,075	213,148	Total non-current liabilities	102,277	98,958
Deferred tax assets	2,863	2,863			
Total non-current assets	236,263	216,831	Total liabilities	140,798	135,509
Total assets	273,124	253,570	Total net assets	132,326	118,061

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Goodwill recognized on acquiring the Boskalis shares reflects the difference in the transaction value that cannot be directly attributed to assets and liabilities. Accordingly, goodwill of ThUS\$25,191 has been recognized in the statement of financial position of SAAM S.A. The details are as follows:

Calculation of goodwill	ThUS\$
Acquisition %	100%
Price	69,863
Fair Value 50%	<u>88,845</u>
Acquisition price	<u>158,708</u>
Net assets (Equity)	(118,061)
Intangible assets	(23,418)
Deferred tax liabilities	<u>7,962</u>
Subtotal	<u>(133,517)</u>
Acquired goodwill	<u>25,191</u>

From November 1, 2019 to December 31, 2019, the contribution of SAAM Towage Brasil S.A. to revenue was ThUS\$16,154, and to net income was ThUS\$1,427 in the consolidated financial statements of the group.

(17.3) Intangible assets other than goodwill

	12/31/2019			12/31/2018		
	Gross	Accumulated	Net	Gross	Accumulated	Net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Patents, trademarks and other rights	1,050	(647)	403	1,018	(561)	457
Computer software	20,458	(15,438)	5,020	19,147	(12,977)	6,170
Port and tugboat concessions (17.4)	327,632	(137,422)	190,210	323,924	(112,264)	211,660
Customer relationships, contracts and others	36,295	(5,282)	31,013	12,465	(3,920)	8,545
Total intangible assets	385,435	(158,789)	226,646	356,554	(129,722)	226,832

(17.4) Reconciliation of changes in intangible assets by class for the years ended December 31, 2018 and December 31, 2019

	Patents, trademarks and other rights ThUS\$	Computer software ThUS\$	Port and tugboat concessions ThUS\$	Customer relationships, contracts and others ThUS\$	Total intangible assets other than goodwill ThUS\$	Goodwill ThUS\$
Net balance as of December 31, 2017	630	7,478	227,763	10,177	246,048	54,661
Opening balance as of January 1, 2018						
Additions	-	1,048	7,803	-	8,851	-
Amortization	(138)	(2,276)	(23,963)	(857)	(27,234)	-
Transfers to (from) assets held for sale	8	(8)	-	-	-	-
Change of exchange rates	-	-	-	(775)	(775)	(8,997)
Other increases (decreases)	(43)	(72)	57	-	(58)	-
Net balance as of December 31, 2018	457	6,170	211,660	8,545	226,832	45,664
Opening balance as of January 1, 2019						
Acquisitions through business combinations	-	134	-	23,418	23,552	25,191
Additions ⁽¹⁾	32	1,122	1,955	-	3,109	-
Amortization ⁽²⁾	(86)	(2,465)	(24,585)	(1,362)	(28,498)	-
Changes in exchange rates	-	-	1,292	412	1,704	1,427
Other increases (decreases)	-	59	(112)	-	(53)	-
Net balance as of December 31, 2019	403	5,020	190,210	31,013	226,646	72,282

(1) See Note 39.

(2) See Note 29 and 30.

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(17.5) Concessions

Port and Tug Concessions include the following concessions.

	Book value ThUS\$ 12/31/2019	Book value ThUS\$ 12/31/2018
Iquique Terminal Internacional S.A. Port Concession	34,734	37,263
Florida International Terminal, LLC Port Concession	160	316
Terminal Marítima Mazatlán S.A. de C.V. Port Concession	30,066	31,064
Sociedad Portuaria Granelera de Caldera S.A. Port Concession	56,693	63,788
Sociedad Portuaria de Caldera S.A. Port Concession	67,174	77,646
Total port concessions	188,827	210,077
Concesionaria SAAM Costa Rica S.A. Tugboat Concession	1,383	1,583
Total tugboat concessions	1,383	1,583
Total net intangible assets for port and tugboat concessions	190,210	211,660

Port concessions include the present value of the initial concession payment, the minimum obligatory payments, and financing costs when applicable, plus the value of obligatory works controlled by the entity granting the concession, in accordance with the concession contract. See the details of these concessions in Note 35.

NOTE 18 PROPERTY, PLANT AND EQUIPMENT

(18.1) Composition of property, plant and equipment

Property, plant and equipment	12/31/2019			12/31/2018		
	Gross value ThUS\$	Accumulated depreciation ThUS\$	Net value ThUS\$	Gross value ThUS\$	Accumulated depreciation ThUS\$	Net value ThUS\$
Land	53,882	-	53,882	54,129	-	54,129
Buildings and construction	96,433	(43,836)	52,597	94,575	(38,161)	56,414
Vessels, tugboats, barges and lighters	710,934	(200,120)	510,814	465,678	(184,417)	281,261
Machinery	134,485	(65,974)	68,511	126,984	(61,017)	65,967
Transport equipment	5,441	(3,705)	1,736	5,357	(3,327)	2,030
Office machinery	11,473	(9,880)	1,593	10,701	(8,949)	1,752
Furniture, fixtures and fittings	4,359	(3,447)	912	3,767	(3,003)	764
Construction in progress	16,374	-	16,374	19,330	-	19,330
Other property, plant and equipment	5,842	(3,626)	2,216	7,969	(5,317)	2,652
Right of use assets	33,809	(5,426)	28,383	-	-	-
Total property, plant and equipment	1,073,032	(336,014)	737,018	788,490	(304,191)	484,299

The item "Buildings and structures" includes buildings and offices for administrative use and those for operations such as warehouses and container terminals.

The Company has acquired reach stackers under financial leases within "Machinery", in the indirect subsidiary Florida International Terminal LLC for ThUS\$624 (ThUS\$760 at December 31, 2018) and 2 Gottwald cranes in the indirect subsidiary Iquique Terminal Internacional S.A. for ThUS\$6,727 (ThUS\$7,287 at December 31, 2018).

(18.2) Asset purchase and construction commitments

Construction disbursements relating to operational structures that support the Company's operations are classified under "Construction in progress". As of the reporting date, these are payments for projects associated with commissioning the port of Florida of ThUS\$1,296, civil works in Chile, Panama, Costa Rica and in the Port of Ecuador of ThUS\$14,714 and other minor assets of ThUS\$158.

Inmobiliaria San Marco Ltda.

There are works in progress to commission the urbanization of drinking water and other improvements in the Placilla sector of Valparaíso of ThUS\$206, (ThUS\$632 as of December 31, 2018).

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(18.3) Reconciliation of changes in property, plant and equipment, by class, for 2019 and 2018

	Land ThUS\$	Buildings and construction ThUS\$	Vessels, tugboats, barges and lighters ThUS\$	Machinery ThUS\$	Transport equipment ThUS\$	Office machinery ThUS\$	Furniture, fixtures and fittings ThUS\$	Construction in progress ThUS\$	Right of use assets ThUS\$	Other property, plant and equipment ThUS\$	Total ThUS\$
Net balance as of December 31, 2017											
Opening balance as of January 1, 2018	53,479	54,615	298,558	71,813	2,665	2,246	930	3,225	-	2,594	490,125
Additions ⁽¹⁾	252	5,652	17,979	1,711	38	603	56	20,594	-	625	47,510
Disposals (sale of assets)	-	(3)	(5,181)	(90)	(59)	(6)	(1)	-	-	-	(5,340)
Transfers (to) plant and equipment	174	1,341	2,479	208	-	73	-	(4,365)	-	90	-
Transfers from investment properties	224	-	-	-	-	-	-	-	-	-	224
Depreciation expense ⁽²⁾	-	(5,040)	(28,780)	(7,592)	(592)	(1,156)	(204)	-	-	(577)	(43,941)
Impairment loss	-	(140)	(5)	(83)	-	(8)	(17)	(24)	-	(4)	(281)
Translation differences on consolidation ⁽¹⁾	-	-	(3,789)	-	(3)	-	-	-	-	(64)	(3,856)
Other increases (decreases)	-	(11)	-	-	(19)	-	-	(100)	-	(12)	(142)
Net balance as of December 31, 2018	54,129	56,414	281,261	65,967	2,030	1,752	764	19,330	-	2,652	484,299
Additions ⁽³⁾	-	1,220	20,671	8,178	67	423	48	26,171	381	290	57,449
Acquisitions through business combinations	-	236	211,860	970	-	35	28	-	596	19	213,744
Disposals (sale of assets)	-	-	(343)	(264)	(3)	(4)	-	-	-	-	(614)
Application of IFRS16 to leases ⁽⁴⁾	-	-	-	-	-	-	-	-	32,846	-	32,846
Transfers (to) plant and equipment	36	1,339	25,092	2,690	257	152	402	(29,092)	-	(407)	469
Transfers from (to) assets held for sale	(283)	(1,101)	-	-	-	-	-	-	-	-	(1,384)
Depreciation expense ⁽²⁾	-	(5,257)	(30,935)	(8,475)	(612)	(819)	(278)	-	(5,428)	(489)	(52,293)
Write offs (asset derecognition)	-	(293)	(214)	(1)	(7)	-	(9)	(35)	-	-	(559)
Translation differences on consolidation ⁽¹⁾	-	39	3,422	52	5	15	-	-	-	372	3,905
Other increases (decreases)	-	-	-	(606)	(1)	39	(43)	-	(12)	(221)	(844)
Net balance as of December 31, 2019	53,882	52,597	510,814	68,511	1,736	1,593	912	16,374	28,383	2,216	737,018

1 Mainly the effect of re-stating in US dollars the tugs owned by SAAM Towage Canada Inc. whose functional currency is the Canadian dollar.

2 See Note 29 and 30.

3 See Note 39 (a).

4 The initial recognition of assets leased from third parties, which are depreciated over each contract term. The corresponding liability is recognized in leasing liabilities within financial liabilities.

(18.4) Guarantees and compensation

a) Guarantees

The indirect subsidiary SAAM Towage Canada Inc. has a marine mortgage in favor of Scotiabank Canada to secure its financial obligations. The book value of the assets mortgaged in guarantee is ThUS\$32,554, (ThUS\$17,585 in 2018).

b) Compensation

The Company has not received any compensation income with respect to claims, associated with property, plant and equipment.

NOTE 19 INVESTMENT PROPERTIES

	Land ThUS\$	Buildings ThUS\$	Total investment ThUS\$
Net balance as of December 31, 2017	1,955	134	2,089
Transfers (to) plant and equipment	(224)	-	(224)
Depreciation expense	-	(11)	(11)
Net balance as of December 31, 2018	1,731	123	1,854
Transfers (to) plant and equipment	-	-	-
Depreciation expense ⁽¹⁾	-	(11)	(11)
Net balance as of December 31, 2019	1,731	112	1,843

(1) See Note 29 and 30.

Investment properties are land and real estate in Chile, acquired to obtain capital gains and rental income, which are valued at cost and any structures are depreciated using the straight-line method based on their assigned life.

The fair value of the Company's investment properties as of the reporting date is ThUS\$2,975, which was based on appraisals by independent experts in 2017, updated in accordance with the value of the UF as of the reporting date.

As of December 31, 2019, investment properties generated direct expenses covering depreciation, insurance and property taxes that total ThUS\$(20).

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NOTE 20 CURRENT TAXES RECEIVABLE AND PAYABLE

Current taxes receivable and payable are detailed as follows.

(20.1) Current taxes receivable

	12/31/2019			12/31/2018		
	Current	Non-current	Total	Current	Non-current	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Provisional monthly tax payments	7,378	-	7,378	5,667	-	5,667
Income tax credits	24,927	418	25,345	27,600	-	27,600
Income tax provision	(6,161)	-	(6,161)	(7,648)	-	(7,648)
Total income tax receivable	26,144	418	26,562	25,619	-	25,619

(20.2) Current taxes payable

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Income tax provision	36,257	28,714
Provisional monthly tax payments	(11,019)	(12,716)
Income tax credits	(9,106)	(2,623)
Total income tax payable	16,132	13,375

NOTE 21 CURRENT AND DEFERRED INCOME TAXES**Deferred taxes**

Deferred taxes represent the income tax that the Company and subsidiaries will have to pay or receive in future years, related to temporary differences between the tax base and the book value of certain assets and liabilities.

(21.1) Deferred taxes

Temporary differences	Deferred tax asset	Deferred tax liability	Net
	12/31/2019	12/31/2019	12/31/2019
	ThUS\$	ThUS\$	ThUS\$
Employee benefit provision	2,097	(412)	1,685
Tax losses	5,540	-	5,540
Derivative instruments	-	(656)	(656)
Property, plant and equipment	4,011	(30,163)	(26,152)
Depreciation	-	(29,099)	(29,099)
Leasing obligations/leased assets	2,564	(4,919)	(2,355)
Port and tugboat concessions	8,785	(25,020)	(16,235)
Unrealized gains (losses)	946	(1,492)	(546)
Receivables impairment	751	-	751
Expense and other provisions	4,096	-	4,096
Revenue provisions	-	(1,185)	(1,185)
Total	28,790	(92,946)	(64,156)

Temporary differences	Deferred tax asset	Deferred tax liability	Net
	12/31/2018	12/31/2018	12/31/2018
	ThUS\$	ThUS\$	ThUS\$
Employee benefit provision	1,910	(643)	1,267
Tax losses	1,367	-	1,367
Derivative instruments	-	(12)	(12)
Property, plant and equipment	5,141	(10,092)	(4,951)
Depreciation	-	(28,828)	(28,828)
Leasing obligations/leased assets	7	(2,247)	(2,240)
Port and tugboat concessions	-	(31,646)	(31,646)
Unrealized gains (losses)	1,082	-	1,082
Receivables impairment	790	-	790
Expense and other provisions	4,525	-	4,525
Revenue provisions	-	(1,146)	(1,146)
Total	14,822	(74,614)	(59,792)

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21.2) Movement of deferred tax assets and liabilities during the period

Reconciliation of deferred taxes as of December 31, 2019.

Temporary differences on assets	Recognized in equity		Recognized in net income	Recognized in equity		Balance as of 12/31/2019	
	Balance as of 12/31/2018	Reductions for business combination		Translation differences on consolidation	Charged to comprehensive income		Balance as of 12/31/2018
	ThUS\$	ThUS\$		ThUS\$	ThUS\$		ThUS\$
Employee benefit provision	1,910	-	320	(174)	41	2,097	
Tax losses	1,367	2,863	784	526	-	5,540	
Property, plant and equipment	5,141	-	(6,707)	5,577	-	4,011	
Leased assets	7	-	2,532	25	-	2,564	
Port and tugboat concessions	-	-	-	8,785	-	8,785	
Receivables impairment	790	-	(31)	(8)	-	751	
Unrealized gains (losses)	1,082	-	(37)	(99)	-	946	
Expense and other provisions	4,525	-	(604)	175	-	4,096	
Total deferred tax assets	14,822	2,863	(3,743)	14,807	41	28,790	

Temporary differences on liabilities	Recognized in equity		Recognized in net income	Recognized in equity		Balance as of 12/31/2019	
	Balance as of 12/31/2018	Reductions for business combination		Translation differences on consolidation	Charged to comprehensive income		Balance as of 12/31/2018
	ThUS\$	ThUS\$		ThUS\$	ThUS\$		ThUS\$
Employee benefit provision	643	-	(71)	-	(160)	412	
Derivative instruments	12	-	17	355	272	656	
Intangible assets/property, plant and equipment	10,092	10,378	997	8,696	-	30,163	
Depreciation	28,828	-	298	(27)	-	29,099	
Leased assets	2,247	-	2,672	-	-	4,919	
Port and tugboat concessions	31,646	-	(10,384)	3,758	-	25,020	
Unrealized gains (losses)	-	1,720	(228)	-	-	1,492	
Revenue provisions	1,146	-	39	-	-	1,185	
Total deferred tax liabilities	74,614	12,098	(6,660)	12,782	112	92,946	

Reconciliation of deferred taxes as of December 31, 2018.

Temporary differences on assets	Recognized in equity		Recognized in net income	Recognized in equity		Balance as of 12/31/2018	
	Balance as of 12/31/2017	Recognized in net income		Translation differences on consolidation	Charged to comprehensive income		Balance as of 12/31/2018
	ThUS\$	ThUS\$		ThUS\$	ThUS\$		ThUS\$
Employee benefit provision	1,949	(62)	-	(7)	30	1,910	
Tax losses	959	408	-	-	-	1,367	
Derivative instruments	13	-	-	-	(13)	-	
Property, plant and equipment	5,782	(641)	-	-	-	5,141	
Leased assets	41	(32)	-	(2)	-	7	
Receivables impairment	972	(210)	28	-	-	790	
Unrealized gains (losses)	717	365	-	-	-	1,082	
Expense and other provisions	1,919	2,606	-	-	-	4,525	
Total deferred tax assets	12,352	2,434	28	(9)	17	14,822	

Temporary differences on liabilities	Recognized in equity		Recognized in net income	Recognized in equity		Balance as of 12/31/2018	
	Balance as of 12/31/2017	Other increases		Translation differences on consolidation	Charged to comprehensive income		Balance as of 12/31/2018
	ThUS\$	ThUS\$		ThUS\$	ThUS\$		ThUS\$
Employee benefit provision	915	-	(272)	-	-	643	
Derivative instruments	20	-	(14)	-	6	12	
Intangible assets/property, plant and equipment	15,023	-	(4,654)	(277)	-	10,092	
Depreciation	26,111	-	2,927	(210)	-	28,828	
Leased assets	2,061	-	186	-	-	2,247	
Port and tugboat concessions	33,020	-	(1,374)	-	-	31,646	
Revenue provisions	338	-	808	-	-	1,146	
Total deferred tax assets	77,488	-	(2,393)	(487)	6	74,614	

(1) Net effect of loss of ThUS\$1,956 in statement of net income, see Note 21.3.

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(21.3) Income taxes

Income tax expense for 2019 and 2018 is as follows:

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Current income tax expense		
Current tax expense	44,164	36,554
Tax benefits from tax allowances	(12,763)	(10,543)
Tax on disallowable expenditure	46	56
Other tax expenses	1,116	929
Total current tax expense, net	32,563	26,996
Deferred income tax expense		
Source and reversal of temporary differences	(2,917)	(4,827)
Source and reversal of temporary differences affecting equity	(302)	(938)
Total deferred tax expense, net	(3,219)	(5,765)
Income tax expense	29,344	21,231

(21.4) Analysis and reconciliation of the income tax rate calculated in accordance with Chilean tax legislation and the effective tax rate

	12/31/2019		12/31/2018	
	%	ThUS\$	%	ThUS\$
Net income before tax		99,292		83,022
Reconciliation of the effective tax rate	(27%)	(26,809)	(27%)	(22,416)
Tax expense using statutory rate				
Tax effect of rates in other jurisdictions	(2.05%)	(2,035)	(14.15%)	(11,748)
Tax effect of non-taxable revenue	0.44%	436	18.80%	15,611
Tax effect of non-deductible expenses	(1.23%)	(1,221)	(3.41%)	(2,834)
Other increases (decreases) in statutory taxes	0.29%	285	0.19%	156
Total adjustments to tax expense using the statutory rate	(2.55%)	(2,535)	1.43%	1,185
Tax expense using effective rate	(29.55%)	(29,344)	(25.57%)	(21,231)

NOTE 22 OTHER FINANCIAL LIABILITIES

Current and non-current other financial liabilities are detailed as follows.

		12/31/2019			12/31/2018		
	Note	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Interest-bearing loans	22.1	81,604	314,443	396,047	35,361	138,490	173,851
Finance leases	22.2	1,454	909	2,363	2,121	998	3,119
Bonds payable	22.3	124	107,796	107,920	131	113,472	113,603
Derivatives	22.4	205	1,595	1,800	-	-	-
Financial liabilities under operating leases IFRS 16	22.5	5,044	23,802	28,846	-	-	-
Subtotal financial liabilities		88,431	448,545	536,976	37,613	252,960	290,573
Concession contract obligations ⁽¹⁾	22.6	3,904	39,874	43,778	6,174	37,368	43,542
Total other financial liabilities		92,335	488,419	580,754	43,787	290,328	334,115

(1) The concession contract obligation is annual fees established in the concession contracts signed by the indirect subsidiaries Iquique Terminal internacional S.A. for ThUS\$12,379 (ThUS\$13,158 in 2018), Terminal Marítima Mazatlán S.A. de C.V. for ThUS\$29,348 (ThUS\$28,120 in 2018), Sociedad Portuaria de Caldera S.A. for ThUS\$1,737 (ThUS\$1,896 in 2018), Sociedad Portuaria Granelera de Caldera S.A. for ThUS\$223 (ThUS\$264 in 2018) and Concesionaria SAAM Costa Rica S.A. for ThUS\$91 (See Note 22.6). In accordance with IAS 37, obligations for Iquique Terminal internacional S.A. and Terminal Marítima Mazatlán S.A. de C.V. have been recognized at their present value considering estimated annual discount rates of 6.38% and 12.00%, respectively. Obligations for Sociedad Portuaria Granelera de Caldera and Sociedad Portuaria de Caldera S.A. have been calculated by adding 5% and 15% respectively to gross income from the concession. This fee is paid quarterly for completed periods.

Balances of other financial liabilities are reconciled as follows.

	Balance as of December 31, 2018	Loans received	New operating lease contracts	Loan repayments	Acquisitions through business combinations	Transfer from long to short-term	Exchange differences	Accrued Interest	Costs associated with loans	Balance as of December 31, 2019
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Current										
Interest-bearing loans	35,361	6,019	-	(45,432)	17,294	59,727	(285)	9,017	(97)	81,604
Finance leases	2,121	-	-	(2,177)	-	1,447	-	63	-	1,454
Bonds payable	131	-	-	(2,883)	-	-	-	2,876	-	124
Financial liabilities under operating leases IFRS 16	-	-	98	(6,474)	-	9,832	(9)	1,597	-	5,044
Non-current										
Interest-bearing loans	138,490	149,476	-	(6,874)	93,867	(59,727)	-	-	(789)	314,443
Finance leases	998	1,358	-	-	-	(1,447)	-	-	-	909
Bonds payable	113,472	-	-	-	-	-	(5,225)	-	(451)	107,796
Financial liabilities under operating leases IFRS 16	-	-	33,176	(60)	568	(9,832)	(60)	10	-	23,802
Total	290,573	156,853	33,274	(63,900)	111,729	-	(5,579)	13,563	(1,337)	535,176

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(22.1) Interest bearing bank loans

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92,048,000-4	SAAM S.A. (1 & 2)	Chile	97,018,000-1	Banco Scotiabank	Chile	US dollars	Semi-annual	-	5,427	5,427	9,790	9,790	9,790	64,842	-	94,212	99,639	Libor180 +	
20-2737471	Florida International Terminal, Llc.(2)	USA	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	565	448	1,013	893	893	893	889	-	3,568	4,581	Libor180 +	
96,915,330-0	Iquique Terminal Internacional S.A.(1 & 2)	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	-	2,626	2,626	-	-	-	-	-	-	2,626	Libor180 +	
96,915,330-0	Iquique Terminal Internacional S.A.	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Quarterly	592	1,734	2,326	2,320	1,164	-	-	-	3,484	5,810		
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,042	947	1,989	1,895	1,895	947	-	-	4,737	6,726		
R992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	631	-	631	-	-	-	-	-	-	631		
R992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	378	-	378	-	-	-	-	-	-	378		
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	-	1,922	1,922	1,875	1,875	1,875	1,875	2,813	10,313	12,235		
R992247932001	Inarpi S.A.	Ecuador	Foreign	Banco Santander Madrid	Spain	US dollars	Semi-annual	-	1,958	1,958	1,880	1,880	1,880	1,880	1,880	9,400	11,358	Libor180	
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,826	1,667	3,493	3,333	3,333	3,333	1,667	-	11,666	15,159		
R992247932001	Inarpi S.A.(1 & 2)	Ecuador	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	4,450	4,000	8,450	8,000	8,000	8,000	8,000	-	32,000	40,450	Libor180	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	216	403	619	-	-	-	-	-	-	619		
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	214	868	1,082	-	-	-	-	-	-	1,082	Libor30	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	67	201	268	281	295	311	327	583	1,797	2,065		
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	178	544	722	760	799	840	885	1,575	4,859	5,581		
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	675	2,084	2,759	2,901	3,058	3,216	3,379	8,418	20,972	23,731		
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda Costa Rica	Costa Rica	US dollars	Monthly	272	841	1,113	98	-	-	-	-	98	1,211	Libor 30 + with floor	
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	198	547	745	764	806	185	-	-	1,755	2,500	Libor 90 + with floor	
SRE970108SXA	Saam Remolques S.A. de C.V.(2)	Mexico	Foreign	Corpbanca New York Branch	Mexico	US dollars	Semi-annual	4,566	4,000	8,566	8,000	-	-	-	-	8,000	16,566	Libor180	
SRE970108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Banco Santander México	Mexico	Mexican peso	Monthly	504	-	504	-	-	-	-	-	-	504	TIE 28+	
SRE970108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Banco Santander México	Mexico	US dollars	Monthly	1,513	-	1,513	-	-	-	-	-	-	1,513	Libor30	
864121923	SAAM Towage Canada Inc (2 & 4)	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	349	15,072	15,421	-	-	-	-	-	-	15,421	Canada BA +	
864121923	SAAM Towage Canada Inc (2 & 4)	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	-	-	-	973	973	12,631	-	-	14,577	14,577	Canada BA +	
53286-0102	SAAM Towage Panama (2 & 3)	Panama	Foreign	Banco Rabobank	Netherlands	US dollars	Semi-annual	483	468	951	936	468	-	-	-	1,404	2,355		
							Subtotal	64,476									222,842	287,318	

(1) These are financial liabilities and the company has minimized their risk of interest rate fluctuation, by contracting hedging instruments (swaps).

(2) Loans must comply with covenants, as disclosed in Note 36.6

(3) Formerly Virtual Logistics Marine Services Inc.

(4) Formerly Smit Marine Canada Inc.

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Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	335	946	1,281	1,262	1,262	1,262	1,262	2,944	7,992	9,273	3.7%	3.7%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	403	1,136	1,539	1,514	1,514	1,514	1,514	3,533	9,589	11,128	3.7%	3.7%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	Brazilian real	Monthly	143	368	511	490	490	490	490	1,144	3,104	3,615	TJLP+3.70%	8.79%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	274	759	1,033	1,012	1,012	1,012	1,012	8,844	12,892	13,925	2.6%	2.6%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	214	573	787	763	763	763	763	6,699	9,751	10,538	3.6%	3.6%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	US dollars	Monthly	166	247	413	329	329	329	329	110	1,426	1,839	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	US dollars	Monthly	202	301	503	401	401	401	401	134	1,738	2,241	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	Brazilian real	Monthly	66	95	161	127	127	127	127	42	550	711	TJLP+3.80%	8.89%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	329	894	1,223	1,193	1,193	1,193	1,193	4,876	9,648	10,871	3.5%	3.5%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	224	606	830	808	808	808	808	3,411	6,643	7,473	3.6%	3.6%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	87	261	348	-	-	-	-	-	-	348	4.0%	4.0%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	112	320	432	427	427	285	-	-	1,139	1,571	4.4%	4.4%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	342	910	1,252	1,213	1,213	1,213	1,213	9,674	14,526	15,778	3.7%	3.7%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	163	20	183	181	181	181	181	136	860	1,043	5.5%	5.5%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	925	2,642	3,567	3,523	3,523	3,523	1,174	-	11,743	15,310	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Santander Brasil	Brazil	US dollars	At maturity	-	3,065	3,065	-	-	-	-	-	-	3,065	3.5%	3.5%
Subtotal										17,128						9,160	10,729		
Total bank loans										81,604						314,443	396,047		

(1) These are financial liabilities and the company has minimized their risk of interest rate fluctuation, by contracting hedging instruments (swaps).

(2) Loans must comply with covenants, as disclosed in Note 36.6

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								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$			
20-2737471	Florida International Terminal, LLC.	USA	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	105	241	346	600	600	600	600	1,820	4,220	4,566	Libor180 + 3%	5.97%(2)
96,915,330-0	Iquique Terminal Internacional S.A.	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	2,652	-	2,652	2,594	-	-	-	-	2,594	5,246	Libor180 + 2.3%	4.94%(1 & 2)
992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,069	947	2,016	1,895	1,895	1,895	946	-	6,631	8,647	3.21%	3.38%
992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	641	625	1,266	625	-	-	-	-	625	1,891	3.50%	3.69%
992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	385	375	760	375	-	-	-	-	375	1,135	3.50%	3.70%
992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	-	1,932	1,932	1,875	1,875	1,875	1,875	4,688	12,188	14,120	3.95%	4.10%
992247932001	Inarpi S.A.	Ecuador	Foreign	Banco Santander Madrid	Spain	US dollars	Semi-annual	-	1,991	1,991	1,880	1,880	1,880	1,880	3,760	11,280	13,271	Libor180 + 1.8%	4.96%
992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,860	1,667	3,527	3,333	3,333	3,333	3,333	1,667	14,999	18,526	4.07%	4.28%
Foreign	Saam Operadora de Ptos.de Estiba y Des.Costa Rica S.A.	Costa Rica	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	760	625	1,385	625	1,250	1,250	1,250	2,500	6,875	8,260	Libor180 + 2%	3.84%
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	306	938	1,244	564	-	-	-	-	564	1,808	6.50%	6.50%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	312	939	1,251	1,049	-	-	-	-	1,049	2,300	Libor30 + 5.5%	6.43%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	171	517	688	720	757	796	837	2,531	5,641	6,329	5.00%	5.0%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	68	191	259	266	280	294	310	915	2,065	2,324	5.00%	5.19%
Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	945	1,986	2,931	2,760	2,901	3,058	3,216	11,797	23,732	26,663	5.00%	5.89%(2)
Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda Costa Rica	Costa Rica	US dollars	Monthly	276	786	1,062	1,120	83	-	-	-	1,203	2,265	Libor 30 + 5.35% with floor 5.7%	6.85%(2)
SRE970 108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Corpbanca New York Branch	USA	US dollars	Semi-annual	-	8,696	8,696	8,000	8,000	-	-	-	16,000	24,696	Libor180 + 3%	4.31%(2)
864 12 1923	Smit Marine Canada Inc	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	336	1,008	1,344	1,344	13,474	-	-	-	14,818	16,162	Canada BA + 1.75%	3.20%(2)
864 12 1923	Smit Marine Canada Inc	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	98	293	391	391	391	391	10,118	-	11,291	11,682	Canada BA + 1.45%	4.10%
53286-0102	Virtual Logistics Marine Services, Inc	Panama	NL803281183B01	Banco Rabobank	Netherlands	US dollars	Semi-annual	253	702	955	936	936	468	-	-	2,340	3,295	3.45%	5.71%
2115520	Kios S.A.(3)	Uruguay	211307180016	Banco Santander	Uruguay	US dollars	Semi-annual	665	-	665	-	-	-	-	-	-	665	6.00%	6.00%
Total										35,361						138,490	173,851		

(1) These are financial liabilities and the company has minimized their risk of interest rate fluctuation, by contracting hedging instruments (swaps).

(2) Loans must comply with covenants, as disclosed in Note 36.6

(3) A credit line payable at 180 days.

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(22.2) Finance leases payable

Finance leases payable as of December 31, 2019 are detailed as follows.

Creditor ID number	Bank or Financial Institution	Debtor ID number	Debtor Name	Debtor country	Currency	Repayment terms	Under 90 days	90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non-current	Total debt	Contractual interest rate	Effective interest rate
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
97.036.000-K	Banco Santander	96,915,330-0	ITI SA	Chile	US dollars	Monthly	468	472	940	-	-	-	-	-	-	940	2.86%	2.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	41	-	41	-	-	-	-	-	-	41	3.74%	3.74%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	2	13	15	-	-	-	-	-	-	15	4.75%	4.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	112	328	440	478	330	18	-	-	826	1,266	5.50%	5.65%
211307180016E	Banco Santander Uruguay	Foreign	Kios S.A.	Uruguay	US dollars	Monthly	1	-	1	-	-	-	-	-	-	1	5.50%	5.65%
	Foreign	Bac International Bank	53286-0102 SAAM Towage Panama Inc.	Panama	US dollars	Monthly	4	13	17	19	20	29	15	-	83	100	3.45%	3.45%
Total									1,454						909	2,363		

Finance leases payable as of December 31, 2018 are detailed as follows.

Creditor ID number	Bank or Financial Institution	Debtor ID number	Debtor Name	Debtor country	Currency	Repayment terms	Under 90 days	90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non-current	Total debt	Contractual interest rate	Effective interest rate
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
97.036.000-K	Banco Santander	96,915,330-0	ITI SA	Chile	US dollars	Monthly	455	1,386	1,841	940	-	-	-	-	940	2,781	2.86%	2.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	60	182	242	42	-	-	-	-	42	284	3.74%	3.74%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	2	5	7	15	-	-	-	-	15	22	4.75%	4.86%
211307180016E	Banco Santander Uruguay	Foreign	Kios S.A.	Uruguay	US dollars	Monthly	2	7	9	-	-	-	-	-	-	9	5.50%	5.65%
211307180016E	Banco Santander Uruguay	Foreign	Kios S.A.	Uruguay	US dollars	Monthly	3	11	14	-	-	-	-	-	-	14	5.50%	5.65%
211307180016E	Banco Santander Uruguay	Foreign	Kios S.A.	Uruguay	US dollars	Monthly	2	6	8	1	-	-	-	-	1	9	5.50%	5.65%
Total									2,121					998	3,119			

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(22.3) Bonds payable

Bonds payable as of December 31, 2019 and 2018 are detailed as follows.

December 2019

Debtor ID number	Debtor	Debtor country	Registration number	Series	Maturity	Currency	Repayment terms	Effective rate	Nominal Rate	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	Over 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	793	Series B	2021	UF	Semi-annual	2.07%	2.60%	-	60	60	53,478	-	-	-	-	53,478	53,538
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	794	Series C	2026	UF	Semi-annual	2.39%	2.80%	-	64	64	-	-	-	-	54,318	54,318	54,382
Total												124						107,796	107,920

December 2018

Debtor ID number	Debtor	Debtor country	Registration number	Series	Maturity	Currency	Repayment terms	Effective rate	Nominal Rate	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	Over 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	793	Series B	2021	UF	Semi-annual	2.07%	2.60%	-	63	63	-	56,361	-	-	-	56,361	56,424
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	794	Series C	2026	UF	Semi-annual	2.39%	2.80%	-	68	68	-	-	-	-	57,111	57,111	57,179
Total												131						113,472	113,603

On January 17, 2017, the Company placed series B and C bonds, collecting ThUS\$115,013, net of associated costs. The debt is denominated in Unidades de Fomento (UF), with half-yearly payments of interest, and principal payment on maturity.

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(22.4) Derivatives

Derivatives as of December 31, 2019 and 2018 are detailed as follows.

December 2019

Creditor	Debtor ID number	Debtor Name	Debtor country	Currency	Hedge	Notional value	Under 90	90 days to	Total	1 to 3	3 to 5	Over 5	Total Non-	Total
							days	1 year	Current	years	years	years	current	liabilities
							ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Santander	97.036.000-K	SMSAAM S.A.	Chile	UF	Swap	2,800,000	-	-	-	1,259	-	130	1,389	1,389
BCI	96,915,330-0	Inarpi	Ecuador	US dollars	Swap	40,000,000	-	-	-	-	86	-	86	86
Scotiabank	Foreign	ST Canada	Canada	CAD	Swap	28,968,231	-	196	196	-	120	-	120	316
BCI	96,915,330-0	ITI S.A.	Chile	US dollars	Swap	6,041,308	-	9	9	-	-	-	-	9
Total									205				1,595	1,800

December 2018

The Company did not have any financial instruments that generated a financial liability as of December 31, 2018.

“Forward” foreign currency hedges are contracts entered into by the Company to minimize the risk of exchange rate fluctuations for assets and liabilities controlled in a currency other than the functional currency.

“Interest rate swaps” contain the Company’s derivatives against interest rate risks, which comply with hedge accounting criteria. The effectiveness of these hedges has been verified and confirmed, to verify compliance with these requirements. Therefore, a hedge reserve has been recognized in equity in other comprehensive income.

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(22.5) Financial liabilities under lease contracts

Financial liabilities by lease contract as of December 31, 2019 are detailed as follows.

Debtor Name	Creditor Name	Currency	Repayment terms	Under 90 days	90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non-current	Total debt	Lease term	Contractual interest rate
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$			
SAAM S.A.	Inmobiliaria Renta Segunda SpA	UF	Monthly	51	151	202	208	224	237	250	497	1416	1,618	10/18/2026	5.60%
SAAM Logistics S.A.	Junghenrich Rentalift SpA	UF	Monthly	5	12	17	-	-	-	-	-	-	17	10/31/2020	3.07%
Iquique Terminal Internacional S.A.	Salfarent	UF	Monthly	4	3	7	-	-	-	-	-	-	7	6/30/2020	2.21%
Ecuaestibas S.A.	Mareauto S.A.	USD	Monthly	8	23	31	27	7	-	-	-	34	65	2021- 2022	4.50%
Ecuaestibas S.A.	Sola Medina	USD	Monthly	5	16	21	22	6	-	-	-	28	49	3/31/2020	4.50%
SAAM Smit Towage Panamá	La Boca Rent S.A.	USD	Monthly	20	62	82	86	82	86	83	-	337	419	1/31/2025	3.45%
Sociedad Portuaria de Caldera	Banco Davivienda	USD	Monthly	6	2	8	-	-	-	-	-	-	8	4/1/2020	8.51%
Sociedad Portuaria Granelera de Caldera	Banco Davivienda	USD	Monthly	3	-	3	-	-	-	-	-	-	3	4/1/2020	8.51%
Inarpi S.A.	Mareauto	USD	Monthly	68	94	162	33	-	-	-	-	33	195	1/30/2021	4.50%
Inarpi S.A.	Inmobiliaria Inramicorp S.A.	USD	Monthly	53	163	216	131	-	-	-	-	131	347	7/30/2019	4.50%
Inarpi S.A.	Fertigran	USD	Monthly	-	-	-	-	-	-	-	452	452	452	6/30/2056	4.50%
SAAM Towage México	Arrendomovil de México, S.A. de C.V.	MXP	Monthly	13	40	53	34	-	-	-	-	34	87	7/13/1905	7.01%- 7.38%
SAAM Towage México	BBVA	MXP	Monthly	35	64	99	10	-	-	-	-	10	109	8/31/2021	7.90%
SAAM Towage Canada Inc.	Brown Bros. Ford Lincoln	CAD	Monthly	-	11	11	11	-	-	-	-	11	22	1/31/2021	3.49%
SAAM Towage Canada Inc.	City of Vancouver	CAD	Monthly	-	46	46	21	-	-	-	-	21	67	5/31/2021	4.10%
SAAM Towage Canada Inc.	Vancouver Fraser Port Authority	CAD	Monthly	-	54	54	56	58	60	62	338	574	628	12/31/2029	4.10%
SAAM Towage Canada Inc.	1202005 BC Ltd.	CAD	Monthly	-	55	55	62	66	69	73	165	435	490	2/28/2027	4.10%
SAAM Towage Canada Inc.	Rio Tinto.	CAD	Monthly	-	113	113	-	-	-	-	-	-	113	5/31/2020	3.14%
SAAM Towage Canada Inc.	Bosa	CAD	Monthly	-	16	16	16	16	-	-	-	32	48	12/31/2023	4.10%
SAAM Towage Canada Inc.	Prince Rupert Port Corp.	CAD	Monthly	-	19	19	20	-	-	-	-	20	39	9/30/2022	4.10%
SAAM Towage Canada Inc.	Port Edward Harbour Authority	CAD	Monthly	-	11	11	-	-	-	-	-	-	11	9/30/2020	4.10%
SAAM Towage Brasil S.A.		USD	Monthly	-	-	-	257	257	-	-	-	514	514	7/14/1905	
Florida International Terminal, LLC.	Broward County	USD	Monthly	865	2,730	3,595	3,769	3,972	4,186	4,411	2,293	18,631	22,226	6/30/2026	4.40%
Florida International Terminal, LLC.	Well Fargo Equipment Finance	USD	Monthly	54	169	223	235	248	260	275	71	1,089	1,312	3/31/2025	5.33%
				Total		5,044						23,802	28,846		

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(22.6) Concession contract obligations

Concession contract obligations as of December 31, 2019 are detailed as follows.

Port Company	Debtor ID number	Debtor Name	Debtor country	Currency	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Total Current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non-current ThUS\$	Total liabilities ThUS\$
Empresa Portuaria Iquique	96,915,330-0	Iquique Terminal Internacional SA	Chile	US dollars	203	627	830	1,826	2,072	7,651	11,549	12,379
API de Mazatlán	TMM 1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	263	760	1,023	6,323	5,505	16,497	28,325	29,348
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	US dollars	1,737	-	1,737	-	-	-	-	1,737
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	US dollars	223	-	223	-	-	-	-	223
Instituto Costarricense de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	US dollars	91	-	91	-	-	-	-	91
Total							3,904				39,874	43,778

Concession contract obligations as of December 31, 2018 are detailed as follows.

Port Company	Debtor ID number	Debtor Name	Debtor country	Currency	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Total Current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non-current ThUS\$	Total liabilities ThUS\$
Empresa Portuaria Iquique	96,915,330-0	Iquique Terminal Internacional SA	Chile	US dollars	190	589	779	1,714	1,945	8,720	12,379	13,158
API de Mazatlán	TMM 1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	772	2,359	3,131	7,689	7,689	9,611	24,989	28,120
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	US dollars	1,896	-	1,896	-	-	-	-	1,896
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	US dollars	264	-	264	-	-	-	-	264
Instituto Costarricense de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	US dollars	104	-	104	-	-	-	-	104
Total							6,174				37,368	43,542

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(22.7) Undiscounted financial liabilities

(22.7.1) The contractual cash flow of current bank loans as of December 31, 2019.

Debtor ID number	Debtor	Debtor country	Creditor ID number	Creditor (Bank)	Creditor country	Currency	Repayment terms	Under 180 days	Over 180 Days up to 1 Year	Current portion	1 to 2 years	2 to 5 years	Over 5 years	Non-current portion	Total debt	Contractual interest rate	Effective interest rate	
								ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
92,048,000-4	SAAM S.A.	Chile	97,018,000-1	Banco Scotiabank	Chile	US dollars	Semi-annual	1,715	6,734	8,449	13,156	92,438	-	105,594	114,043	Libor180 + 1.46%	3.37%	
20-2737471	Florida International Terminal, Llc.(2)	USA	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	1,117	1,070	2,187	1,023	2,880	-	3,903	6,090	Libor180 + 3%	4.77%	
96915330-0	Iquique Terminal Internacional S.A.(1&2)	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	1,362	1,331	2,693	-	-	-	-	2,693	Libor180 + 2.3%	4.24%	
96915330-0	Iquique Terminal Internacional S.A.	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Quarterly	1,265	1,243	2,508	2,425	1,182	-	3,607	6,115	3.47%	4.04%	
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,056	1,039	2,095	2,033	2,935	-	4,968	7,063	3.21%	3.38%	
R992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	636	-	636	-	-	-	-	636	3.50%	3.70%	
R992247932001	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	382	-	382	-	-	-	-	382	3.50%	3.70%	
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,178	1,165	2,343	2,269	6,357	2,924	11,550	13,893	3.95%	4.10%	
R992247932001	Inarpi S.A.	Ecuador	Foreign	Banco Santander Madrid	Spain	US dollars	Semi-annual	1,153	1,135	2,288	2,216	6,224	1,933	10,373	12,661	Libor180 + 1.8%	3.71%	
R992247932001	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,975	1,944	3,919	3,780	8,848	-	12,628	16,547	4.07%	4.28%	
R992247932001	Inarpi S.A.(1 & 2)	Ecuador	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	4,725	4,671	9,396	9,108	25,552	-	34,660	44,056	Libor180 + 1.6%	3.64%	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	511	120	631	-	-	-	-	631	6.50%	6.66%	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	677	439	1,116	-	-	-	-	1,116	Libor30 + 5.5%	7.26%	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	183	183	366	366	1,127	610	2,103	2,469	5.00%	5.19%	
Foreign	Sociedad Portuaria de Caldera S.A.(2)	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	494	494	988	989	3,048	1,646	5,683	6,671	5.00%	5.19%	
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	1,957	1,957	3,914	3,914	11,745	8,969	24,628	28,542	5.00%	5.38%	
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco Davivienda Costa Rica	Costa Rica	US dollars	Monthly	581	581	1,162	99	-	-	99	1,261	Libor 30 + 5.35% with floor 5.7%	7.11%	
Foreign	Sociedad Portuaria Granelera de Caldera S.A.(2)	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	422	422	844	844	1,031	-	1,875	2,719	Libor 90 + 3.35% with floor 5.25%	5.26%	
SRE970108SXA	Saam Remolques S.A. de C.V.(2)	Mexico	Foreign	Corpbanca New York Branch	USA	US dollars	Semi-annual	4,566	4,000	8,566	8,183	-	-	8,183	16,749	Libor180 + 3%	4.66%	
SRE970108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Banco Santander México	Mexico	Mexican peso	Monthly	504	-	504	-	-	-	-	504	TIE 28+1.66%	10.12%	
SRE970108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Banco Santander México	Mexico	US dollars	Monthly	1,513	-	1,513	-	-	-	-	1,513	Libor30 + 1.6%	3.82%	
864121923	SAAM Towage Canada Inc (2 & 4)	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	352	15,583	15,935	-	-	-	-	15,935	Canada BA + 1.75%	3.73%	
864121923	SAAM Towage Canada Inc (2 & 4)	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	-	-	-	1,013	14,176	-	15,189	15,189	Canada BA + 1.75%	3.73%	
53286-0102	SAAM Towage Panama (2 & 3)	Panama	NL803281183B01	Banco Rabobank	Netherlands	US dollars	Semi-annual	509	501	1,010	977	476	-	1,453	2,463	3.45%	5.71%	
Subtotal								73,445					246,496		319,941			

(1) These are financial liabilities and the company has minimized their risk of interest rate fluctuation, by contracting hedging instruments (swaps).

(2) Loans are subject to covenants, as disclosed in Note 36.6.

(3) Formerly Virtual Logistics Marine Services Inc.

(4) Formerly Smit Marine Canada Inc.

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Debtor ID number	Debtor	Debtor country	Creditor		Creditor country	Currency	Repayment terms	Over 180 Days up to 1 Year		Current portion ThUS\$	1 to 2 years ThUS\$	2 to 5 years ThUS\$	Over 5 years ThUS\$	Non-current portion ThUS\$	Total debt ThUS\$	Contractual interest rate	Effective interest rate
			Debtor ID number	Creditor (Bank)				Under 180 days ThUS\$	ThUS\$								
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	800	788	1,588	1,540	4,336	3,078	8,954	10,542	3.7%	3.7%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	960	946	1,906	1,848	5,204	3,694	10,746	12,652	3.7%	3.7%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	Brazilian real	Monthly	399	387	786	742	1,968	1,264	3,974	4,760	3.70%TJLP	8.79%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	685	679	1,364	1,336	3,851	9,868	15,055	16,419	2.6%	2.6%
Foreign	SAAM Towage Brasil	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	570	563	1,133	1,104	3,147	7,780	12,031	13,164	3.6%	3.6%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	US dollars	Monthly	238	234	472	456	1,026	44	1,526	1,998	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	US dollars	Monthly	290	285	575	556	1,251	55	1,862	2,437	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Caterpillar	Brazil	Brazilian real	Monthly	108	105	213	199	419	17	635	848	3.80%TJLP	8.89%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	784	774	1,558	2,989	4,166	3,908	11,063	12,621	3.5%	3.5%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	537	530	1,067	2,045	2,846	2,773	7,664	8,731	3.6%	3.6%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	286	65	351	-	-	-	-	351	4.0%	4.0%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	255	249	504	479	746	-	1,225	1,729	4.4%	4.4%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	941	928	1,869	1,846	5,134	11,357	18,337	20,206	3.7%	3.7%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	BNDES	Brazil	US dollars	Monthly	109	108	217	210	584	138	932	1,149	5.5%	5.5%
Foreign	Tug Brasil Apoio Maritimo	Brazil	Foreign	Banco Do Brasil	Brazil	US dollars	Monthly	2,039	2,005	4,044	3,909	8,599	-	12,508	16,552	3.8%	3.8%
Foreign	SAAM Towage Brasil	Brazil	Foreign	Banco Santander Brasil	Brazil	US dollars	At maturity	-	3,124	3,124	-	-	-	-	3,124	3.5%	3.5%
Subtotal										20,771				106,512	127,283		
Total bank loans										94,216				353,008	447,224		

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(22.7.1) The contractual cash flow of current bank loans as of December 31, 2018.

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20-2737471	Florida International Terminal, LLC.	USA	97,006,000-6	Banco Crédito e Inversiones	USA	US dollars	Semi-annual	106	132	238	1,145	3,117	933	5,195	5,433	Libor180 +3%	5.97%(2)
96915330-0	Iquique Terminal Internacional S.A.	Chile	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	1,358	1,300	2,658	2,600	-	-	2,600	5,258	Libor180 +2.3%	4.94%(1&2)
9.92248E+11	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,087	1,070	2,157	2,095	4,968	-	7,063	9,220	3.21%	3.38%
9.92248E+11	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	658	647	1,305	636	-	-	636	1,941	3.50%	3.69%
9.92248E+11	Inarpi S.A.	Ecuador	97,006,000-6	Banco Crédito e Inversiones	Chile	US dollars	Semi-annual	395	388	783	382	-	-	382	1,165	3.50%	3.70%
9.92248E+11	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	1,217	1,202	2,419	2,346	6,582	4,969	13,897	16,316	3.95%	4.10%
9.92248E+11	Inarpi S.A.	Ecuador	Foreign	Banco Santander Madrid	Spain	US dollars	Semi-annual	1,243	1,222	2,465	2,380	6,615	3,977	12,972	15,437	Libor180 +1.8%	4.96%
9.92248E+11	Inarpi S.A.	Ecuador	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	2,042	2,013	4,055	3,919	10,928	1,701	16,548	20,603	4.07%	4.28%
Foreign	Saam Operadora de Ptos.de Estiba y Des.Costa Rica S.A.	Costa Rica	97,030,000-7	Banco Estado	Chile	US dollars	Semi-annual	795	786	1,581	1,532	4,301	2,622	8,455	10,036	Libor180 +2%	3.84%
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	1,325	1,325	2,650	1,263	-	-	1,263	3,913	6.50%	6.50%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda	Costa Rica	US dollars	Monthly	684	683	1,367	1,081	-	-	1,081	2,448	Libor30 +5.5%	6.43%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	494	494	988	988	2,966	2,635	6,589	7,577	5.00%	5.0%(2)
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	Foreign	BAC San José	Costa Rica	US dollars	Monthly	183	183	366	366	1,097	975	2,438	2,804	5.00%	5.19%
Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	Foreign	Banco San José	Costa Rica	US dollars	Quarterly	1,957	1,957	3,914	3,914	11,742	12,883	28,539	32,453	5.00%	5.89%(2)
Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	Foreign	Banco Davivienda Costa Rica	Costa Rica	US dollars	Monthly	587	587	1,174	1,174	84	-	1,258	2,432	Libor 30 +5.35% with floor 5.7%	6.85%(2)
SRE970108SXA	Saam Remolques S.A. de C.V.	Mexico	Foreign	Corpbanca New York Branch	USA	US dollars	Semi-annual	4,671	4,302	8,973	8,427	8,183	-	16,610	25,583	Libor180 +3%	4.31%(2)
864121923	Smit Marine Canada Inc	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	926	926	1,852	1,859	13,957	-	15,816	17,668	Canada BA +1.75%	3.20%(2)
864121923	Smit Marine Canada Inc	Canada	Foreign	Scotiabank Canada	Canada	Canadian dollar	Monthly	496	551	1,047	1,066	12,664	-	13,730	14,777	Canada BA +1.45%	4.10%
53286-0102	Virtual Logistics Marine Services, Inc	Panama	NL803281183B01	Banco Rabobank	Netherlands	US dollars	Semi-annual	525	517	1,042	1,010	1,454	-	2,464	3,506	3.45%	5.71%
2115520	Kios S.A.(3)	Uruguay	211307180016	Banco Santander	Uruguay	US dollars	Semi-annual	669	-	669	-	-	-	-	669	6.00%	6.00%
Total										41,703				157,536	199,239		

(1) These are financial liabilities and the company has minimized their risk of interest rate fluctuation, by contracting hedging instruments (swaps).

(2) Loans are subject to covenants, as disclosed in Note 36.6

(3) A credit line payable at 180 days..

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(22.7.2) The contractual cash flow of finance leases as of December 31, 2019.

Creditor ID number	Bank or Financial Institution	Debtor ID number	Debtor Name	Debtor country	Currency	Repayment terms	Under 180 days to 1 year		Total Current ThUS\$	1 to 2 years ThUS\$	2 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non-current ThUS\$	Total debt ThUS\$	Contractual interest rate	Effective interest rate
							ThUS\$	ThUS\$								
97.036.000-K	Banco Santander	96,915,330-0	ITI SA	Chile	US dollars	Monthly	474	474	948	-	-	-	-	948	2.86%	2.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	165	-	165	-	-	-	-	165	3.74%	3.74%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	20	-	20	-	-	-	-	20	4.75%	4.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	317	190	507	507	360	-	867	1,374	5.50%	5.65%
211307180016E	Banco Santander Uruguay		Kios S.A.	Uruguay	US dollars	Monthly	1	-	1	1	-	-	1	2	5.50%	5.65%
Foreign	Bac International Bank	53286-0102	SAAM Towage Panama Inc.	Panama	US dollars	Monthly	4	13	17	19	64	-	83	100	3.45%	3.45%
Total									1,658				951	2,609		

(22.7.2) The contractual cash flow of finance leases as of December 31, 2018.

Creditor ID number	Bank or Financial Institution	Debtor ID number	Debtor Name	Debtor country	Currency	Repayment terms	Under 180 days to 1 year		Total Current ThUS\$	1 to 2 years ThUS\$	2 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non-current ThUS\$	Total debt ThUS\$	Contractual interest rate	Effective interest rate
							ThUS\$	ThUS\$								
97.036.000-K	Banco Santander	96,915,330-0	ITI SA	Chile	US dollars	Monthly	948	948	1,896	948	-	-	948	2,844	2.86%	2.86%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	62	186	248	228	-	-	228	476	3.74%	3.74%
94-1347393	Wells Fargo Equipment Finance, Inc.	Foreign	FIT LLC	USA	US dollars	Monthly	2	5	7	15	-	-	15	22	4.75%	4.86%
211307180016E	Banco Santander Uruguay		Kios S.A.	Uruguay	US dollars	Monthly	5	5	10	-	-	-	-	10	5.50%	5.65%
211307180016E	Banco Santander Uruguay		Kios S.A.	Uruguay	US dollars	Monthly	7	7	14	-	-	-	-	14	5.50%	5.65%
211307180016E	Banco Santander Uruguay		Kios S.A.	Uruguay	US dollars	Monthly	4	4	8	1	-	-	1	9	5.50%	5.65%
Total									2,183				1,192	3,375		

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(22.7.3) The contractual cash flow of bonds as of December 31, 2019 and 2018.

December 2019

Debtor ID number	Debtor	Debtor country	Registration number	Series	Maturity	Currency	Repayment terms	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	Over 5 years ThUS\$	Non-current portion ThUS\$	Total liabilities ThUS\$
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	793	Series B	2021	UF	Semi-annual	-	1,367	1,367	54,302	-	-	-	-	54,302	55,669
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	794	Series C	2026	UF	Semi-annual	-	1,472	1,472	1,472	1,472	1,472	1,472	55,878	61,766	63,238
Total										2,839						116,068	118,907

December 2018

Debtor ID number	Debtor	Debtor country	Registration number	Series	Maturity	Currency	Repayment terms	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Current portion ThUS\$	1 to 2 years ThUS\$	2 to 3 years ThUS\$	3 to 4 years ThUS\$	4 to 5 years ThUS\$	Over 5 years ThUS\$	Non-current portion ThUS\$	Total liabilities ThUS\$
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	793	Series B	2021	UF	Semi-annual	-	1,435	1,435	1,435	1,435	55,547	-	-	58,417	59,852
76,196,718-5	Sociedad Matriz SAAM S.A.	Chile	794	Series C	2026	UF	Semi-annual	-	1,545	1,545	1,545	1,545	1,545	1,545	60,180	66,360	67,905
Total										2,980						124,777	127,757

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(22.7.4) The contractual cash flow of concession contract obligations as of December 31, 2019 and 2018

December 2019

Port Company	Debtor ID number	Debtor Name	Debtor country	Currency	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Total Current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non- current ThUS\$	Total liabilities ThUS\$
Empresa Portuaria Iquique	96,915,330-0	ITISA	Chile	US dollars	400	1200	1600	3,200	3,200	9,200	15,600	17,200
API de Mazatlán	TMM 1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	266	814	1,080	7,621	8,319	44,958	60,898	61,978
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	US dollars	1,737	-	1,737	-	-	-	-	1,737
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	US dollars	223	-	223	-	-	-	-	223
Instituto Costarricense de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	US dollars	91	-	91	-	-	-	-	91
					Total		4,731				76,498	81,229

December 2018

Port Company	Debtor ID number	Debtor Name	Debtor country	Currency	Under 90 days ThUS\$	90 days to 1 year ThUS\$	Total Current ThUS\$	1 to 3 years ThUS\$	3 to 5 years ThUS\$	Over 5 years ThUS\$	Total Non- current ThUS\$	Total liabilities ThUS\$
Empresa Portuaria Iquique	96,915,330-0	ITISA	Chile	US dollars	400	1200	1,600	3,200	3,200	12,240	18,640	20,240
API de Mazatlán	TMM 1201098F6	Terminal Marítima Mazatlán S.A. de C.V.	Mexico	Mexican peso	801	2,273	3,074	14,574	17,370	27,789	59,733	62,807
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	US dollars	1,896	-	1,896	-	-	-	-	1,896
Instituto Costarricense de Puertos del Pacífico	Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	US dollars	264	-	264	-	-	-	-	264
Instituto Costarricense de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	US dollars	104	-	104	-	-	-	-	104
					Total		6,938				78,373	85,311

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(22.7.5) The contractual flow of financial liabilities under lease agreements as of December 31, 2019.

Debtor Name	Creditor Name	Currency	Repayment terms	Under 90 days	90 days to 1 year	Total Current	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non-current	Total debt	Lease term	Contractual interest rate
				ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
SAAM S.A.	Inmobiliaria Renta Segunda SpA	UF	Monthly	70	211	281	284	284	284	284	237	1,373	1,654	10/18/2026	5.60%
SAAM Logistics S.A.	Jungheinrich Rentalift SpA	UF	Monthly	5	12	17	-	-	-	-	-	-	17	10/31/2020	3.07%
Iquique Terminal Internacional S.A.	Salfarent	UF	Monthly	4	3	7	-	-	-	-	-	-	7	6/30/2020	2.21%
Ecuastibas S.A.	Mareauto S.A.	USD	Monthly	8	25	33	27	7	-	-	-	34	67	2021-2022	4.50%
Ecuastibas S.A.	Sola Medina	USD	Monthly	5	17	22	22	6	-	-	-	28	50	3/31/2020	4.50%
SAAM Smit Towage Panamá	La Boca Rent S.A.	USD	Monthly	25	75	100	100	93	93	84	-	370	470	1/31/2025	3.45%
Sociedad Portuaria de Caldera	Banco Davivienda	USD	Monthly	7	2	9	-	-	-	-	-	-	9	4/1/2020	8.51%
Sociedad Portuaria Granelera de Caldera	Banco Davivienda	USD	Monthly	5	-	5	-	-	-	-	-	-	5	4/1/2020	8.51%
Inarpi S.A.	Mareauto	USD	Monthly	70	97	167	34	-	-	-	-	34	201	1/30/2021	4.50%
Inarpi S.A.	Inmobiliaria Inramicorp S.A.	USD	Monthly	53	163	216	133	-	-	-	-	133	349	7/30/2019	4.50%
Inarpi S.A.	Fertigran	USD	Monthly	-	-	-	-	-	-	-	1,440	1,440	1,440	6/30/2056	4.50%
SAAM Towage México	Arrendomovil de México, S.A. de C.V.	MXP	Monthly	13	40	53	34	-	-	-	-	34	87	7/13/1905	7.01%-7.38%
SAAM Towage México	BBVA	MXP	Monthly	35	64	99	10	-	-	-	-	10	109	8/31/2021	7.90%
SAAM Towage Canada Inc.	Brown Bros. Ford Lincoln	CAD	Monthly	-	11	11	11	-	-	-	-	11	22	1/31/2021	3.49%
SAAM Towage Canada Inc.	City of Vancouver	CAD	Monthly	-	48	48	21	-	-	-	-	21	69	5/31/2021	4.10%
SAAM Towage Canada Inc.	Vancouver Fraser Port Authority	CAD	Monthly	-	72	72	72	72	72	72	359	647	719	12/31/2029	4.10%
SAAM Towage Canada Inc.	1202005 BC Ltd.	CAD	Monthly	-	68	68	75	77	77	80	171	480	548	2/28/2027	4.10%
SAAM Towage Canada Inc.	Rio Tinto.	CAD	Monthly	-	115	115	-	-	-	-	-	-	115	5/31/2020	3.14%
SAAM Towage Canada Inc.	Bosa	CAD	Monthly	-	17	17	17	17	-	-	-	34	51	12/31/2023	4.10%
SAAM Towage Canada Inc.	Prince Rupert Port Corp.	CAD	Monthly	-	21	21	21	-	-	-	-	21	42	9/30/2022	4.10%
SAAM Towage Canada Inc.	Port Edward Harbour Authority	CAD	Monthly	-	11	11	-	-	-	-	-	-	11	9/30/2020	4.10%
SAAM Towage Brasil S.A.		USD	Monthly	-	-	-	257	257	-	-	-	514	514	7/14/1905	
Florida International Terminal, LLC.	Broward County	USD	Monthly	1,164	3,493	4,657	4,657	4,657	4,657	4,657	2,329	20,957	25,614	6/30/2026	4.40%
Florida International Terminal, LLC.	Well Fargo Equipment Finance	USD	Monthly	71	215	286	286	286	286	286	71	1,215	1,501	3/31/2025	5.33%
				Total		6,315						27,356	33,671		

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NOTE 23 TRADE AND OTHER PAYABLES

Trade and other payables are detailed as follows.

	12/31/2019			12/31/2018		
	Current	Non-Current	Total	Current	Non-Current	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Trade payables	34,832	-	34,832	32,898	-	32,898
Other payables	6,859	-	6,859	3,369	-	3,369
Total trade and other payables	41,691	-	41,691	36,267	-	36,267

Other payables are mainly routine obligations to third parties, usually not directly related to operations.

Trade payables not yet due and overdue as of December 31, 2019 and 2018, are detailed as follows.

a) Trade payables not yet due

Supplier	Under 30 days ThUS\$	31 to 60 days ThUS\$	61 to 90 days ThUS\$	91 to 120 days ThUS\$	Total not yet due 12.31.2019 ThUS\$
Goods	2,723	205	42	-	2,970
Services	27,583	2,481	369	1,080	31,513
Total	30,306	2,686	411	1,080	34,483

Supplier	Amount by payment terms				Total not yet due 12.31.2018 ThUS\$
	Under 30 days ThUS\$	31 to 60 days ThUS\$	61 to 90 days ThUS\$	91 to 120 days ThUS\$	
Goods	3,530	321	101	12	3,964
Services	17,653	8,611	281	1,727	28,272
Total	21,183	8,932	382	1,739	32,236

b) Trade payables overdue(1)

Supplier	Amount by payment terms						Total overdue 12.31.2019 ThUS\$
	Under 30 days ThUS\$	31 to 60 days ThUS\$	61 to 90 days ThUS\$	91 to 120 days ThUS\$	121 to 180 days ThUS\$	Over 180 days ThUS\$	
Goods	-	-	-	-	-	-	-
Services	188	49	14	4	4	90	349
Others	-	-	-	-	-	-	-
Total	188	49	14	4	4	90	349

Supplier	Amount by payment terms						Total overdue 12.31.2018 ThUS\$
	Under 30 days ThUS\$	31 to 60 days ThUS\$	61 to 90 days ThUS\$	91 to 120 days ThUS\$	121 to 180 days ThUS\$	Over 180 days ThUS\$	
Goods	-	-	-	-	-	-	-
Services	34	173	145	71	12	227	662
Others	-	-	-	-	-	-	-
Total	34	173	145	71	12	227	662

(1) The Company has a solid liquidity situation, which allows it to meet its obligations to its suppliers without significant problems. Therefore, trade payables overdue as of December 31, 2019 and 2018 are mainly invoices containing unreconciled differences, which in most cases are rapidly resolved.

NOTE 24 PROVISIONS

	31-12-2019			31-12-2018		
	Corrientes	No corrientes	Total	Corrientes	No corrientes	Total
	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$	MUS\$
Provisiones legales ⁽¹⁾	-	1.330	1.330	-	919	919
Desmantelación, restauración y rehabilitación ⁽²⁾	-	45	45	-	80	80
Participación sobre las utilidades ⁽³⁾	813	-	813	697	-	697
Otras provisiones	746	-	746	253	-	253
Total provisiones	1.559	1.375	2.934	950	999	1.949

(1) Provision of ThUS\$1,330 (ThUS\$919 in 2018) by the indirect subsidiary SAAM do Brasil Ltda. and SAAM Towage Brasil S.A.

(2) Provision for dismantling offices at Terminal Puerto Guayaquil.

(3) Profit sharing is based on 2.5% of the dividends from the year's net distributable income.

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(24.1) Reconciliation of provisions by class for the period

	Litigation provisions, non-current ThUS\$	Other provisions, current ThUS\$	Other provisions, non-current ThUS\$	Total provisions ThUS\$
Balance as of December 31, 2017				
Opening balance as of January 1, 2018	740	932	58	1,730
Additional provisions	387	873	22	1,282
Provisions used	(100)	(855)	-	(955)
Effects of changes in exchange rates	(108)	-	-	(108)
Total changes in provisions	179	18	22	219
Balance as of December 31, 2018				
Opening balance as of January 1, 2019	919	950	80	1,949
Additional provisions	-	1,261	-	1,261
Acquisitions through business combinations	387	-	-	387
Provisions used ⁽¹⁾	-	(652)	(35)	(687)
Effects of changes in exchange rates	24	-	-	24
Total changes in provisions	411	609	(35)	985
Balance as of December 31, 2019	1,330	1,559	45	2,934

(1) This is mainly the accrual and payment of profit sharing to Company Directors.

NOTE 25 OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are detailed as follows.

	Current 12/31/2019 ThUS\$	Non-current 12/31/2019 ThUS\$	Total 12/31/2019 ThUS\$	Current 12/31/2018 ThUS\$	Non-current 12/31/2018 ThUS\$	Total 12/31/2018 ThUS\$
Minimum dividends payable next year ⁽¹⁾	17,334	-	17,334	14,882	-	14,882
Dividends payable for prior years	60	-	60	53	-	53
Deferred income	79	-	79	48	-	48
VAT payable	2,693	-	2,693	2,292	-	2,292
Other non-financial liabilities	12	42	54	34	-	34
Total other non-financial liabilities	20,178	42	20,220	17,309	-	17,309

(1) Minimum dividend provision is equivalent to 30% of net distributable income for the year.

NOTE 26 EMPLOYEE BENEFITS AND EXPENSES

(26.1) Employee benefit expenses for the period

	01/01/2019 12/31/2019 ThUS\$	01/01/2018 12/31/2018 ThUS\$
Profit sharing and bonuses		
Profit sharing and bonuses, current	11,503	10,730
Total	11,503	10,730
Employee expenses		
Wages and salaries	113,077	112,455
Short-term benefits	10,920	9,306
Defined benefit obligation expense	3,797	6,082
Other long-term benefits	520	532
Other employee expenses	5,160	5,029
Total employee expense	133,474	133,404
Total⁽¹⁾	144,977	144,134

(1) Employee remuneration is recorded in operating costs of ThUS\$107,608 (ThUS\$103,831 in 2018) and in administrative expense of ThUS\$37,369 (ThUS\$40,303 in 2018)

(26.2) Unpaid employee benefits as of the reporting date are as follows.

Benefit	12/31/2019			12/31/2018		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Defined benefit obligations (Note 26.3)	1,255	10,363	11,618	457	8,666	9,123
Vacations	6,420	-	6,420	3,830	-	3,830
Profit sharing and bonuses	9,598	-	9,598	8,518	-	8,518
Social security payments and taxes	2,139	-	2,139	2,426	-	2,426
Termination benefits and remuneration payable	3,480	-	3,480	3,012	-	3,012
Total employee benefits	22,892	10,363	33,255	18,243	8,666	26,909

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(26.3) Defined benefit obligations

As of December 31, 2019 and 2018, the responsibility of SM SAAM and subsidiaries is based on the criteria in IAS 19.

The defined obligation is for termination benefits that will be paid to all employees under the collective agreements between the company and its employees. These obligations include the legal indemnity payable by Iquique Terminal Internacional S.A. to all its employees at the end of the concession, and the obligations of Mexican subsidiaries where employees are legally entitled to this indemnity.

The actuarial valuation is based on the following parameters and percentages.

- Discount rate between 1.23% and 1.9%
- Salary increase rate between 1.1% and 1.69%
- Average group employee turnover between 0.2% and 3% for voluntary terminations, and between 0.8% and 9.2% for dismissals.
- Mortality table is rv-2014

Changes in post-employment benefit obligations are detailed as follows.

Present value of defined benefit plan obligations	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Balance as of January 1	9,123	11,332
Cost of services	2,871	1,404
Interest costs	222	265
Actuarial (gains) losses	653	(328)
Effects of changes in exchange rates	253	(920)
Settlements	(1,504)	(2,630)
Total present value of defined benefit plan obligations	11,618	9,123
Current obligation (*)	1,255	457
Non-current obligation	10,363	8,666
Total obligation	11,618	9,123

(*) The Company's best estimate of payments over the next twelve months.

(26.4) Actuarial variable sensitivity analysis

The method used to quantify the effect on the provisions for termination benefits includes an increase and decrease of 10% in the actuarial variables used to calculate these provisions.

The actuarial variables used by SM SAAM to measure this liability and for the sensitivity analysis are detailed as follows.

Actuarial assumptions	10%	Current	-10%
Discount rate	1.63%	1.48%	1.33%
Salary increase rate	1.58%	1.44%	1.29%
Employee turnover due to resignation (*)	0.22% - 3.30%	0.20% - 3.00%	0.18% - 2.70%
Employee turnover due to business need (*)	0.88% - 10.12%	0.80% - 9.20%	0.72% - 8.28%

(*) Employee turnover for voluntary termination and dismissals includes the variables applied to each company.

The results of analysis using these variables are detailed as follows.

Effect of a 10% increase in actuarial variables	ThUS\$
Balance as of 12.31.2019	11,618
Actuarial change	(44)
Book value after the actuarial change	11,574
Effect of a 10% decrease in actuarial variables	ThUS\$
Balance as of 12.31.2019	11,618
Actuarial change	61
Book value after the actuarial change	11,679

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NOTE 27 EQUITY AND RESERVES

As of December 31, 2019, the authorized share capital was 9,736,791,983 shares. All issued shares are fully paid up.

Number of shares

Series	Number of Subscribed Shares	Number of Paid Shares	Number of Voting Shares
SINGLE	9,736,791,983	9,736,791,983	9,736,791,983

These shares have no par value and the Company does not own any treasury shares.

Earnings per share are calculated based on earnings attributable to the owners of the parent company divided by the number of subscribed and paid shares.

27.1) Share capital

Number of shares in 2019	Common Shares
Subscribed and paid as of January 1, 2019	9,736,791,983
Issued during business combinations	-
Stock options exercised	-
Subscribed and paid as of December 31, 2019	9,736,791,983

27.2) Reserves

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Foreign currency translation reserve (Note 27.2.1)	(60,702)	(60,901)
Cash flow hedge reserve (Note 27.2.2)	5,956	5,210
Actuarial gains and losses on defined benefit plans reserve (Note 27.2.3)	(3,914)	(4,162)
Other miscellaneous reserves (Note 27.2.4)	34,978	44,203
Total	(23,682)	(15,650)

Explanation of movements:

27.2.1) Foreign currency conversion reserve

The conversion reserve arises from the conversion of the financial statements of subsidiaries and associates from a functional currency other than the functional currency of the parent company.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Opening balance	(60,901)	(50,872)
Change originated in:		
Associates (Note 16.1)	(2,286)	(3,400)
Subsidiaries ^(*)	2,485	(6,629)
Total	(60,702)	(60,901)

(*) Mainly the effects of conversion in the indirect subsidiary Saam Towage Canada Inc. whose functional currency is the Canadian dollar.

27.2.2) Cash flow hedge reserve

The hedge reserve is the effective portion of changes in the fair value of derivative financial instruments and the hedged item, associated with future transactions.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Opening balance	5,210	725
Result attributed to comprehensive income for the period of:		
Associates (Note 16.1)	-	-
Subsidiaries	145	59
Own derivatives ⁽¹⁾	601	4,426
Total	5,956	5,210

(1) Mainly the hedge reserve of Sociedad Matriz SAAM, associated with the CCSWAP hedge contracted for the bond placement in January 2017.

27.2.3) Actuarial gains and losses on defined benefit plans reserve

The reserve for actuarial gains on defined benefits is changes in the actuarial values of the employee defined benefits provision.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Opening balance	(4,162)	(2,597)
Changes in estimated defined benefits of:		
Associates (Note 16.1)	943	(1,893)
Subsidiaries	(695)	328
Total	(3,914)	(4,162)

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27.2.4) Other miscellaneous reserves

Other miscellaneous reserves as of December 31, 2019 are ThUS\$34,978 (ThUS\$44,203 at December 31, 2018).

- a. The only asset of Sociedad Matriz SAAM S.A. in the CSAV division is the investment in SAAM S.A., which was assigned the financial value of ThUS\$603,349 as of January 1, 2012. The opening statement of financial position of Sociedad Matriz SAAM S.A. as of February 15, 2012 contained the difference between the initial equity of the company and its share capital of ThUS\$586,506, as established in the articles of incorporation dated October 5, 2011, which was presented in the equity of SM SAAM in other miscellaneous reserves of ThUS\$16,843.
- b. Additional reserves of ThUS\$3,160, in accordance with legal regulations in force in countries where foreign subsidiaries operate.
- c. A payment was recognized in other reserves of ThUS\$40,171, as a result of the association agreement with Boskalis, dated July 1, 2014, following the change in ownership interest without loss of control in the indirect subsidiary SAAM Remolques S.A. de C.V.
- d. On April 26 and 27, 2016, the Company acquired an additional 1% interest in Inversiones San Marco Ltda. and in Inmobiliaria San Marco Ltda. This transaction is an increase in the controlling percentage and required a charge to other reserves of ThUS\$1,325.
- e. On May 16, 2017, the Company acquired a non-controlling interest in Kios S.A. This transaction generated a charge to other reserves of ThUS\$4,211.
- f. On June 9, 2017, the Company acquired an additional 15% interest in Iquique Terminal Internacional S.A., to achieve a 100% interest in the port of Iquique. This transaction required a charge to other reserves of ThUS\$7,204.
- g. Finally, on October 30, 2019, the Company acquired 49% of the shares of Saam Remolques S.A. de C.V., to achieve a 100% ownership interest. This transaction required a charge to other reserves of ThUS\$12,552.

Other miscellaneous reserves are detailed as follows.

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Incorporation SM SAAM (a)	16,843	16,843
Legal reserves (b)	3,256	(71)
Association with Boskalis (c)	40,171	40,171
Acquisition of non-controlling interests from CSAV (d)	(1,325)	(1,325)
Acquisition of non-controlling interest in Kios S.A.(e)	(4,211)	(4,211)
Acquisition of non-controlling interest in Iquique Terminal Internacional (f)	(7,204)	(7,204)
Acquisition of non-controlling interest in Saam Remolques S.A. de C.V. (g) ⁽¹⁾	(12,552)	-
Total	34,978	44,203

	Saam Remolques S.A. de C.V.
Acquisition price ThUS\$	(124,492)
Non-controlling interest ThUS\$	111,940
Other reserves ThUS\$	(12,552)

27.3) Net distributable income and dividends

Net distributable income is based on “net income attributable to the owners of the parent company” presented in the statement of net income by function for each reporting period.

NOTE 28 OPERATING REVENUE

Business Areas	Service	01/01/2019	01/01/2018
		12/31/2019	12/31/2018
		ThUS\$	ThUS\$
Towage	Mooring and unmooring vessels	205,080	186,685
Ports	Port operations	274,080	271,601
Logistics and others	Logistics services	50,633	57,701
Total services		529,793	515,987

NOTE 29 COST OF SALES

	01/01/2019	01/01/2018
	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Remuneration	(107,608)	(103,831)
Inventories (Note 13).	(29,321)	(31,769)
Freight	(17,057)	(19,987)
Depreciation (Notes 18 & 19)	(50,310)	(42,432)
Amortization (Note 17.3)	(26,193)	(25,053)
Operating costs	(135,017)	(143,370)
Total cost of sales	(365,506)	(366,442)

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NOTE 30 ADMINISTRATIVE EXPENSES

	01/01/2019 12/31/2019	01/01/2018 12/31/2018
	ThUS\$	ThUS\$
Marketing Costs	(170)	(224)
Advertising costs	(165)	(150)
Other marketing expenses	(5)	(74)
Administrative expenses	(67,916)	(74,587)
Remuneration expenses	(37,369)	(40,303)
Consulting services	(6,609)	(4,978)
Travel expenses	(2,289)	(2,303)
Directors fees	(1,484)	(1,363)
Trade receivable impairment (Note 5a)	(803)	(221)
Project expenses	(1,116)	(7,530)
Depreciation of property, plant and equipment (Note 18 & 19)	(1,994)	(1,520)
Amortization of intangible assets (Note 17.3)	(2,305)	(2,181)
Communications and reporting expenses	(1,418)	(784)
Licenses expenses	(1,658)	(1,509)
Information technology expenses	(2,207)	(2,536)
Utilities expenses	(924)	(1,237)
Public relations expenses	(865)	(836)
ISO expenses, fines and others	(226)	(199)
Conservation and maintenance expenses	(529)	(329)
Office renatl expenses	(615)	(989)
Other administrative expenses	(5,505)	(5,769)
Total administrative expenses	(68,086)	(74,811)

NOTE 31 FINANCIAL INCOME AND EXPENSES

	01/01/2019 12/31/2019	01/01/2018 12/31/2018
	ThUS\$	ThUS\$
Financial income recognized in the statement of net income	7,046	5,908
Financial income on term deposits	5,011	4,059
Interest income	1,711	1,561
Other financial income	324	288
Financial expenses recognized in the statement of net income	(20,316)	(18,106)
Interest expense on financial obligations and finance leases	(9,080)	(8,293)
Interest expense on bonds	(2,876)	(2,738)
Interest expense on port concessions	(4,224)	(4,489)
Interest expense on financial instruments	(1,878)	(1,691)
Actuarial expense on termination benefits (Note 26.3)	(222)	(265)
Financial expense of lease contracts	(1,607)	-
Other financial expenses	(429)	(630)

NOTE 32 OTHER INCOME AND EXPENSES BY FUNCTION

	01/01/2019 12/31/2019	01/01/2018 12/31/2018
	ThUS\$	ThUS\$
Other income		
Computer services	365	205
Reversal of receivables impairment	241	505
Reversal of impairment for tax credit in Ecuador		808
Recoveries from insurance policies	520	248
Back office services	90	78
Fines and surcharges	-	-
Other operating income	674	429
Total other income	1,890	2,273
Other expenses by function		
Impairment of property, plant and equipment	(116)	(281)
Impairment of inventories	(247)	(1,054)
Fee expenses	-	(25)
Preventive drug controls	(24)	(37)
Donations	(95)	-
Taxes on the temporary import of assets	(872)	(1,426)
Unrecoverable VAT and additional taxes	(796)	(2,169)
Employment litigation	(1,146)	(263)
Fines	-	(48)
Insurance deductibles	(803)	-
Other operating losses	(610)	(688)
Total other expenses by function	(4,709)	(5,991)

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NOTE 33 DIRECTORS AND SENIOR EXECUTIVES

SM SAAM has defined senior executives as employees with authority and responsibility to plan, direct and control the Company's business, including the directors and senior managers who comprise the Company's management.

As of December 31, 2019, the Company's senior management is comprised of 7 directors and 10 senior managers.

They received remuneration and other benefits that are detailed as follows.

	01/01/2019	01/01/2018
	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Salaries	3,916	4,389
Administrators fees	809	433
Profit sharing	3,011	2,648
Total	7,736	7,470

NOTE 34 OTHER GAINS (LOSSES)

	01/01/2019	01/01/2018
	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Gain (loss) on Forward hedges	-	906
Gain on disposal of assets (Note 39.a)	888	3,036
Assets written off	(62)	-
Gain on sale of non-controlling interests ⁽¹⁾	4,929	(23)
Dividends from investments held for sale	-	4,864
Gain (loss) on sale of assets held for sale (Note 39.a)	241	441
Gain on sale of inventories	185	437
Other gains (losses)	29	95
Total other income (losses)	6,210	9,756

(1) Gain before tax from the sale of Terminal Puerto Arica S.A. in February 2019.

	Terminal Puerto Arica S.A
Selling price ThUS\$	12,772
Investment cost ThUS\$	(7,786)
Reserves release ThUS\$	(57)
Gain before tax ThUS\$	4,929

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NOTE 35 SERVICE CONCESSIONS AND OTHER AGREEMENTS

Iquique Terminal Internacional S.A. (Chile)

Empresa Portuaria Iquique (EPI) through the “Concession Contract for Wharf 2 at the Port of Iquique”, dated May 3, 2000, granted the indirect subsidiary Iquique Terminal Internacional S.A. (ITI) an exclusive concession to develop, maintain and operate the wharf, including the right to collect from wharf users basic rates for basic services, and special rates for special services.

The original term of the contract was 20 years from the date the wharf was provided on July 1, 2000. The Company extended the term for an additional 10 years, in order to carry out the infrastructure projects stipulated in the concession contract.

When the concession concludes, the wharf, all the assets described in the concession contract, which are required or useful to continually operate the wharf or provide services, shall be immediately transferred to EPI, in good working order and free of encumbrances.

Terminal Marítima Mazatlán S.A. de C.V (Mexico)

The Management of Portuaria Integral de Mazatlán (API) through the “Partial Rights Assignment Contract” dated April 16, 2012, granted the indirect subsidiary Terminal Marítimo Mazatlan S.A. de C.V. (the concessionaire) the exclusive right to operate, use and development an area of water and land in the port of Mazatlan de Sinaloa, to construct works in that area and provide port services.

The concession contract is for 20 years, and can extended to July 26, 2044.

When the concession concludes, the area and all works and improvements permanently attached to it by the concessionaire to operate the area will be transferred to API free of charge and free of encumbrances. The concessionaire will execute, at its own expense, any required repairs when the concession concludes, or otherwise, it will compensate API for any damage to the area or the described assets as a result of improper handling or inadequate maintenance.

Florida International Terminal (FIT), LLC (USA)

On April 18, 2005, the indirect subsidiary Florida International Terminal (FIT) was awarded the container terminal operating concession at Port Everglades Florida USA, for an initial period of 10 years, renewable for 2 periods of 5 years each. As from July 1, 2015, FIT renegotiated the contract and extend it by 10 years, with the option to extend it for 2 periods of 5 years each. The terminal covers 15 hectares and has the capacity to move 170,000 containers per year through its yards. FIT customers will have docking priority at a specialized wharf with guaranteed use of reach stackers for container loading and unloading.

Saam Remolques S.A. de C.V. (Mexico)

The indirect subsidiary SAAM Remolques S.A. de C.V. has entered into partial assignment of rights and obligations contracts through which the the Integrated Port Management of Lázaro Cárdenas, Veracruz, Tampico, Altamira and Tuxpan assign to the company the rights and obligations, to providing port and offshore towage services in the ports, free of all encumbrances and without any limitations.

On February 14, November 1 and December 26, 2015, the company renewed the concessions in the ports of Lázaro Cárdenas, Veracruz and Tuxpan, for 8, 10 and 8 years respectively, which may be extended for an additional 8 years each.

On January 16, 2016 and May 21, 2016, the concessions in the ports of Altamira and Tampico were renewed for 8 years, both extendable for an additional 8 years each.

Concesionaria SAAM Costa Rica S.A. (Costa Rica)

On August 11, 2006 the indirect subsidiary, Concesionaria SAAM Costa Rica S.A. was awarded by the Instituto Costarricense de Puertos del Pacífico the International Public Tender No. 03-2001 the “Public Towage Service Management Concession for the Pacific Coast”. The contract was endorsed by the Comptroller General of the Republic in Ruling No. 10711, which allowed it to begin operations on December 12, 2006. The concession term is 20 years, which can be extended for an additional 5 years.

Inarpi S.A. (Ecuador)

On September 25, 2003, the indirect subsidiary Inarpi S.A. signed a contract for “Commercialization, operation and management services of the Multipurpose Terminal” with Fertilizantes Granulados Fertigran S.A., which granted the company the exclusive right to commercialize, operate and manage the Multipurpose Terminal in the port of Guayaquil, Ecuador

The contract term is 40 years, and it was extended by an additional 10 years during 2016. When the concession concludes all the investments and improvements agreed with Fertilizantes Granulados Fertilizantes S.A. will be incorporated into the Multipurpose Terminal.

Sociedad Portuaria Granelera de Caldera (Costa Rica)

On 8 February 2017, SM SAAM acquired 51% of the shares of Compañía Portuaria Granelera de Caldera S.A., hereinafter SPGC. Its main activities include providing bulk cargo loading and unloading services, as well as the design, planning, financing, construction, maintenance and operation of the new Bulk Terminal at Puerto Caldera, under the public works concession with public services regime, as established in the “Public Works Concession Contract with Public Services for the Construction and Operation of the Bulk Terminal at Puerto Caldera”, signed on April 19, 2006, with the Instituto Costarricense de Puertos del Pacífico (INCOP).

The contract term is 20 years, and expires on August 11, 2026, with the option to extend the concession for up to 30 additional years. When the concession concludes, all the infrastructure works and all the rights to the acquired assets must be delivered to INCOP free of encumbrances.

Sociedad Portuaria de Caldera S.A.

On February 8, 2017, SM SAAM acquired 51% of the shares of Compañía Sociedad Portuaria de Caldera S.A., (hereinafter SPC or the Company). Its main activities include providing services related to commercial calls by any vessel requesting berths at berth one, two and three at the Port of Caldera in Costa Rica, as well as services in relation to general cargo, containers, vehicles, cargo extraction and on chassis, and in the port facilities, such as, loading and unloading, mooring, unmooring, docking, wharfage, stowage, unstowage, transfer and storage of cargo, as well as attending vessels and ships, under the public service management concession regime, as established in the “Puerto Caldera Terminal Public Service Management Concession Contract”, signed on March 30, 2006 with the Instituto Costarricense de Puertos del Pacífico (INCOP).

The contract term is 20 years, and expires on August 11, 2026, with the option to extend the concession for up to 5 additional years. When the concession terminates, all the infrastructure works and all the rights to the acquired assets must be delivered to INCOP free of encumbrances.

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NOTE 36 CONTINGENCIES AND COMMITMENTS

(36.1) Guarantees granted

Sociedad Matriz SAAM S.A. has not granted any direct guarantees.

The guarantees provided by its direct subsidiaries SAAM S.A., SAAM Ports S.A., SAAM Logistics S.A. and its subsidiaries are as follows.

Holder	Issuer	Guarantee	Purpose	Beneficiary	12.31.2019 ThUS\$	Maturity	12.31.2018 ThUS\$	Maturity
Inarpi, Ecu aestibas, TPG	Oriente Seguros S.A.	Guarantee letters	Guarantee compliance with customs duties and temporary storage in Ecuador	Servicio Nacional de Aduana del Ecuador	19,578	Various until Dec-2020	18,704	Various until Jul-2019
Inarpi, Ecu aestibas, TPG	Seg. Confianza Equinoccial / Bco. Guayaquil	Guarantee letters	Guarantee compliance with customs duties and administrative seizure obligations in Ecuador	Servicio Nacional de Aduana del Ecuador	9,597	Various until Dec-2020	9,667	Various until May-2019
ITI	Itaú - Corpbanca	Performance bonds	Guarantee compliance with the concession contract in Iquique	Empresa Portuaria Iquique	4,584	10/31/2020	4,748	10/31/2019
ITI	Itaú - Corpbanca	Performance bonds	Guarantee compliance with the contract for storage, washing, repair and shipment of copper concentrate.	Collahuasi	300	07/31/2022	-	-
SAAM Remolcadores	Afianzadora Sofimex S.A.	Guarantee letters	Guarantee compliance with contract/obligations of SAAM Remolcadores S.A.	PEMEX	3,934	Various until Dec-2021	2,580	Various until Dec-2021
SAAM Remolques	Afianzadora Sofimex S.A.	Performance bonds	Guarantee compliance with concession contracts for Veracruz, Altamira, Tampico, Lazaro Cardenas and Tuxpan ports	Administradoras Portuarias Integrales de México	808	Various until Jan-2020	928	Various until May-2019
Terminal Marítima Mazatlán S.A. de C.V.	Afianzadora Sofimex S.A.	Guarantee letters	Guarantee the State's interest in providing handling, storage and custody services for foreign trade goods.	Administración Portuaria Integral de Mazatlán, S.A.	4,091	Various until Apr-2020	3,170	Various until Apr-2019
Terminal Marítima Mazatlán S.A. de C.V.	Chubb Fianzas Monterrey Aseguradora de Caución, S.A.	Guarantee letters	Guarantee the State's interest in fines and surcharges, contained in the resolution 800-3900-00-00-2019-749, issued by Administración Local de Aduana de Mazatlán.	Administración Local de Aduana de Mazatlán	4,363	10/10/2020	-	-
Saam Extraportuarios S.A.	BCI	Performance bonds	Guarantee compliance with customs obligations in Chile	Chilean State - National Customs Director	1,589	Various until Sep-2020	1,666	Various until Jan-2019
Cosem, Terminals, ITI and its wharfage	Itaú - Corpbanca	Performance bonds	Guarantee compliance with employment and social security obligations in Chile	Work Inspectorates in Talcahuano, Iquique, Antofagasta, Huasco, Puerto Aysén and Punta Arenas	1,083	Various until Mar-2020	1,209	Various until Mar-2019
SPC, SPGC	National Insurance Institute	Standby letters of credit	Guarantee obligations from concession contracts in Costa Rica	INCOP	828	Various until Jul-2020	828	Various until Jul-2019
SPC, SPGC	National Insurance Institute	Standby letters of credit	Environmental and compliance guarantee for dredging maintenance in Puerto Caldera	Ministry of Environment and Energy Costa Rica	768	Various until Jul-2020	725	Various until Jul-2019
SAAM S.A.	BCI	Performance bonds	Guarantee compliance with contracts/obligations in Chile	ENAP Refinerías S.A.	820	03/30/2021	820	03/30/2021
SAAM S.A.	BCI	Standby letters of credit	Guarantee the services provided in Punta Pereira. BCI issues a letter of credit to Scotiabank Uruguay, who signs a bank guarantee on behalf of Luckymontt.	Celulosa y Energía Punta Pereira	627	06/15/2020	627	06/14/2019
SAAM Brasil Logística Multimodal Ltda.	Citibank	Standby letters of credit	Guarantee the letter is issued for labor litigation for SAAM Brasil Logística	Uniao - Fazenda Nacional	325	Various until Jun-2021	325	Various until Jun-2021
Kios S.A	Santander	Bank deposit	Port operator	Administración Nacional de Puertos	256	No expiry date	202	No expiry date
TugBrasil Apoio Portuario S.A.	Santander	Guarantee letters	Guarantee compliance with the loan agreement 97.2.491.3.1	BNDES	603	03/10/2021	-	-
Total					54,154		46,199	

The subsidiaries of Sociedad Matriz SAAM S.A. have other minor guarantees indirectly granted to third parties that total ThUS\$3,244 as of December 31, 2019 (ThUS\$2,515 as of December 31, 2018).

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(36.2) Special guarantees

Sociedad Matriz SAAM S.A. has not granted any special guarantees on behalf of subsidiaries or associates as of the closing date of these financial statements.

The obligations guaranteed by its direct subsidiaries SAAM S.A. and SAAM Ports S.A. and its subsidiaries are detailed as follows.

Guarantor company	Guarantee	Purpose		Beneficiary	Maturity	12.31.2019 ThUS\$	12.31.2018 ThUS\$
Saam Puertos S.A.	Guarantor, and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco del Estado de Chile	01/24/2023	6,726	8,647
Saam Puertos S.A.	Surety, and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco de Crédito e Inversiones	03/30/2020	631	1,891
Saam Puertos S.A.	Surety, and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco de Crédito e Inversiones	03/30/2020	378	1,395
Saam Puertos S.A.	Surety, and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco del Estado de Chile	05/23/2026	12,235	14,120
Saam Puertos S.A.	Joint and several surety	Guarantee obligations for loans granted to Inarpi S.A.		Santander Madrid	10/25/2025	11,358	13,271
Saam Puertos S.A.	Guarantor, surety and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco del Estado de Chile	03/27/2024	15,159	18,526
Saam Puertos S.A.	Surety, and joint and several guarantee	Guarantee obligations for loans granted to Inarpi S.A.		Banco de Crédito e Inversiones	09/09/2024	40,450	-
Saam Puertos S.A.	Guarantor	Guarantee obligations for loans granted to Puerto BuenaVista S.A.		Bancolombia S.A.S.	Various until 11/01/2030	2,370	2,348
Saam Puertos S.A.	Guarantor	Guarantee obligations for loans granted to Puerto BuenaVista S.A.		Davivienda	10/12/2022	87	-
Saam Puertos S.A.	Guarantor, surety and joint and several guarantee	Guarantee obligations for loan granted to SAAM Puertos Costa Rica		Banco del Estado de Chile	01/06/2025	-	8,260
Saam Puertos S.A.	Guarantor	Guarantee the loan contract granted to Antofagasta Terminal Internacional		Banco del Estado de Chile	12/23/2028	7,560	-
SAAM S.A.	Guarantor, surety and joint and several guarantee	Guarantee obligations for loans granted to Tugbrasil Apoio Portuario S.A. and ST Brasil under financing agreements		Banco Nacional do Desenvolvimento Econômico e Social - BNDES	Various maturities	67,215	35,940
SAAM S.A.	Guarantor, surety and joint and several guarantee	Guarantee obligations for loans granted to ST Brasil under financing agreements		Caterpillar	April 2025	4,790	-
SAAM S.A.	Guarantor, surety and joint and several guarantee	Guarantor for the guarantee taken by SAAM Brasil Logística Multimodal with Citibank through BCI, according to local contracts.		Banco Citibank S.A. (Brasil)	Various maturities	325	325
SAAM S.A. and Alaria S.A.	Guarantor, surety and joint and several guarantee	Guarantee obligations for loans granted to Tugbrasil Apoio Portuario S.A. and SST Brasil under financing agreements		Banco do Brasil S.A.	04/03/2024	33,654	18,845
Sociedad Portuaria de Caldera S.A.	Joint and several surety	Guarantee obligations for loans granted to Sociedad Portuaria Granelera Caldera S.A.		Banco BAC San José	01/07/2027	23,731	26,663
Sociedad Portuaria de Caldera S.A.	Joint and several guarantee	Guarantee obligations for loans granted to Sociedad Portuaria Granelera Caldera S.A.		Banco Davivienda de Costa Rica	01/13/2021	1,211	2,265
Sociedad Portuaria Granelera de Caldera S.A.	Guarantor	Guarantee obligations for loans granted to Sociedad Portuaria Caldera S.A.		Banco BAC San José	Various until 08/21/2026	7,646	8,653
Saam Puertos S.A.	Guarantor	Guarantee obligations under guarantee letters issued for Terminal Marítima Mazatlán S.A. de C.V. in favor of third parties		Sofimex S.A.	Various maturities	4,091	3,170
SAAM Remolques S.A.	Guarantor	Guarantee obligations under guarantee letters issued for SAAM Remolcadores S.A. de C.V. in favor of third parties		Sofimex S.A.	Various maturities	3,934	2,580
Inarpi S.A.	Guarantor	Guarantee obligations under insurance policies issued for Ecuastibas S.A. and TPG Inarpi S.A. in favor of third parties		Oriente Seguros S.A.	Various maturities	413	2,277
Ecuastibas S.A.	Guarantor	Guarantee obligations under insurance policies issued for Inarpi S.A. in favor of third parties		Oriente Seguros S.A.	Various maturities	5,113	16,533
Total						249,077	185,709

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(36.3) Pledges and mortgages

Sociedad Matriz SAAM S.A. has not constituted any pledges or mortgages, as of the closing date of these financial statements.

The pledged obligations of the direct and indirect subsidiaries of Sociedad Matriz SAAM S.A. are detailed as follows.

Company	Guarantee	Purpose		Beneficiary	Maturity	12.31.2019 ThUS\$	12.31.2018 ThUS\$
Saam Puertos S.A.	Pledge over shares of STI S.A.	Guarantee obligations for loans granted		Banco de Crédito e Inversiones	03/31/2025	45,483	48,084
Saam Puertos S.A.	Pledge over shares of ATI S.A.	Guarantee obligations for loans granted		Banco Estado	12/23/2028	27,326	31,038
SAAM Towage Canada Inc.	Marine mortgage	Guarantee obligations for loans granted		Banco Scotiabank Canada	11/30/2020	15,421	16,162
SAAM Towage Canada Inc.	Marine mortgage	Guarantee obligations for loans granted		Banco Scotiabank Canada	12/31/2023	14,577	11,682
SAAM Towage Panama Inc.	Marine mortgage	Guarantee obligations for loans granted		Banco Rabobank	05/16/2022	2,354	3,295
SAAM Towage Brasil	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 7.2.0019.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	April 2027	24,015	-
SAAM Towage Brasil	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 17.2.0356.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	June 2034	24,462	-
SAAM Towage Brasil	Equipment and machinery pledge	Guarantee obligations for loans granted (Notarial Contract 2)		Caterpillar	April 2025	4,790	-
SAAM Towage Brasil	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 20/00586-5)		Banco Do Brasil	November 2030	18,343	-
Tug Brasil Apoio Maritimo	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 97.2.4913.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	September 2020	347	-
Tug Brasil Apoio Maritimo	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 10.2.1323.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	February 2033	15,777	-
Tug Brasil Apoio Maritimo	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 13.2.0651.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	September 2025	1,043	-
Tug Brasil Apoio Maritimo	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 7.2.0853.1)		Banco Nacional do Desenvolvimento Económico e Social - BNDES	August 2023	1,570	-
Tug Brasil Apoio Maritimo	Equipment and machinery pledge	Guarantee obligations for loans granted (contract 20/00503-2)		Banco Do Brasil	April 2024	15,312	-
Sociedad Portuaria de Caldera S.A.	Equipment and machinery pledge	Guarantee obligations for loans granted		Banco Davivienda de Costa Rica	08/22/2020	619	1,808
Sociedad Portuaria de Caldera S.A.	Equipment and machinery pledge	Guarantee obligations for loans granted		Banco Davivienda de Costa Rica	10/23/2020	1,082	2,300
Sociedad Portuaria de Caldera S.A.	Equipment and machinery pledge	Guarantee obligations for loans granted		Banco BAC San José	08/21/2026	5,581	6,329
Kios S.A.	Guarantee deposit	Guarantee obligations as a port operator in Uruguay, according to Decree N°413 dated September 1, 1992.		Administración Nacional de Puertos	No expiry date	256	202
Inarpi S.A.	Guarantee deposit	Guarantee compliance with administrative forfeiture		Ecuadorean National Customs Service	11/23/2019	-	948
Inarpi S.A.	STS crane pledge	Guarantee obligations for loans granted		Banco Santander	10/25/2025	11,358	13,271
Total						229,716	135,119

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(36.4) Mutual guarantees

Guarantee of compliance with the obligations contained in the shareholders' agreements between Saam Puertos S.A. and SSAHI-Chile dated December 26, 2007, in relation to the shares held by them in the companies San Antonio Terminal Internacional S.A. and San Vicente Terminal Internacional, by virtue of which SAAM and Carrix, Inc. mutually guarantee to indemnify their subsidiaries SSAHI-Chile and Saam Puertos, respectively. These guarantees will be maintained throughout the term of the agreement.

(36.5) Litigation

The Company is involved in litigation and lawsuits for damage compensation related to its business. There are insurance policies that cover any contingent losses.

Sociedad Matriz SAAM and its subsidiaries have the following contractual terms and conditions governing its management and financial indicators.

(36.6.1) Sociedad Matriz SAAM management restrictions and financial indicators

Company	Financial Entity	Name	Condition	12/31/2019	12/31/2018
Sociedad Matriz SAAM S.A.	Public bonds	Net financial debt to equity	Each quarter it must be no more than 1.2	0.42	0.10
		Net financial costs coverage ratio	Each quarter it must be more than 2.75	13.34	11.96
	Guarantees over total assets	The Issuer will not grant collateral, that is, pledges and mortgages, that guarantee new Bond issues, or any other borrowing, or other current loans, or obligations that it may contract in the future, to the extent that the total accumulated amount of all the obligations guaranteed by the Issuer, exceed five percent of the Issuer's Total Assets	0%	0%	

In accordance with the Bond Issue Contracts by Line of Securities signed on June 9, 2014 between Sociedad Matriz SAAM S.A. and Banco Santander Chile, registered with the Financial Market Commission under numbers 793 and 794 and their amendments in effect as of this date, the Company complies with the obligation to inform the calculations with their respective values of the restrictions indicated above, as established in Clause ten, numeral ii /four/, on Obligations, Limitations and Prohibitions.

1. Leverage ratio

ThUS\$	12.31.2019	12.31.2018
Other financial liabilities, current	92,335	43,787
Other financial liabilities, non-current	488,419	290,328
Cash and cash equivalents	(229,572)	(241,412)
Net financial debt [A]	351,182	92,703
Total equity [B]	828,748	920,367
Net financial debt/Equity [A]/[B] <=1.2	0.42	0.10

2. Net financial costs coverage ratio

Last twelve months, ThUS\$	12.31.2019	12.31.2018
Gross profit	164,287	149,545
Administrative expenses	(68,086)	(74,811)
Depreciation and amortization	80,802	71,186
EBITDA [A]	177,003	145,920
Financial costs	20,316	18,106
Financial income	(7,046)	(5,908)
Net financial costs [B]	13,270	12,198
EBITDA/Net financial costs [A]/[B] >=2.75	13.34	11.96

3. Guarantees over total assets ratio

ThUS\$	12.31.2019	12.31.2018
Guarantees for the purposes of limitation [A]	-	948
Total assets [B]	1,617,989	1,425,237
Guarantees/Total assets [A]/[B]	0%	0%

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(36.6.2) Subsidiaries management restrictions and financial indicators

Company	Financial Entity	Name	Condition	12/31/2019	12/31/2018
Sociedad Matriz SAAM S.A.	Public bonds	Net financial debt to equity Net financial costs coverage ratio Guarantees over total assets	Each quarter it must be no more than 1.2 Each quarter it must be more than 2.75 Cannot exceed 5%	0.42 13.34 0%	0.10 11.96 0%
SAAM S.A.	Scotiabank	Net financial debt to equity Net financial costs coverage ratio	Each quarter it must be no more than 1.2 Each quarter it must be more than 2.75	0.40 12.81	- -
Iquique Terminal Internacional S.A. (ITI)	Banco de Crédito e Inversiones	Net Financial Debt / EBITDA Net financial debt to equity	As of December 31 each year it must be more than 3.5 from 2016 onwards As of December 31 each year it must be no more than 3	0.22 0.27	0.22 0.11
Saam Remolques S.A. de C.V	Banco Corpbanca NY	Net Financial Debt / EBITDA	As of December 31 each year it must be no more than 3	1.95	1.64
Saam Remolques S.A. de C.V	Banco Corpbanca NY	Net Financial Debt / EBITDA Interest coverage ratio	Each quarter it must be no more than 2.5 Each quarter it must be more than 3	1.95 5.2	- -
SAAM Towage Canada Inc	Banco Scotiabank Canada	Debt over net tangible assets Consolidated EBITDA over financial expenses and debt repayments	Each quarter it must be no more than 2.5 Each quarter it must be no less than 1.25	1.23 4.83	1.54 6.88
SAAM Towage Canada Inc	Banco Scotiabank Canada	Debt over net tangible assets Consolidated EBITDA over financial expenses and debt repayments	Each quarter it must be no more than 2.5 Each quarter it must be no less than 1.25	1.23 4.83	1.54 6.88
Sociedad Portuaria de Caldera S.A.	Banco Davivienda	Borrowing ratio, Total liabilities / Total assets Debt servicing coverage	Must be less than 83% Must be no less than 1.2	71% 1.4	63% 2.3
Sociedad Portuaria de Caldera S.A.	BAC San José	Borrowing ratio, Total liabilities / Equity Debt servicing coverage	As of December 31 each year it must be no more than 3.5 As of December 31 each year it must be no less than 1.25	2.5 1.4	1.7 2.3
Sociedad Portuaria Granelera de Caldera S.A.	BAC San José	Borrowing ratio, Total liabilities / Equity Debt servicing coverage	Each quarter it must be no more than 3.5 Each quarter it must be no less than 1.25	1.89 2.5	2.0 2.7
Sociedad Portuaria Granelera de Caldera S.A.	Banco Davivienda	Borrowing ratio, Total liabilities / Total assets Debt servicing coverage	Must be less than 83% Must be no less than 1.2	65% 2.5	67% 2.7
Florida International Terminal	BCI Miami	Borrowing ratio, Total liabilities / Equity Financial debt ratio / EBITDA	Must be no more than 5.0 Must be no more than 4.0	2.5 3.9	0.7 0.3
Inarpi	BCI Miami	Financial expense coverage ratio Net financial debt / EBITDA Guarantor's minimum equity	As of December 31 each year it must be no less than 3.0 As of December 31 each year it must be no more than 4.5 At December 31 of each year, SAAM Puertos must have minimum equity of ThUS\$140,000	47.8 0.6 307,007	- - -
SAAM Towage Brasil	BNDES	Total liabilities / Total assets	Must be less than 80%	49.8%	-
SAAM Towage Brasil	Caterpillar	Total liabilities / Total assets	Must be less than 80%	49.8%	-

N/A: The Company had repaid the financial obligation as of the reporting date.

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NOTE 37 EXCHANGE DIFFERENCES

Exchange differences arising on balances held in foreign currencies were credited (charged) to the statement of net income for the year as follows.

	01/01/2019 12/31/2019 ThUS\$	01/01/2018 12/31/2018 ThUS\$
Chilean companies		
Current assets	(2,395)	(5,818)
Non-current assets	15	(213)
Current liabilities	2,380	2,967
Non-current liabilities	(1,140)	877
Subtotal Chilean companies	(1,140)	(2,187)
Mexican companies		
Current assets	184	(1,679)
Non-current assets	-	-
Current liabilities	(200)	776
Non-current liabilities	1,669	(253)
Subtotal Mexican companies	1,653	(1,156)
Companies in other jurisdictions		
Current assets	3,786	(279)
Non-current assets	3	-
Current liabilities	(4,580)	(342)
Non-current liabilities	(32)	234
Subtotal companies in other jurisdictions	(823)	(387)
Total exchange differences	(310)	(3,730)

NOTE 38 FOREIGN CURRENCY

a) Assets by currency as of December 31, 2019 are detailed as follows.

Assets	USD ThUS\$	CLP ThUS\$	CAD ThUS\$	MXP ThUS\$	PEN ThUS\$	Other currencies ThUS\$	Total ThUS\$
Current assets							
Cash and cash equivalents	202,489	8,372	8,593	3,839	2	6,267	229,572
Other financial assets, current	-	-	-	-	-	-	-
Other non-financial assets, current	9,978	405	275	1,373	-	180	13,841
Trade and other receivables, current	46,150	13,702	6,871	8,912	-	10,290	85,925
Related party receivables, current	4,551	155	-	-	-	1,740	7,806
Current inventories	11,411	939	849	233	-	2,712	16,144
Tax assets, current	9,838	510	380	4,604	171	641	26,144
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners	294,417	25,443	16,968	18,961	183	23,460	379,432
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	11,228	501	-	-	-	-	11,629
Total current assets	305,545	25,944	16,968	18,961	183	23,460	391,061
Non-current assets							
Other financial assets, non-current	2,383	-	-	-	-	-	2,383
Other non-financial assets, non-current	17,902	-	-	-	-	3,588	21,490
Receivables, non-current	12,746	1,597	-	-	-	151	14,494
Inventories, non-current	1,137	10	-	-	-	-	1,147
Equity method investments	89,521	26,582	-	-	-	4,314	120,417
Intangible assets other than goodwill	188,241	2	8,120	30,283	-	-	226,646
Goodwill	72,282	-	-	-	-	-	72,282
Property, plant and equipment	654,487	-	79,031	3,466	34	-	737,018
Investment property	1,843	-	-	-	-	-	1,843
Tax assets, non-current	-	-	-	-	-	418	418
Deferred tax assets	6,385	2,653	-	16,999	-	2,753	28,790
Total non-current assets	1,046,927	30,844	87,151	50,748	34	11,224	1,226,928
Total assets	1,352,472	56,788	104,119	69,709	217	34,684	1,617,989

a) Liabilities by currency as of December 31, 2019 are detailed as follows.

Liabilities	USD ThUS\$	CLP ThUS\$	UF ThUS\$	CAD ThUS\$	MXP ThUS\$	PEN ThUS\$	Other currencies ThUS\$	Total ThUS\$
Current liabilities								
Other financial liabilities, current	73,888	-	350	15,746	1,679	-	672	92,335
Trade and other payables	22,096	11,251	3	2,649	3,220	-	2,472	41,691
Related party payables, current	1,209	100	-	-	-	-	-	1,309
Other short-term provisions	1,258	-	-	277	-	-	24	1,559
Tax liabilities, current	13,769	1,456	-	-	330	-	577	16,132
Employee benefit provisions, current	8,623	5,858	-	3,209	755	-	4,447	22,892
Other non-financial liabilities, current	18,347	1,411	-	17	-	-	403	20,178
Total current liabilities	139,190	20,076	353	21,898	5,984	-	8,595	196,096
Non-current liabilities								
Other financial liabilities, non-current	329,809	-	110,601	15,986	28,369	-	3,654	488,419
Trade and other payables	-	-	-	-	-	-	-	-
Other long-term provisions	67	-	-	-	-	-	1,308	1,375
Deferred tax liabilities	65,457	261	-	11,708	12,416	-	3,104	92,946
Provisions for employee benefits, non-current	3,315	6,880	-	-	32	-	166	10,363
Other non-financial liabilities, non-current	-	42	-	-	-	-	-	42
Total non-current liabilities	398,648	7,183	110,601	27,694	40,817	-	8,202	593,145
Total liabilities	537,838	27,259	110,954	49,592	46,801	-	16,797	789,241

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b) Assets by currency as of December 31, 2018 are detailed as follows.

Assets	USD ThUS\$	CLP ThUS\$	CAD ThUS\$	MXP ThUS\$	PEN ThUS\$	Other currencies ThUS\$	Total ThUS\$
Current assets							
Cash and cash equivalents	226,402	7,456	1,377	2,268	20	3,889	241,412
Other financial assets, current	11	-	-	-	-	-	11
Other non-financial assets, current	8,213	747	425	-	-	70	9,455
Trade and other receivables, current	4,1896	15,444	6,457	9,987	-	487	74,271
Related party receivables, current	9,290	176	-	1	-	-	11,007
Current inventories	12,028	130	499	-	-	228	12,885
Tax assets, current	21,073	795	-	3,547	51	153	25,619
Total current assets other than assets or disposal groups classified as held for sale or as	318,913	26,288	8,758	15,803	71	4,827	374,660
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	17,602	540	-	-	-	-	18,142
Total current assets	336,515	26,828	8,758	15,803	71	4,827	392,802
Non-current assets							
Other financial assets, non-current	3,589	-	72	-	-	-	3,661
Other non-financial assets, non-current	22,081	22	-	55	-	-	22,158
Receivables, non-current	14,375	1,303	-	-	-	154	15,832
Inventories, non-current	1,046	10	-	-	-	-	1,056
Equity method investments	14,970	27,084	-	-	-	4,203	26,257
Intangible assets other than goodwill	217,613	-	9,219	-	-	-	226,832
Goodwill	-	-	45,664	-	-	-	45,664
Property, plant and equipment	413,652	-	70,647	-	-	-	484,299
Investment property	1,854	-	-	-	-	-	1,854
Deferred tax assets	10,828	140	99	3,736	-	19	14,822
Total non-current assets	870,008	28,559	125,701	3,791	-	4,376	1,032,435
Total assets	1,206,523	55,387	134,459	19,594	71	9,203	1,425,237

b) Liabilities by currency as of December 31, 2018 are detailed as follows.

Liabilities	USD ThUS\$	CLP ThUS\$	UF ThUS\$	CAD ThUS\$	MXP ThUS\$	PEN ThUS\$	Other currencies ThUS\$	Total ThUS\$
Current liabilities								
Other financial liabilities, current	38,790	-	131	1,735	3,131	-	-	43,787
Trade and other payables	19,278	13,983	-	1,727	1,247	-	32	36,267
Related party payables, current	170	162	-	-	-	-	-	332
Other short-term provisions	824	56	-	-	-	-	70	950
Tax liabilities, current	10,287	419	-	1,756	84	9	820	13,375
Employee benefit provisions, current	7,310	4,747	-	3,118	1,994	-	1,075	18,244
Other non-financial liabilities, current	15,009	930	-	402	931	16	21	17,309
Total current liabilities	91,668	20,297	131	8,738	7,387	25	2,018	130,264
Non-current liabilities								
Other financial liabilities, non-current	125,757	-	113,472	26,109	24,990	-	-	290,328
Other long-term provisions	83	-	-	-	-	-	916	999
Deferred tax liabilities	65,615	-	-	8,999	-	-	-	74,614
Provisions for employee benefits, non-current	2,315	6,088	-	-	118	-	145	8,666
Other non-financial liabilities, non-current	-	-	-	-	-	-	-	-
Total non-current liabilities	193,770	6,088	113,472	35,108	25,108	-	1,061	374,607
Total liabilities	285,438	26,385	113,603	43,846	32,495	25	3,079	504,871

NOTE 39 STATEMENT OF CASH FLOW

2019 and 2018

a) Cash flows from investing activities

Purchases of property, plant and equipment

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Acquisitions	18.3	57,449	47,510
Application of IFRS 16	18.3	(381)	-
Value added tax		1,720	945
Acquisitions under finance leases	22	(1,358)	-
Transfers between assets		(2,571)	-
Acquisitions pending payment		(4,536)	(601)
Payments for acquisitions in prior period		601	-
Net cash flow		50,924	47,854

Purchases of property, plant and equipment as of December 31, 2019 are mainly tugboats built for the indirect subsidiary SAAM SMIT Canada Inc. and SAAM Guatemala, investments in terminal expansions and purchases port equipment from the subsidiary Inarpi.

Purchases of intangible assets

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Acquisitions	17.3	3,109	8,851
Value added tax		120	68
Capitalization of expenses		-	(128)
Payments for acquisitions in prior period		-	-
Acquisitions pending payment		-	-
Net cash flow		3,229	8,791

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Proceeds from sales of property, plant and equipment

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Tug boat sales		1,249	8,133
Real estate sales		-	218
Expendable logistics assets		407	1,294
Other assets		166	40
Declared price for sale of assets		1,822	9,685
Cost of sales	18.3 and 8	(693)	(6,208)
Gain on sale of assets	34	1,129	3,477

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Declared price for sale of assets	1,822	9,685
Proceeds of assets sold in prior period	-	192
Assets sold in advance	-	-
Sales pending collection	(16)	-
Net cash flow	1,806	9,877

Other cash receipts (payments)

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Redemption (placement) of time deposits	-	36,781
Payment of income tax on sale of indirect associate Tramarsa S.A. (May 2017)	-	(31,736)
Net cash flow	-	5,045

Dividends received

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Declared dividends			
LNG Tugs Chile S.A.		50	62
Portuaria Corral S.A.		1,181	1,315
Inmobiliaria Carriel Ltda.		-	585
San Antonio Terminal Internacional S.A.		8,296	4,531
Servicios Portuarios Reloncaví Ltda.		1,825	1,320
Transbordadora Austral Broom S.A.		1,849	1,445
Equimac S.A.		-	748
Luckymont S.A.		98	548
SAAM Towage Brasil		5,693	12,298
Total declared dividends for the year	16.1	18,992	22,852
(-) Dividends pending collection	12.1		
LNG Tugs Chile S.A.		(4)	-
San Antonio Terminal Internacional S.A.		(1,296)	-
SAAM Towage Brasil S.A.		-	(2,774)
(+) Dividends received, declared in prior period			
San Antonio Terminal Internacional S.A.		-	469
LNG Tugs Chile S.A.		-	15
SAAM Towage Brasil		2,774	-
Servicios Portuarios Reloncaví Ltda.		255	-
(+) Dividends from investments held for sale		-	4,864
Consolidation SAAM Towage Brasil S.A.		(5,573)	-
Effect of change in exchange rates		(760)	(1,524)
Net cash flow		14,388	23,902

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b) Cash flow from financing activities

Dividends paid	Note	12/31/2019	12/31/2018
		ThUS\$	ThUS\$
Declared dividends			
Sociedad Matriz SAAM S.A.		(14,343)	(17,264)
Florida International Terminal, LLC.		(915)	(1,630)
Sociedad Portuaria Granelera de Caldera S.A.		(2,645)	(1,636)
Sociedad Portuaria de Caldera S.A.		(3,831)	(4,252)
SAAM Guatemala S.A.		-	(150)
Expertajes Marítimos S.A.		-	(300)
SAAM Remolques S.A. de C.V.		-	(1,960)
Total declared dividends for the year		(21,734)	(27,192)
(+) Minimum dividend provision			
Sociedad Matriz SAAM S.A.	25	(17,334)	(14,882)
Total declared dividends provided in the year		(39,068)	(42,074)
(+) Dividends provided for but not paid		17,334	14,882
(-) Dividends declared and paid or provided for in prior year		(15,212)	(18,133)
(-) Dividends pending payment		-	330
Effect of changes in exchange rates		887	1,001
Net cash flow		(36,059)	(43,994)

Proceeds from long and short-term loans, loan repayments

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Proceeds from long-term loans		
SAAM S.A.	100,000	-
Florida International Terminal, LLC.	-	2,961
Sociedad Portuaria Granelera de Caldera S.A.	2,500	-
Sociedad Portuaria de Caldera S.A.	-	7,535
SAAM Towage Canada Inc.	2,309	11,338
Inarpi S.A.	40,000	-
Iquique Terminal Internacional S.A.	4,667	-
Total proceeds from long-term loans	149,476	21,834
Proceeds from short-term loans		
Kios S.A.	-	650
SAAM Towage Canada Inc.	-	390
Iquique Terminal Internacional S.A.	2,277	1,021
Saam Remolques S.A. de C.V.	3,322	-
Florida International Terminal, LLC.	420	-
Total proceeds from short-term loans	6,019	2,061
Loan repayments		
Saam Remolques S.A. de C.V.	(9,266)	(10,000)
Inmobiliaria Marítima Portuaria Spa	-	(69)
SAAM Towage Canada Inc.	(1,227)	(1,377)
SAAM Towage Panama Inc.	(877)	(936)
Kios S.A.	(650)	-
Inarpi S.A.	(10,983)	(8,379)
Terminal Marítima Mazatlán S.A. de C.V.	-	(6,135)
Iquique Terminal Internacional S.A.	(4,101)	(11,600)
Sociedad Portuaria Caldera S.A.	(4,036)	(3,280)
Sociedad Portuaria Granelera de Caldera S.A.	(5,362)	(4,162)
SAAM Operadora de Puertos Estiba y Desestiba Costa Rica S.A.	(8,414)	(1,418)
Florida International Terminal, LLC.	(422)	-
SAAM Towage Brasil S.A.	(2,468)	-
Total loan repayments	(47,806)	(47,356)

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NOTE 40 ENVIRONMENT

The subsidiaries SAAM Puertos S.A. and SAAM Logistics have contracted civil liability insurance in favor of third parties, which includes pollution damage and/or fines, as of the closing date of the financial statements. These policies are separated into two groups. The first group refers to Chilean Terminals, which has a combined annual insured limit of UF 90,000. The second group refers to logistics companies in Chile, whose combined annual insured limit is equivalent to UF 60,000. The companies insured by the group of Chilean Terminals policies have an additional policyholder in SAAM S.A., and the logistics companies, only SAAM Logistics S.A. and SAAM Extraportuarios S.A. are additional policyholders to SAAM S.A.

NOTE 41 SUBSEQUENT EVENTS

On January 16, 2020, SM SAAM, through its subsidiary SAAM S.A., signed a framework investment agreement with Clear Ocean Investment S.A. and Bellomare Ventures Inc., shareholders of Intertug Investments Holding S.A. (hereinafter "Intertug"), and other Intertug subsidiaries, which established the terms and conditions to acquire 70% of the Intertug companies used to operate its business in Colombia, Mexico and Central America, through a combination of capitalization and share purchase.

This transaction is subject to approval by the relevant regulatory authorities in the corresponding jurisdictions and the fulfillment of other usual conditions for such transactions. It would enable SAAM to enter the Colombian tugboat market, and would consolidate its position in Central America and Mexico.

The total agreed price considers an Enterprise Value for all of the Companies of US\$ 98 million, and provides for a price adjustment mechanism based on the fulfilment of certain commercial conditions during the 36 months that follow signing the agreement. SAAM S.A. will acquire 70% of these companies through a combination of capital increase and secondary share purchase for an estimated total of US\$ 54.5 million.

The transaction includes signing a Shareholders' Agreement with the Sellers who will keep a 30% ownership interest in Intertug, which will incorporate call and put options on this ownership interest from 2022, and other clauses.

The impact of these events on the statement of net income of SM SAAM cannot be determined yet.

The sale of the building (formerly Corporate) in Blanco 895, Valparaiso, was finalized during January 2020, generating a net gain of ThUS\$2,756, which will be recognized in 2020.

EARNINGS REPORT

FOURTH QUARTER 2019

Net income for the year 2019 totaled US \$58.2 million, up US \$8.6 million from 2018 (+17%), driven by positive performances from all three business divisions and efficiencies generated from implementing the new operating model. Sales totaled US\$ 529.7 million (+3%), while Ebitda was US\$ 177 million (+21%).

The results for the fourth quarter of 2019 were also positive, even though civil unrest in Chile affected operations at domestic ports. Ebitda for the quarter reached US\$ 49.2 million (+25%), with sales of US\$ 143.9 million (+8%) and net income of US\$ 13.3 million (-8% versus 2018).

In the last few years we have implemented a strategy that puts us in a better position to face the highly challenging context in foreign trade. The results for the year 2019 are positive thanks to work we have done to improve efficiency at our operations and the geographic diversification of our assets," remarked CEO, Macario Valdés.

In 2019 the Company concluded the largest purchase in its history, acquiring Boskalis's stake in its joint operations in the towage business in Brazil, Mexico, Panama and Canada for US\$ 194 million. SAAM Towage is the largest operator in the Americas with 152 vessels and one of the leading towage service providers in the world. It also looks to play a prominent role in industry consolidation.

Other milestones in 2019 include extending commercial contracts at TPG; favorably concluding collective bargaining in diverse business units; implementing initiatives as part of the new operating model and making substantial progress in risk management and the model for processes.

In terms of subsequent events, the Company recently signed an agreement in January to purchase 70% of the operations of Intertug, a towage company with operations in Colombia, Mexico and Central America, for US\$ 98 million (100% firm value).

Financial Statement (US\$ Ths)	4Q2019	4Q2018	Δ%	Δ	2.019	2.018	Δ%	Δ
Income (Th US\$) (1)	143.992	132.783	8%	11.209	529.793	515.987	3%	13.806
Towage	63.084	47.908	32%	15.176	207.306	188.846	10%	18.460
Ports	66.657	71.637	-7%	-4.980	274.115	271.601	1%	2.514
Logistics	14.895	14.025	6%	870	51.334	58.735	-13%	-7.401
Corporate (2)	-644	-787	-18%	143	-2.962	-3.195	-7%	233
EBIT (Th US\$)(1)	26.103	20.664	26%	5.439	96.200	74.734	29%	21.466
Towage	11.204	9.453	19%	1.751	43.905	35.946	22%	7.959
Ports	16.375	14.115	16%	2.260	64.007	55.421	15%	8.586
Logistics	2.636	1.682	57%	954	6.331	3.593	76%	2.738
Corporate (2)	-4.111	-4.586	-10%	475	-18.042	-20.226	-11%	2.184
EBITDA (Th US\$) (1)	49.198	39.319	25%	9.878	177.005	145.940	21%	31.064
Towage	22.761	17.417	31%	5.343	78.216	67.237	16%	10.979
Ports	26.538	23.490	13%	3.048	104.754	89.889	17%	14.865
Logistics	3.494	2.589	35%	905	9.948	7.349	35%	2.600
Corporate (2)	-3.595	-4.176	-14%	581	-15.913	-18.534	-14%	2.621
Profit attributable to owners of the Parent (IFRS) (Th US\$)(1)	13.304	14.446	-8%	-1.142	57.780	49.607	16%	8.173
Profit continued operations	13.959	14.446	-3%	-487	57.998	51.779	12%	6.219
Towage	5.913	5.341	11%	572	26.154	22.189	18%	3.965
Ports	8.088	9.092	-11%	-1.004	36.717	31.553	16%	5.164
Logistics	4.065	3.376	20%	689	10.787	9.237	17%	1.550
Corporate	-4.107	-3.363	22%	-744	-15.660	-11.200	40%	-4.460
No recurring costs (3)	-655	0	-655	-1.118	-7.000	-84%	5.882	
Extraordinary effects(4)	0	0	0	0	900	4.828	-81%	-3.928

(1) Consolidated

(2) Include Corporate Expenses+Non Operational Results+Eliminations

(3) Costs of the implementation of the new operational model

(4) Extraordinary effect from TPA sold in February 2019 and 2018 dividends from TPA

Ticker: SMSAAM

Santiago Exchange

Price (12/30/2018) CLP 59.08

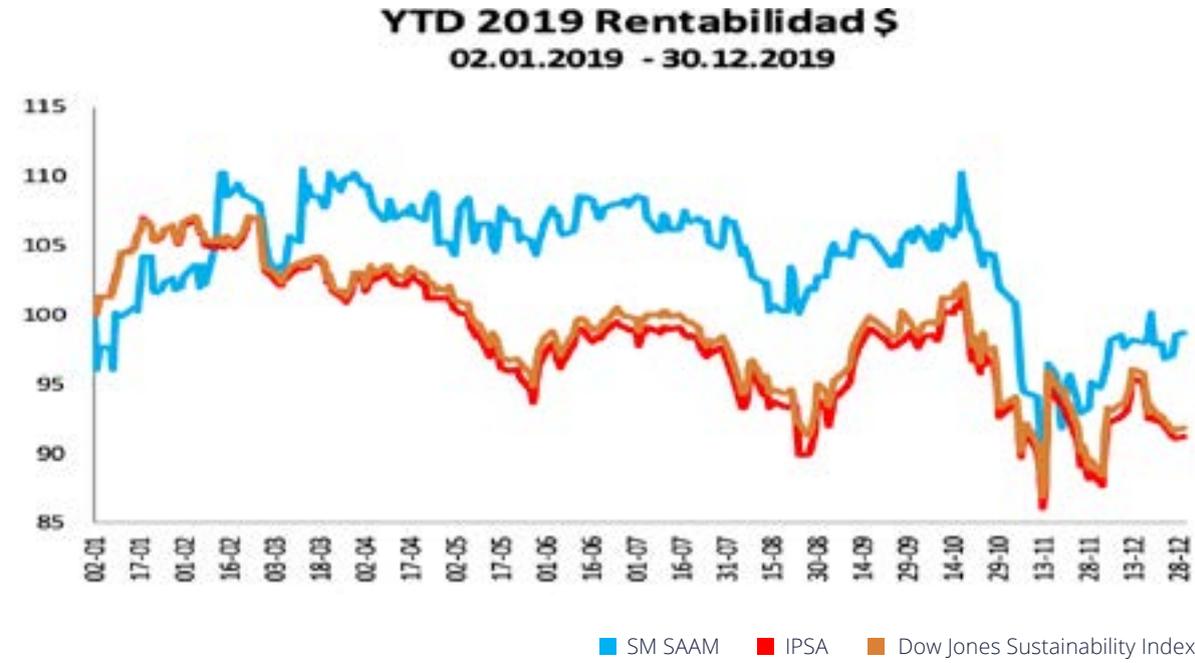
Price (12/30/2019) CLP 59.88

Market Cap (12/30/2019) ThUS \$773

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YTD 2019 TOTAL RETURN CLP\$



YTD 2019 Gross Dividends	CLP	US\$(*)
SAAM	-1,32%	-7,60%
IPSA	-8,6%	-14,7%
DJSI Chile	-8,2%	-14,1%
US\$(*)	---	6,8%

(*) Dólar Interbancario

EBITDA Mg (1)	4Q2019	4Q2018	2019	2018
Total SAAM	34,2%	29,6%	33,4%	28,3%
Towage	36,1%	36,4%	37,7%	35,6%
Ports	39,8%	32,8%	38,2%	33,1%
Logistics	23,5%	18,5%	19,4%	12,5%

KPI's	December 2019	December 2018
ROE (2)	7,3%	6,4%
ROA (1)(2)	3,6%	3,5%
NFD / Patrimonio	0,4	0,1
NFD / EBITDA (1)(2)(3)	1,7	0,3

(1) Consolidated
 (2) Last 12 months
 (3) NFD does not include accounting records of liabilities due to port concessions

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EARNINGS ANALYSIS

Note (1):

Financial results correspond to consolidated financial data under IFRS in US dollars.

Financial results of associates are presented at 100%.

CONSOLIDATED FINANCIAL SUMMARY

SALES

↑ 4Q2019 / 4Q2018: Consolidated sales for the quarter were up US\$ 11.2 million with respect to 4Q2018, reaching US\$143.9 million due to the consolidation of SAAM Towage Brasil. Isolating this, consolidated revenue decrease 4% due to reduced revenue from foreign port terminals.

↑ 2019 / 2018: Consolidated sales in 2019 increased by US\$13.8 million to US\$529.7 million due to revenue growth from foreign port terminals and the consolidation of SAAM Towage Brasil.

COST OF SALES

↑ 4Q2019 / 4Q2018: Cost of sales for the quarter was up US\$6.8 million with respect to 4Q2018, explained by consolidating SAAM Towage Brasil for two months. Isolating these effects, costs fell due to reduced activity in the Port Terminals Division and cost efficiencies from the new operating model.

↑ 2019 / 2018: Cost of sales for 2019 decreased by US\$936 thousand due to cost efficiencies generated from implementing the new operating model, which offset the increase in costs from consolidating SAAM Towage Brasil.

ADMINISTRATIVE EXPENSES

↓ 4Q2019 / 4Q2018: Administrative expenses for the quarter fell by US\$1 million with respect to 4Q2018, explained by lower expenses from the new operating model. These savings offset the increase in costs from consolidating SAAM Towage Brasil.

↓ 2019 / 2018: Administrative expenses for 2019 fell by US\$6.7 million with respect to 2018, explained by lower expenses from the new operating model, which offset the increase in costs from consolidating SAAM Towage Brasil.

EBITDA

↑ 4Q2019 / 4Q2018: Consolidated EBITDA for the quarter increased US \$ 9.8 million with respect to 4Q2018, reaching US \$49.2 million. The increase is due in part to the Towage Division consolidating SAAM Towage Brasil for two months and changes to IFRS 16. Isolating these effects, EBITDA increase because of lower expenses to implement the new operating model. The EBITDA margin reached 34% for the period, up 4 percentage points from the 4Q18 figure of 30%.

↑ 2019 / 2018: EBITDA for 2019 increased by US\$ 31 million to US\$177 million. The increase is due to cost and expense efficiencies in all three-business divisions, growth at port terminals, consolidating SAAM Towage Brasil for two months and changes to IFRS 16. The EBITDA margin reached 33% for the period, up 5 percentage points from the 2018 figure of 28%.

INVESTMENTS IN ASSOCIATES

↓ 4Q2019 / 4Q2018: The company's share of net income from associates was down US\$3.3 million for the quarter to US\$1.8 million as a result of acquiring SAAM Towage Brasil in November 2019 and decreased earnings from Chilean port terminals, which were affected by social unrest in Chile.

↓ 2019 / 2018: The Company's share of net income from associates in 2019 decreased by US\$5 million due to the acquisition of SAAM Towage Brasil, decreased earnings from Chilean port terminals affected by social unrest in Chile and non-recurring costs.

NET INCOME

↑ 4Q2019 / 4Q2018: Net income attributable to the controller for the fourth quarter of 2019 reached US \$13.3 million, down US \$1.1 million from the 4Q2018 figure of US \$14.4 million. Isolating the effects of the acquisition of 100% of the towage operations in Canada, Mexico, Panama, Brazil, and non-recurring costs to implement the new operating model net income decrease due to decreased earnings at port terminals affected by social unrest and increased financial costs.

↑ 2019 / 2018: Net income for 2019 was up US\$8.1 million to US\$57.8 million. Isolating the extraordinary effects for the sale of its interest in TPA, consolidation of the newly acquired towage operations and non-recurring costs to implement the new operating model in both periods, net income rise due to improved results across the three business divisions and cost and expense savings from implementing the new operating model.

Consolidated Financial Statement (Ths US\$)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
Income	143.992	126.339	8%	11.209	529.793	515.987	3%	13.806
Cost of Sales	-99.206	-92.399	7%	-6.807	-365.506	-366.442	0%	936
Administrative expenses	-18.682	-19.720	-5%	1.038	-68.086	-74.811	-9%	6.725
EBIT	26.103	18.304	26%	5.439	96.200	74.734	29%	21.466
EBITDA	49.198	35.776	25%	9.878	177.005	145.940	21%	31.064
EBITDA Mg	34%	28%			33%	28%		
Share of profit (loss) of equity-accounted investees	1.840	5.187	-65%	-3.347	13.203	18.256	-28%	-5.053
Profit continued operations	13.959	14.446	-3%	-487	57.998	51.779	12%	6.219
Non recurring costs (1)	-655	0	0%	-655	-1.118	-7.000	-84%	5.882
Extraordinary effects (2)	0	0	0%	0	900	4.828	-81%	-3.928
Profit attributable to owners of the Parent (IFRS)	13.304	14.446	-8%	-1.142	57.780	49.607	16%	8.173

(1) Costs of the implementation of the new operational model

(2) Extraordinary effect from TPA sold in february 2019 and dividends received from TPA in 2018

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CONSOLIDATED BALANCE SHEET

↓ Current Assets December 2019 / December 2018: Current assets totaled US\$391 million, in line with the 2018 figure. A decrease in cash and cash equivalents of US\$11.8 million due to the current asset consolidation of SAAM Towage Brasil, financing and cash generation, offset cash out used for the acquisition of SAAM Towage Brasil, Canada, Mexico and Panama.

↑ Non-Current Assets December 2019 / December 2018: Non-current assets increased by US\$194.4 million with respect to 2018, due to a US\$252 million rise in property, plant and equipment from the acquisition of SAAM Towage Brasil, which was partially offset by a US\$58 million decrease in other non-current assets due to the reduction in investments in associates after acquiring SAAM Towage Brasil and IFRS16 record.

↑ Current Liabilities December 2019 / December 2018: Current liabilities increased US\$65.8 million as a result of an increase in other current financial liabilities of US\$50.8 million related to bank loans of SAAM Towage Brasil, as well as an increase in current liabilities from long-term financing obtained during the period.

↑ Non-Current Liabilities December 2019 / December 2019: Non-current liabilities were up US\$ 218.5 million due to a rise in other non-current liabilities of US\$195.5 million related to bank loans of SAAM Towage Brasil and the new bank loan to acquire Boskalis's stake in the towage operations in Canada, Mexico, Panama and Brazil.

Balance (Ths US\$)	30.12.2019	31.12.2018	Δ%	Δ
Cash and cash equivalents	229.572	241.412	-5%	-11.840
Other current assets	161.489	151.390	7%	10.099
Current assets	391.061	392.802	0%	(1.741)
Property, plant & equipment (net)	737.018	484.299	52%	252.719
Other non-current assets	489.910	548.136	-11%	(58.226)
Non-current assets	1.226.928	1.032.435	19%	194.493
Total assets	1.617.989	1.425.237	14%	192.752
Other current financial liabilities	88.431	37.613	135%	50.818
Current concession liabilities	3.904	6.174	-37%	-2.270
Other current liabilities	103.761	86.476	20%	17.285
Current liabilities	196.096	130.263	51%	65.833
Other non-current financial liabilities	448.545	252.960	77%	195.585
Non-current concession liabilities	39.874	37.368	7%	2.506
Other non-current liabilities	104.726	84.279	24%	20.447
Non-current liabilities	593.145	374.607	58%	218.538
Total liabilities	789.241	504.870	56%	284.371
Equity attributable to equity holders of parent	786.641	772.406	2%	14.235
Minority interest	42.107	147.961	-72%	(105.854)
Total equity	828.748	920.367	-10%	(91.619)
Total equity and liabilities	1.617.989	1.425.237	14%	192.752

CONSOLIDATED CASH FLOWS

US\$ thousands	30.12.2019	30.12.2018	Δ%	Δ
Operating cash flow	148.011	116.979	27%	31.032
Investments cash flow	-210.330	-14.703	1331%	-195.627
Financial cash flow	51.233	-80.639	-164%	131.872
Others	-754	-2.287	-67%	1.533
Total	-11.840	19.350	-161%	-31.190

Investing Cash Flows December 2019: For the year 2019, the main deviation in investing cash flows with respect to 2018 is due to cash flows used to acquire Boskalis's stake in the towage operations in Canada, Mexico, Panama for US\$194 million.

Financing Cash Flows December 2019: For the year 2019, financing cash flows were up US \$131.8 million due to long-term loans taken out to acquire Boskalis's stake.

CONSOLIDATED TOWAGE DIVISION RESULTS

SALES

↑ 4Q2019 / 4Q2018: The Towage Division reported consolidated revenue of US\$63 million, up US\$15.1 million from 4Q2018, due to the two months of revenue from the newly acquired SAAM Towage Brasil (US\$16.1 million). Isolating this, consolidated revenue was US\$46.9 million, marking a decrease of US\$979 thousand over 2018 as a result of a decrease in maneuvers mainly because of social unrest in Chile, which was offset in part by increased activity at operations in North and Central America.

↑ 2019 / 2018: In 2019 revenue totaled US\$207.3 million, up by US\$18.4 million because of the increased in special services, salvage operations and two months of revenue from the consolidation of SAAM Towage Brasil

COST OF SALES

↓ 4Q2019 / 4Q2018: Cost of sales totaled US\$44.5 million, up US\$13.1 million from 4Q2018, due to the acquisition of SAAM Towage Brasil (US\$11.4 million). Isolating this effect, costs reached US\$33.1 million, a decrease of US\$1.7 million due to reduced activity which was offset in part with cost efficiencies.

↑ 2019 / 2018: In 2019 cost of sales totaled US\$141.1 million, up US\$12 million from 2018, due to the consolidation of SAAM Towage Brasil (US\$11.4 million). Isolating this effect, this figure reached US\$129.7 million, down by US\$663 thousand due to cost efficiencies generated in fuel, which offset higher costs due to increased activity.

EBITDA

↑ 4Q2019 / 4Q2018: The Towage Division reported EBITDA of US\$ 22.7 million, marking an increase of US\$5.3 million because of the consolidation of SAAM Towage Brasil (US\$6.9 million). Isolating this effect, the division's EBITDA decreased because of business in Chile and cost and expense savings because of changes in the operating model, which offset the higher costs due to a rise in international operations. The EBITDA margin was 34%.

↑ 2019 / 2018: In 2019 EBITDA reached US\$78.2 million, an increase of US\$10.9 million over 2018, partly as a result of increased activity, cost and expense efficiencies and the acquisition of SAAM Towage Brasil (US\$6.9 million).

SHARE OF NET INCOME (LOSS) OF ASSOCIATES

↑ 4Q2019 / 4Q2018: The division's share of net income of associates totaled US \$1.2 million for the period, marking a decrease of US \$411 thousand over 4Q2018 as a result of the acquisition of SAAM Towage Brasil in November 2019.

↑ 2019 / 2018: Its share of net income of associates fell by US\$1.6 million during the year because of the acquisition of 100% of SAAM Towage Brasil.

NET INCOME

↑ 4Q2019 / 4Q2018: The Towage Division reported net income of US\$5.9 million in 4Q2019, an increase of US\$572 thousand over 4Q2018 as a result of increased activity at operations in South America and the effects of the acquisition of Boskalis's stake in the joint operations in Canada, Mexico, Panama and Brazil.

↑ 2019 / 2018: In 2019 net income reached US\$26.1 million, up US\$3.9 million over 2018 mainly due to the increased in special services, salvage operations and the effects of the acquisition of Boskalis's stake.

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Consolidated Financial Statement (Ths US\$)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
# Maneuvers	23.689	19.031	24%	4.658	81.516	77.352	5%	4.164
Income	63.084	47.908	32%	15.176	207.306	188.846	10%	18.460
Cost of ales	-44.547	-31.408	42%	-13.139	-141.109	-129.093	9%	-12.016
Administrative expenses	-7.333	-7.047	4%	-286	-22.292	-23.807	-6%	1.515
EBIT	11.204	9.453	19%	1.751	43.905	35.946	22%	7.959
EBITDA	22.761	17.417	31%	5.343	78.216	67.237	16%	10.979
EBITDA Mg	36%	36%			38%	36%		
Share of profit (loss) of equity-accounted investees	1.201	1.612	-25%	-411	5.839	7.500	-22%	-1.661
Net income attributable to the controller	5.913	5.341	11%	572	26.154	22.189	18%	3.965
Minority interest	756	1.476	-49%	-720	7.137	6.556	9%	581

TOWAGE DIVISION ASSOCIATE RESULTS (Values reflect 100% of Company's interest)

SALES

- ↓ 4Q2019 / 4Q2018: The associates in the Towage Division reported revenue of US\$17.5 million, down US\$15.7 million, due mainly to consolidation of SAAM Towage Brasil in November 2019.
- ↓ 2019 / 2018: In 2019 revenue totaled US\$118.4 million with a decrease of US\$23.4 million due mainly due mainly to consolidation of SAAM Towage Brasil in November 2019.

COST OF SALES

- ↓ 4Q2019 / 4Q2018: Cost of sales fell US \$10.8 million to US \$11.3 million, due mainly to consolidation of SAAM Towage Brasil in November 2019.
- ↓ 2019 / 2018: For the year 2019, costs fell US \$14.4 million to US \$79.9 million due mainly to consolidation of SAAM Towage Brasil in November 2019

EBITDA

- ↓ 4Q2019 / 4Q2018: EBITDA totaled US \$4.8 million, marking a decrease of US \$7 million with respect to 4Q2018 related mainly consolidation of SAAM Towage Brasil.
- ↓ 2019 / 2018: During the period, EBITDA fell US\$8.9 million to US\$42 million because of consolidation of SAAM Towage Brasil.

Affiliates Financial Statement (Ths US\$)(1)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
Income	17.485	33.276	-47%	-15.791	118.422	141.849	-17%	-23.427
Cost of ales	-11.320	-22.182	-49%	10.862	-79.978	-94.405	-15%	14.427
Administrative expenses	-2.356	-4.865	-52%	2.509	-15.298	-18.804	-19%	3.507
EBIT	3.809	6.229	-39%	-2.420	23.147	28.640	-19%	-5.493
EBITDA	4.882	11.887	-59%	-7.005	42.133	51.102	-18%	-8.969
EBITDA Mg	28%	36%			36%	36%		
Profit (loss) from equity method associated	1.201	1.612	-34%	-614	5.839	7.500	-25%	-2.007

(1) Affiliates at 100%

CONSOLIDATED PORT TERMINALS DIVISION RESULTS

SALES

- ↓ 4Q2019 / 4Q2018: The Port Terminals Division reported consolidated revenue of US\$66.7 million, decreasing US\$4.9 million versus 4Q2018, as a result of a drop in reefer services and transfers at foreign terminals due to lower container volumes (-6%).
- ↑ 2019 / 2018: In 2019 revenue totaled US\$274.1 million, up US\$2.5 million as a result of a different service mix at foreign terminals and increase container volumes (+6%).

COST OF SALES

- ↓ 4Q2019 / 4Q2018: Cost of sales dropped by US\$6.6 million with respect to 4Q2018 to US\$44.5 million due to decreased business and costs efficiencies in equipment and electricity after implementing the new operating model.
- ↓ 2019 / 2018: Cost of sales reached US\$188.2 million in 2019, decreasing by US\$5.5 million due to cost optimization with the new operating model, where important savings were generated in joint purchases of operating supplies and equipment.

EBITDA

- ↑ 4Q2019 / 4Q2018: The Port Terminals Division posted EBITDA of US \$26.5 million, up US \$3 million from 4Q2018, due in part to the impact of amendments to IFRS 16 (US \$1.3 million) and cost and expense efficiencies. Excluding the effect of IFRS 16, the EBITDA margin improved 5 percentage points to 38%.
- ↑ 2019 / 2018: For the year 2019, EBITDA increased by US \$14.8 million to US \$104.7 million mainly as a result of cost reductions. The increase can also be explained by the impact of amendments to IFRS of US \$5.2 million. Excluding the effect of IFRS 16, the EBITDA margin improved 3 percentage points to 36%.

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SHARE OF NET INCOME (LOSS) OF ASSOCIATES

↓ 4Q2019 / 4Q2018: The division's share of associate results was a loss of US \$1.3 million for the quarter, marking a drop of US \$2.2 million over 4Q2018, because of reduced transfers at domestic ports stemming from social unrest in Chile that began on October 18, 2019 that generate a drop in container volume (-24%).

↑ 2019 / 2018: In 2019 its share fell by -US\$ 2 million to US\$1.4 million mainly because of reduced volumes at some Chilean terminals due to fewer transfers (-3% TEU) and the effects of the civil unrest starting October 18, 2019.

NET INCOME

↑ 4Q2019/ 4Q2018: The Port Terminals Division reported net income of US \$8.1 million, marking a decrease of -US\$ 1 million over 4Q2018. Cost efficiencies obtained from implementing the new operating model partly offset reduced results from Chilean terminals due to the effects of the social unrest that began on October 18, 2019.

↑ 2019 / 2018: In 2019, net income reached US\$36.7 million, up by US\$5.2 million as a result of cost efficiencies generated by the new operating model and increase in foreign terminals which offset reduced results from Chilean terminals managed by associates.

Consolidated Financial Statement (Ths US\$)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
# TEUs	423.981	451.585	-6%	-27.604	1.755.836	1.728.803	2%	27.033
# Tons Transferred	4.199.983	4.604.663	-9%	-404.680	17.188.882	17.745.610	-3%	-556.729
Income	66.657	71.637	-7%	-4.980	274.115	271.601	1%	2.514
Cost of ales	-44.492	-51.130	-13%	6.638	-188.176	-193.740	-3%	5.564
Administrative expenses	-5.790	-6.392	-9%	602	-21.932	-22.440	-2%	508
EBIT	16.375	14.115	16%	2.260	64.007	55.421	15%	8.586
EBITDA	26.538	23.490	13%	3.048	104.754	89.889	17%	14.865
EBITDA Mg	40%	33%			38%	33%		
Share of profit (loss) of equity-accounted investees	-1.324	883	-250%	-2.207	1.385	3.397	-59%	-2.012
Profit attributable to owners of the Parent (IFRS)	8.088	9.092	-11%	-1.004	36.717	31.553	16%	5.164
Minority interest	1.461	1.521	-4%	-60	5.031	5.628	-11%	-597

PORT TERMINAL DIVISION ASSOCIATE RESULTS

(Values reflect 100% of Company's interest)

SALES

↓ 4Q2019 / 4Q2018: Associates of the Port Terminals Division reported revenue of US\$52.9 million, down by US\$16.5 million with respect to 4Q2018 due primarily to the effects of the civil unrest in Chile beginning October 18, 2019, which interrupted operations for several days, redirecting vessels to other ports and thus losing transfers (-24% TEU).

↓ 2019 / 2018: In 2019 revenue reached US\$229.8 million, marking a decrease of US\$5.5 million due to decreased business related to lower transfer volumes and the effects of social unrest in Chile.

COST OF SALES

↓ 4Q2019 / 4Q2018: Cost of sales decreased US \$10.3 million to US \$46.7 million as a result of decreased activity and cost efficiencies.

↓ 2019 / 2018: Cost of sales reached US\$194.5 million in 2019, down by US\$2.5 million due to decreased business and cost efficiencies from the new operating model where important savings were generated in joint purchases of operating supplies and equipment.

EBITDA

↓ 4Q2019 / 4Q2018: EBITDA reached US\$8.9 million, down by US\$5.6 million, related to lower activity that was offset by a decrease in administrative expenses.

↓ 2019 / 2018: In 2019 EBITDA rose US\$52.6 million down by US\$ 4.2 million because of decrease activity due primarily to the effects of the civil unrest in Chile beginning October.

Affiliates Financial Statement (Ths US\$)(1)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
# Tons Transferred	4.589.784	5.489.081	-16%	-899.297	20.752.928	21.718.256	-4%	-965.328
# TEUs	342.938	451.357	-24%	-108.419	1.656.215	1.708.855	-3%	-52.640
Income	52.966	69.474	-24%	-16.508	229.881	235.423	-2%	-5.542
Cost of ales	-46.742	-57.129	-18%	10.387	-194.540	-197.048	-1%	2.509
Administrative expenses	-2.963	-5.218	-43%	2.255	-11.941	-14.482	-18%	2.542
EBIT	3.262	7.127	-54%	-3.865	23.401	23.892	-2%	-492
EBITDA	8.897	14.578	-39%	-5.681	52.630	56.914	-8%	-4.284
EBITDA Mg	17%	21%			23%	24%		
Profit (loss) from equity method associated	-1.323	885	-250%	-2.208	1.385	3.397	-59%	-2.012

(1) Affiliates at 100%

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CONSOLIDATED LOGISTICS DIVISION RESULTS

SALES

↑ 4Q2019 / 4Q2018: The Logistics Division reported consolidated revenue of US\$14.9 million, up US\$870 thousand over 4Q2018 due to greater volumes of warehousing services at bonded warehouses.

↓ 2019 / 2018: In 2019 revenue fell by US\$7.4 million to US\$51.3 million related to lower volumes of warehousing and trucking services in central Chile due to a sustained slump in the retail industry.

COST OF SALES

↓ 4Q2019 / 4Q2018: Cost of sales remained in line with 4Q2018, despite a rise in activity, reaching US\$10.9 million as a result of cost optimization stemming from the new operating model.

↓ 2019 / 2018: For the year 2019 costs fell US \$7.6 million to US \$39.8 million as a result of reduced service volumes and cost efficiencies.

EBITDA

↑ 4Q2019 / 4Q2018: EBITDA reached US\$3.5 million, up by US\$905 thousand from 4Q2018, as a result of increased activity and cost efficiencies. The EBITDA margin improved 5 percentage points to 23%, demonstrating a recovery in division results.

↑ 2019 / 2018: In 2019 EBITDA reached US\$9.9 million, reflecting an increase of US\$2.6 million as a result of the efficiencies generated by the new operating model that reduced costs and expenses. This is evidence of the division's recovering. The EBITDA margin improved 6 percentage points to 19%.

SHARE OF NET INCOME (LOSS) OF ASSOCIATES

↓ 4Q2019/ 4Q2018: The division's share of net income from associates was US\$1.9 million during the quarter, down by US\$527 thousand from 4Q2018 due to lower volumes of services in Reloncavi.

↓ 2019 / 2018: In 2019 its share was US\$5.9 million, down by US\$1 million over 2019 due to the reduced activity in Reloncavi, partially offset by increased airport services.

NET INCOME

↑ 4Q2019 / 4Q2018: The Logistics Division reported net income of US \$4 million for the quarter, marking an increase of US \$689 thousand over 4Q2018 due to increased activity and reduced costs and expenses at Logística Chile and Aerosan.

↑ 2019 / 2018: In 2019 net income totaled US\$10.8 million, an increase of US\$1.5 million due to cost and expense efficiencies at Logística Chile and increased business from airport services.

Consolidated Financial Statement (Ths US\$)	4Q2019	4Q2018	Δ%	Δ	2019	2018	Δ%	Δ
Income	14.895	14.025	6%	870	51.334	58.735	-13%	-7.401
Cost of ales	-10.920	-10.910	0%	-10	-39.864	-47.516	-16%	7.652
Administrative expenses	-1.339	-1.433	-7%	94	-5.139	-7.626	-33%	2.487
EBIT	2.636	1.682	57%	954	6.331	3.593	76%	2.738
EBITDA	3.494	2.589	35%	905	9.948	7.349	35%	2.600
EBITDA Mg	23%	18%	0%	0	19%	13%	0%	0
Share of profit (loss) of equity- accounted investees	1.975	2.502	-21%	-527	5.914	6.949	-15%	-1.035
Profit attributable to owners of the Parent (IFRS)	4.065	3.376	20%	689	10.787	9.237	17%	1.550

LOGISTICS DIVISION ASSOCIATE RESULTS (Values reflect 100% of Company's interest)

SALES

↑ 4Q2019 / 4Q2018: The Logistics Division's associates posted revenue of US\$ 22.6 million, down US\$2.2 million from 4Q2018 due to lower biomass volumes at Reloncaví that was offset by increased airport services.

↑ 2019 / 2018: In 2019, revenue fell US \$4.6 million to US \$87.5 million as a result of drops in biomass and project volumes at Reloncaví offset by increased airport services.

COST OF SALES

↓ 4Q2019 / 4Q2018: Cost of sales reached US\$13.4 million, marking a decrease of US\$4.2 million as a result of cost efficiencies in airport services and decreased business at Reloncavi.

↓ 2019 / 2018: In 2019 costs totaled US\$60.2 million, falling by US\$8.1 million due to decreased activity and cost efficiencies.

EBITDA

↑ 4Q2019 / 4Q2018: EBITDA reached US \$6.7 million, up US \$878 thousand from 4Q2018, due to increased depreciation in Aerosan

↑ 2019 / 2018: In 2019 EBITDA was US\$25.3 million, an increase of US\$3.9 million due to cost efficiencies and increased depreciation in Aerosan that partially offset lower results from Reloncavi.

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MARKET ANALYSIS

COMMENTARY

SAAM and its subsidiaries make annual estimates of market share for the different segments where they do business. These estimates are based mainly on an analysis of available information, which includes internal operations and sales data, industry reports from regulators and other reports obtained from the market.

TOWAGE

Each towage market has its own particular characteristics due to variations in regulations between free markets, markets limited to concessions or private contracts. Operators may compete daily and/or through public or private bidding processes with the main global towage operators, such as Svitzer, Smit, Boluda, as well as regional players like Wilson Sons, Intertug, Ultratug, CPT Remolcadores, among others.

PORT TERMINALS

SAAM and its subsidiaries have a relevant market share in terms of total tons transferred in the markets of Chile, Ecuador (Guayaquil) and Costa Rica. In Mexico, United States and Colombia, SAAM participates on the operation of medium-size terminals in the locations of Mazatlán, Port Everglade and Cartagena de Indias respectively.

LOGISTICS

This division concentrates most of its operations in Chile, a market where its main competitors in Supply Chain services are: Sitrans; Puerto Columbo, Agunsa between other.

RISK FACTORS

FINANCIAL RISK

It is the risk that changes in rates and market prices, for example fluctuations in exchange rates or interest rates, affect SAAM's or its subsidiaries' revenues or the value of financial instruments held by them. The objective of financial risk management is to manage and control exposure to this risk within reasonable parameters and at the same time, optimize profitability.

SAAM tries to maintain a balance in its net financial positions in SAAM and subsidiaries that will minimize the effects of the exchange rate risk that the Company is exposed to in Chile, Mexico and Brazil. Whenever it is not possible to achieve this equilibrium, financial derivatives (Forwards) are contracted so that they will allow an efficient management of these risks. In general, SAAM seeks to apply hedge accounting to diminish the volatility in results generated by the existence of exposed positions of net assets and liabilities in foreign currency.

CREDIT RISK

Credit risk is the risk of financial loss caused if a client or a counterpart of a financial instrument, fails to comply with its contractual obligations. This is especially sensitive in the accounts receivable from customers of SAAM and subsidiaries. When credits will be granted to customers, the latter are financially evaluated by a committee in order to reduce the risks of non-payment. Credits granted are periodically reviewed in order to implement the controls defined by established policies and to monitor the status of outstanding accounts receivable.

Services to customers are performed under market conditions, which are simple credits for no longer than 90 days on average. These transactions are not concentrated in relevant clients, on the contrary, the clients of SAAM and subsidiaries are quite fragmented, which allows distributing the risk.

SKILLED LABOR

The ability to compete successfully depends on the ability to attract and retain highly skilled labor. The loss of its services, or the inability to hire and retain key personnel may have an adverse effect on SAAM financial performance. Furthermore, the ability to operate tugboats, port terminals and offer logistics services depends on the capacity to attract and retain qualified and experienced personnel.

On the other hand, notwithstanding maintaining good relations with employees, the risks of strikes, work stoppages or other conflicts with trade unions or workers, may not be ruled out.

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RENEWAL OF CONCESSIONS

The non-renewal of some port concessions is a long-term risk and will depend on future market conditions and on negotiations with port authorities. This could affect revenues, especially in the case of San Antonio Terminal Internacional, which matures in 2024. However, all remaining port concessions have been renewed. This was conditional to having reached and maintained a certain operational standard, which was fully complied with by SAAM in its places of operation. In addition, SAAM has concessions in the towage business in Mexico, and Costa Rica, being the first one completed renewed

INCREASE IN COMPETITION

The various structural and technological changes in the shipping and port sector, could constantly push up rates and operating costs. This implies permanent review of internal processes in order to continuously optimize them.

Competition in port terminals, towage and logistics in which SAAM operates, involves factors such as price, service, safety statistics and reputation, quality and availability of services for the customer. A reduction in the rates offered by competitors may cause SAAM to reduce its own and reduce the use of use of its services, which will negatively affect its results.

In addition, consolidation of the shipping industry and verticalization of clients' operations might cause the loss of some business. Companies with significant shipping operations could decide to carry out certain functions that are currently provided to them by SAAM, instead of continue to use its services. The decision of any of its key clients to verticalize its operations could have a negative influence in the use of its services, which would impact its results.

Also, the increasing competition and the imposition of regulatory standards in some countries, force to make strong investments both in tugboats and in land equipment, in order to avoid the risk of obsolescence and lack of productivity. It should be noted that the percentage of SAAM tugboats with azimuth technology has grown steadily from 30% in 2004 to 73% by March 2017.

ECONOMIC CYCLE

The demand for SAAM's services depends largely on the levels of international trade and, in particular, on the shipping industry in the export and import of goods, especially those handled in the port terminals under concession. Downturns in the economic cycle could adversely affect operational results, because during economic crises or periods of diminished activity, the shipping companies could experience a reduction in their cargo volumes. In spite of this, SAAM is well positioned to face these cycles through a relevant geographic and business diversification.

ACCIDENTS AND NATURAL DISASTERS

The fleet and equipment used in port terminals and in the logistics area are at risk of damages or loss due to such events as mechanical failure, installation flaws, fires, explosions and collisions, accidents at sea and human error. In addition, assets may also be affected as a result of earthquakes, tsunamis, or other natural disasters. However, SAAM, through its subsidiaries and Associates, have contracted insurance with ample coverage to mitigate damages.

ENVIRONMENTAL STANDARDS

Ports, tugboats and logistics operations are subject to extensive environmental laws. Failure to comply with these laws may result in the imposition of administrative sanctions. Said penalties may include, among others, the closure of facilities that do not comply, cancellation of operation licenses, and the imposition of sanctions and fines when the companies act with negligence or recklessness with regard to environmental issues. Approval of tougher environmental laws and regulations could require making additional investments to comply with these regulations and, therefore, alter investment plans. To mitigate this risk, SAAM and its subsidiaries have subscribed third-party liability insurance for damages and/or fines for pollution associated to its fleet of tugboats.

RISKS BY POLITICAL AND ECONOMIC CONDITIONS

A significant part of SAAM's assets is located in Chile. Also, around 51% of consolidated sales, considering affiliates at their proportional value, originate in Chilean operations. Consequently, business results depend significantly on economic conditions in Chile. Future evolution of Chilean economy could have adverse effects on SAAM's financial condition or results, and could limit the ability to develop its business plan. The Chilean State has had, and continues to have, a substantial influence on many aspects of the private sector and in the past has modified monetary, fiscal, and tax policies, as well as other regulations that have effects on the economy.

Besides Chile, SAAM has operations in Ecuador, Mexico, Brazil, Colombia, Uruguay, Guatemala, Costa Rica, Panama, Canada and the United States. Some of these countries have gone through periods of political and economic instability during recent decades, periods in which governments have intervened in business and financial aspects with effects on foreign investors and companies. It is not possible to state that these situations could never recur in the future, or that they could happen in a new country where SAAM enters, and therefore, adversely affect the operations of the Company in these countries.

CONSOLIDATED FINANCIAL INDICATORS

	Unit	Dec 2019
Ownership		
Shares outstanding	N°	9.736.791.983
Controlling Group- Luksic Group	%	52,2%
Stock price	\$	59,88
Liquidity performance		
Liquidity ratio (1)	times	1,99
Acid test (2)	times	1,82
Leverage		
Razón de endeudamiento	times	0,95
Short term debt	%	25%
Long term debt	%	75%
Interest coverage	times	5,89
Return		
Earning per share	US\$	0,00593419
ROE (6)	%	7,4%
ROA (7)	%	3,8%
Other ratios		
Revenues / Total Assets (3)	times	0,327
Revenues / Fixed Assets (4)	times	0,719
Working capital turnover	times	2,717

(1) Current Assets/ current liabilities

(2) Current assets minus non current assets held for sale , inventory and anticipated payments / current liabilities

(3) Revenues / Total Assets

(4) Revenues / Fixed Assets

(5) Ventas/(Activo corriente-Pasivo Corriente)

(6) LTM Profit / average equity

(7) LTM Profit / average total assets

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SUMMARIZED FINANCIAL STATEMENTS OF SUBSIDIARIES

FINANCIAL STATEMENTS SAAM S.A.

Assets	Note	12-31-2019	12-31-2018
		ThUS\$	ThUS\$
Current assets			
Cash and cash equivalents		99,933	188,888
Other current non-financial assets		5,949	3,243
Current trade and other receivables		54,212	39,603
Current receivables from related parties		8,788	9,436
Current inventory		11,956	8,978
Current tax assets		25,630	23,829
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners		206,468	273,977
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners		405	452
Total current assets		206,873	274,429
Non-current assets			
Other non-current financial assets		2,263	510
Other non-current non-financial assets		6,282	3,255
Accounts receivable, non-current		1,278	1,204
Inventories, non-current		1,137	1,046
Equity method associates		16,913	108,797
Intangible assets other than goodwill		36,655	15,438
Goodwill		72,283	45,664
Property, plant and equipment		531,267	306,821
Non-current tax assets		418	-
Deferred tax assets		6,141	5,561
Total non-current assets		674,637	488,296
Total assets		881,510	762,725

Equity and liabilities	12-31-2019	12-31-2018
	ThUS\$	ThUS\$
Liabilities		
Current liabilities		
Other current financial liabilities	50,637	12,187
Current trade and other payables	17,718	12,782
Current payables to related parties	222	673
Other short-term provisions	589	70
Current tax liabilities	2,060	5,077
Current employee benefit provisions	14,412	10,267
Other current non-financial liabilities	2,075	2,084
Total current liabilities	87,713	43,140
Non-current liabilities		
Other non-current financial liabilities	213,459	44,450
Non-current payables to related parties	115,700	120,700
Other long-term provisions	1,308	916
Deferred tax liabilities	45,843	34,004
Non-current employee benefit provisions	6,277	5,397
Total non-current liabilities	382,587	205,467
Total liabilities	470,300	248,607
Equity		
Issued capital	78,365	78,365
Retained earnings	341,634	332,416
Other reserves	(11,570)	(3,001)
Equity attributable to owners of the parent company	408,429	407,780
Non-controlling interest	2,781	106,338
Total equity	411,210	514,118
Total liabilities and equity	881,510	762,725

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		01-01-19 12-31-19	01-01-18 12-31-18
Statement of Income by Function		ThUS\$	ThUS\$
Net income for the year			
Revenue		220,347	201,505
Cost of sales		(147,596)	(134,785)
Gross margin		72,751	66,720
Other income		3,766	5,643
Administrative expenses		(44,134)	(51,056)
Other expenses		(2,934)	(3,848)
Other gains		804	3,877
Net operating income		30,253	21,336
Finance income		4,409	3,902
Finance costs		(9,522)	(8,025)
Share of net income (loss) of equity method associates and joint ventures		5,916	7,921
Exchange differences		(794)	(1,972)
Gain (loss) on indexed assets and liabilities		57	(44)
Net income before taxes		30,319	23,118
Income tax expense from continuing operations		(10,118)	(8,276)
Net income from continuing operations		20,201	14,842
Net income from discontinued operations		-	-
Net income for the year		20,201	14,842
Net income attributable to			
Owners of the parent company		13,064	8,285
Non-controlling interest		7,137	6,557
Net income for the year		20,201	14,842
Earnings per share (see Note 27)			
Basic earnings per share from continuing operations	US\$/share	0.00018	0.00012
Diluted earnings per share from continuing operations	US\$/share	0.00018	0.00012

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Comprehensive Income	ThUS\$	ThUS\$
Net income for the year	20,201	14,842
Components of other comprehensive income, before taxes		
Exchange differences on translation(*)		
Gain (loss) from exchange differences on translation, before taxes	2,180	(14,080)
Reclassification adjustments, exchange differences on translation, before taxes	-	-
Other comprehensive income (loss), before taxes, exchange differences on translation	2,180	(14,080)
Financial assets available for sale		
Other comprehensive income, before taxes, available-for-sale financial assets	-	-
Cash flow hedges(*)		
Gain from cash flow hedges, before taxes	297	-
Reclassification adjustments, cash flow hedges, before taxes	-	-
Other comprehensive income, before taxes, cash flow hedges	297	-
Other comprehensive income (loss), before taxes, actuarial gains (losses) on defined-benefit plans	(559)	214
Share of other comprehensive income from associates and joint ventures accounted for using equity method, before taxes	-	-
Other comprehensive income (loss), before taxes	1,918	(13,866)
Income taxes related to other comprehensive income (loss)(*)		
Income taxes related to exchange differences on translation	-	-
Income taxes related to cash flow hedges	(80)	-
Income taxes related to defined benefit plans	149	(9)
Total income tax related to components of other comprehensive income	69	(9)
Other comprehensive income (loss)	1,987	(13,875)
Total comprehensive income	22,188	967
Total comprehensive income attributable to		
Owners of the parent company	13,708	556
Non-controlling interest	8,480	411
Total comprehensive income	22,188	967

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	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Cash flows provided by (used in) operating activities		
Proceeds from operating activities		
Proceeds from sales of goods and provision of services	248,209	233,530
Proceeds from premiums and claims, annuities and other policy benefits	74	67
Proceeds from other operating activities	1,493	1,769
Payments for operating activities		
Payments to suppliers for supply of goods and services	(121,035)	(101,742)
Payments to and on behalf of employees	(69,817)	(70,295)
Payments for premiums and claims, annuities and other policy obligations	(2,209)	(2,576)
Other payments for operating activities	(6,626)	(6,258)
Net cash flows provided by operations	50,089	54,495
Interest paid	-	-
Interest received	635	9
Income taxes paid	(9,194)	(9,666)
Net cash flows provided by operating activities	41,530	44,838

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Cash flows provided by (used in) investing activities		
Cash flows used to obtain control of subsidiaries or other businesses	(63,772)	-
Cash flows used in purchase of non-controlling interest	(124,492)	-
Proceeds from sale of property, plant and equipment	1,662	9,121
Acquisition of property, plant and equipment	(30,600)	(38,564)
Purchases of intangible assets	(1,046)	(726)
Loan repayments from related parties	-	15,000
Dividends received	4,034	10,581
Purchases of other long-term assets	-	-
Interest received	3,018	2,615
Other cash inflows	-	4,098
Net cash flows provided by (used in) investing activities	(211,196)	2,125
Cash flows provided by (used in) financing activities		
Proceeds from long-term loans	102,309	11,338
Proceeds from short-term loans	3,322	1,041
Loan repayments	(14,488)	(12,313)
Repayment of finance lease liabilities	(33)	(33)
Repayment of operating lease liabilities IFRS 16	(999)	-
Dividends paid	-	(30,638)
Loan payments to related parties	(5,058)	-
Interest paid	(2,039)	(2,610)
Other cash outflows, classified as financing activities	(2,379)	(4)
Net cash flows provided by (used in) financing activities	80,635	(33,219)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(89,031)	13,744
Effect of exchange rate changes on cash and cash equivalents	76	(1,081)
Increase (decrease) in cash and cash equivalents	(88,955)	12,663
Cash and cash equivalents at the beginning of the year	188,888	176,225
Cash and cash equivalents at the end of the year	99,933	188,888

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	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Total Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2019	78,365	(18,067)	931	(1,043)		15,178	(3,001)	332,416	407,780	106,338	514,118
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	-	-	-	-
Restated opening balance of equity	78,365	(18,067)	931	(1,043)		15,178	(3,001)	332,416	407,780	106,338	514,118
Changes in equity											
Total comprehensive income (loss)											
Net income for the year	-	-	-	-		-	-	13,064	13,064	7,137	20,201
Other comprehensive income (loss)	-	851	217	(410)		(14)	644	-	644	1,343	1,987
Total comprehensive income (loss)	-	851	217	(410)		(14)	644	13,064	13,708	8,480	22,188
Equity issuance	-	-	-	-		-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-		(9,213)	(9,213)	(3,846)	(13,059)	(112,037)	(125,096)
Dividends (Note 25.3)	-	-	-	-		-	-	-	-	-	-
Increase (decrease) in equity	-	851	217	(410)		(9,227)	(8,569)	9,218	649	(103,557)	(102,908)
Equity as of December 31, 2019	78,365	(17,216)	1,148	(1,453)		5,951	(11,570)	341,634	408,429	2,781	411,210

	Issued capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Total Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2018	78,365	(10,133)	931	(1,248)		15,182	4,732	336,658	419,755	108,338	528,093
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	(63)	(63)	-	(63)
Restated opening balance of equity	78,365	(10,133)	931	(1,248)		15,182	4,732	336,595	419,692	108,338	528,030
Changes in equity											
Total comprehensive income (loss)											
Net income for the year	-	-	-	-		-	-	8,285	8,285	6,557	14,842
Other comprehensive income (loss)	-	(7,934)	-	205		-	(7,729)	-	(7,729)	(6,146)	(13,875)
Total comprehensive income (loss)	-	(7,934)	-	205		-	(7,729)	8,285	556	411	967
Equity issuance	-	-	-	-		-	-	-	-	-	-
Variation resulting from business combinations	-	-	-	-		-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-		(4)	(4)	(51)	(55)	(1)	(56)
Dividends (Note 25.3)	-	-	-	-		-	-	(12,413)	(12,413)	(2,410)	(14,823)
Increase (decrease) in equity	-	(7,934)	-	205		(4)	(7,733)	(4,179)	(11,912)	(2,000)	(13,912)
Equity as of December 31, 2018	78,365	(18,067)	931	(1,043)		15,178	(3,001)	332,416	407,780	106,338	514,118

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FINANCIAL STATEMENTS SAAM PORTS S.A.

		12-31-2019	12-31-2018
Assets	Note	ThUS\$	ThUS\$
Current assets			
Cash and cash equivalents		108,810	28,834
Other current financial assets		-	11
Other current non-financial assets		7,362	5,233
Current trade and other receivables		23,884	25,941
Current receivables from related parties		4,229	5,070
Current inventory		3,249	2,937
Current tax assets		93	335
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners		147,627	68,361
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners			
		-	7,786
Total current assets		147,627	76,147
Non-current assets			
Other non-current financial assets		122	132
Other non-current non-financial assets		15,207	18,903
Non-current trade and other receivables		12,811	14,425
Non-current receivables from related parties		700	5,700
Equity method associates		79,386	86,795
Intangible assets other than goodwill		189,180	-
Goodwill		-	210,503
Property, plant and equipment		139,032	106,960
Investment property		-	-
Non-current tax assets		-	-
Deferred tax assets		17,178	8,205
Total non-current assets		453,616	451,623
Total assets		601,243	527,770

	12-31-2019	12-31-2018
Equity and liabilities	ThUS\$	ThUS\$
Liabilities		
Current liabilities		
Other current financial liabilities	41,558	31,469
Current trade and other payables	20,664	20,477
Current payables to related parties	2,306	3,002
Other short-term provisions	158	183
Current tax liabilities	11,827	5,597
Current employee benefit provisions	7,072	6,789
Other current non-financial liabilities	373	6
Total current liabilities	83,958	67,523
Non-current liabilities		
Other non-current financial liabilities	165,774	132,406
Other long-term provisions	66	84
Deferred tax liabilities	42,594	38,690
Non-current employee benefit provisions	2,301	1,862
Other non-current non-financial liabilities	-	-
Total non-current liabilities	210,735	173,042
Total liabilities	294,693	240,565
Equity		
Issued capital	40,182	40,182
Retained earnings	227,149	206,418
Other reserves	(771)	(1,627)
Equity attributable to owners of the parent company	266,560	244,973
Non-controlling interest	39,990	42,232
Total equity	306,550	287,205
Total liabilities and equity	601,243	527,770

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Statement of Income by Function		ThUS\$	ThUS\$
Net income for the year			
Revenue		272,049	269,942
Cost of sales		(192,664)	(199,001)
Gross margin		79,385	70,941
Other income		652	505
Administrative expenses		(18,279)	(17,601)
Other expenses		(1,550)	(2,004)
Other gains		5,368	5,648
Net operating income		65,576	57,489
Finance income		2,154	1,574
Finance costs		(11,445)	(10,688)
Share of net income (loss) of equity method associates and joint ventures		1,385	3,397
Exchange differences		1,108	(553)
Gain (loss) on indexed assets and liabilities		-	-
Net income before taxes		58,778	51,219
Income tax expense from continuing operations		(18,362)	(11,538)
Net income from continuing operations		40,416	39,681
Net income attributable to			
Owners of the parent company		35,280	33,957
Non-controlling interest		5,136	5,724
Net income for the year		40,416	39,681
Earnings per share			
Basic earnings per share from continuing operations	US\$/share	0.50	0.48
Diluted earnings per share from continuing operations	US\$/share	0.50	0.48

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Comprehensive Income	ThUS\$	ThUS\$
Net income for the year	40,416	39,681
Components of other comprehensive income, before taxes		
Exchange differences on translation(*)		
Loss from exchange differences on translation, before taxes	(195)	(2,071)
Reclassification adjustments, exchange differences on translation, before taxes	-	-
Other comprehensive loss, before taxes, exchange differences on translation	(195)	(2,071)
Cash flow hedges(*)		
Gain (loss) from cash flow hedges, before taxes	(108)	70
Reclassification adjustments, cash flow hedges, before taxes	-	-
Other comprehensive income (loss), before taxes, cash flow hedges	(108)	70
Other comprehensive income (loss), before taxes, actuarial gains (losses) on defined-benefit plans	1,150	(1,940)
Other comprehensive income (loss), before taxes	847	(3,941)
Income taxes related to other comprehensive income (loss) (*)		
Income taxes related to exchange differences on translation	-	-
Income taxes related to cash flow hedges	30	(19)
Income taxes related to defined benefit plans	(18)	15
Total income tax related to components of other comprehensive income (loss)	12	(4)
Other comprehensive income (loss)	859	(3,945)
Total comprehensive income	41,275	35,736
Total comprehensive income attributable to		
Owners of the parent company	36,136	30,021
Non-controlling interest	5,139	5,715
Total comprehensive income	41,275	35,736

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Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Cash flows provided by (used in) operating activities		
Proceeds from operating activities		
Proceeds from sales of goods and provision of services	305,281	275,541
Proceeds from premiums and claims, annuities and other policy benefits		
Proceeds from other operating activities	194	4,385
Payments for operating activities		
Payments to suppliers for supply of goods and services	(118,980)	(126,242)
Payments to and on behalf of employees	(49,888)	(49,093)
Payments for premiums and claims, annuities and other policy obligations	(6,401)	-
Other payments for operating activities	(25,770)	(29,740)
Net cash flows provided by operations	104,436	74,851
Interest paid	-	-
Interest received	631	
Income taxes paid	(9,061)	(9,044)
Other cash outflows	-	(234)
Net cash flows provided by operating activities	96,006	65,573
Cash flows provided by (used in) investing activities		
Cash flows used to obtain control of subsidiaries or other businesses	(278)	(35)
Cash flows used in purchase of non-controlling interest	-	-
Proceeds from sale of property, plant and equipment	-	
Acquisition of property, plant and equipment	(19,034)	(7,914)
Purchases of intangible assets	(2,151)	(8,055)
Dividends received	8,175	11,142
Purchases of other long-term assets	-	-
Interest received	-	92
Other cash inflows	-	981
Cash flows from sale of non-controlling interest	12,772	-
Net cash flows used in investing activities	(516)	(3,789)

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Proceeds from long-term loans	47,167	10,495
Proceeds from short-term loans	2,697	1,019
Loan repayments	(33,318)	(34,974)
Repayment of finance lease liabilities	(2,144)	(2,509)
Loan repayments to related parties	-	(15,000)
Repayment of operating lease liabilities IFRS 16	(5,516)	-
Dividends paid	(21,890)	(7,190)
Interest paid	(2,461)	(3,221)
Net cash flows used in financing activities	(15,465)	(51,380)
Net increase in cash and cash equivalents before effect of exchange rate changes	80,025	10,404
Effect of exchange rate changes on cash and cash equivalents	(49)	(140)
Increase in cash and cash equivalents	79,976	10,264
Cash and cash equivalents at the beginning of the year	28,834	18,570
Cash and cash equivalents at the end of the year	108,810	28,834

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	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Total Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2019	40,182	(7,360)	593	(2,573)		7,713	(1,627)	206,418	244,973	42,232	287,205
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	-	-	-	-
Restated opening balance of equity	40,182	(7,360)	593	(2,573)		7,713	(1,627)	206,418	244,973	42,232	287,205
Changes in equity											
Total comprehensive income (loss)											
Net income for the year											
Other comprehensive income (loss)	-	-	-	-		-	-	35,280	35,280	5,136	40,416
Total comprehensive income (loss)		(165)	(71)	1,092			856		856	3	859
Equity issuance	-	(165)	(71)	1,092		-	856	35,280	36,136	5,139	41,275
Dividends	-	-	-	-		-	-	(14,549)	(14,549)	(7,301)	(21,850)
Increase (decrease) for transfers and other changes in equity										(80)	(80)
Increase (decrease) in equity	-	(165)	(71)	1,092		-	856	20,731	21,587	(2,242)	19,345
Equity as of December 31, 2019	40,182	(7,525)	522	(1,481)		7,713	(771)	227,149	266,560	39,990	306,550

	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Total Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2018	40,182	(5,186)	536	(758)		7,784	2,376	172,483	215,041	44,427	259,468
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	(163)	(163)	-	(163)
Restated opening balance of equity	40,182	(5,186)	536	(758)		7,784	2,376	172,320	214,878	44,427	259,305
Changes in equity											
Total comprehensive income (loss)											
Net income for the year											
Other comprehensive income (loss)	-	-	-	-		-	-	33,957	33,957	5,724	39,681
Total comprehensive income (loss)		(2,174)	57	(1,815)		(4)	(3,936)		(3,936)	(9)	(3,945)
Equity issuance	-	(2,174)	57	(1,815)		(4)	(3,936)	33,957	30,021	5,715	35,736
Dividends	-	-	-	-		-	-	-	-	(7,518)	(7,518)
Transfers to (from) retained earnings						(67)	(67)	67			
Increase (decrease) for transfers and other changes in equity	-	-	-	-		-		74	74	(392)	(318)
Increase (decrease) in equity	-	(2,174)	57	(1,815)		(71)	(4,003)	34,098	30,095	(2,195)	27,900
Equity as of December 31, 2018	40,182	(7,360)	593	(2,573)		7,713	(1,627)	206,418	244,973	42,232	287,205

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FINANCIAL STATEMENTS SAAM LOGISTICS S.A.

		12-31-2019	12-31-2018
Statement of Financial Position	NOTES	ThUS\$	ThUS\$
Assets			
Current assets			
Cash and cash equivalents		20,242	23,371
Other current non-financial assets		524	975
Current trade and other receivables		7,829	8,727
Current receivables from related parties		405	1,122
Current inventory		939	969
Current tax assets		420	1,455
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners		30,359	36,619
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners		11,225	9,904
Total current assets		41,584	46,523
Non-current assets			
Other non-current non-financial assets		1	-
Non-current receivables		406	203
Non-current inventory		10	11
Equity method associates		24,761	21,269
Intangible assets other than goodwill		810	892
Property, plant and equipment		66,728	70,474
Investment property		1,843	1,854
Deferred tax assets		5,046	1,057
Total non-current assets		99,605	95,760
Total assets		141,189	142,283

		12-31-2019	12-31-2018
Equity and liabilities	NOTES	ThUS\$	ThUS\$
Liabilities			
Current liabilities			
Other current financial liabilities		17	-
Current trade and other payables		3,287	2,988
Current payables to related parties		253	592
Current tax liabilities		1,456	985
Current employee benefit provisions		1,409	1,188
Other current non-financial liabilities		338	285
Total current liabilities		6,760	6,038
Non-current liabilities			
Deferred tax liabilities		4,510	1,921
Non-current employee benefit provisions		1,784	1,407
Other non-current non-financial liabilities		42	-
Total non-current liabilities		6,336	3,328
Total liabilities		13,096	9,366
Equity			
Issued capital		24,805	24,805
Retained earnings		101,395	105,302
Other reserves		960	1,875
Equity attributable to owners of the parent company		127,160	131,982
Non-controlling interest		933	935
Total equity		128,093	132,917
Total liabilities and equity		141,189	142,283

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		01-01-19 12-31-19	01-01-18 12-31-18
Statement of Income by Function		ThUS\$	ThUS\$
Net income for the year		51,334	58,735
Revenue			
Cost of sales		(39,870)	(47,539)
Gross margin		11,464	11,196
Other income		244	500
Administrative expenses		(4,998)	(7,495)
Other expenses		(225)	(139)
Other gains		84	396
Net operating income		6,569	4,458
Finance income		427	374
Finance costs		(54)	(88)
Share of net income (loss) of equity method associates and joint ventures		5,991	7,026
Exchange differences		(553)	(1,214)
Gain (loss) on indexed assets and liabilities		27	(32)
Net income before taxes		12,407	10,524
Income tax expense from continuing operations		(1,516)	(1,618)
Net income from continuing operations		10,891	8,906
Net income attributable to			
Owners of the parent company		10,807	8,824
Non-controlling interest		84	82
Net income for the year		10,891	8,906
Earnings per share			
Basic earnings per share from continuing operations	ThUS\$/share	0.00051854	0.00042403
Diluted earnings per share from continuing operations	ThUS\$/share	0.00051854	0.00042403

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Comprehensive Income	ThUS\$	ThUS\$
Net income for the year	10,891	8,906
Components of other comprehensive income, before taxes		
Exchange differences on translation(*)		
Gain (loss) from exchange differences on translation, before taxes	(485)	78
Reclassification adjustments, exchange differences on translation, before taxes	-	-
Other comprehensive income (loss), before taxes, exchange differences on translation	(485)	78
Financial assets available for sale		
Other comprehensive income, before taxes, available-for-sale financial assets		
Cash flow hedges(*)		
Gain from cash flow hedges, before taxes	-	-
Reclassification adjustments, cash flow hedges, before taxes	-	-
Other comprehensive income (loss), before taxes, cash flow hedges	-	-
Other comprehensive income (loss), before taxes, actuarial gains (losses) on defined-benefit plans	(504)	50
Share of other comprehensive income from associates and joint ventures accounted for using equity method, before taxes	-	-
Other comprehensive income (loss), before taxes	(989)	128
Income taxes related to other comprehensive income (loss)(*)		
Income taxes related to exchange differences on translation	-	-
Income taxes related to cash flow hedges	-	-
Income taxes related to defined benefit plans	70	(6)
Total income tax related to components of other comprehensive income (loss)	70	(6)
Other comprehensive income (loss)	(919)	122
Total comprehensive income	9,972	9,028
Total comprehensive income attributable to		
Owners of the parent company	9,893	8,946
Non-controlling interest	79	82
Total comprehensive income	9,972	9,028

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	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Cash flows provided by (used in) operating activities		
Proceeds from operating activities		
Proceeds from sales of goods and provision of services	62,342	72,155
Proceeds from other ordinary activities	112	-
Proceeds from premiums and claims, annuities and other policy benefits	9	236
Proceeds from other operating activities	(9)	-
Payments for operating activities		
Payments to suppliers for supply of goods and services	(36,668)	(50,665)
Payments to and on behalf of employees	(7,884)	(11,788)
Payments for premiums and claims, annuities and other policy obligations	(409)	(418)
Other payments for operating activities	(6,344)	(5,166)
Net cash flows provided by operations	11,149	4,354
Dividends received	40	-
Interest received	49	21
Income taxes paid	(759)	(536)
Other cash inflows	-	-
Net cash flows provided by operating activities	10,479	3,839

	01-01-19 12-31-19	01-01-18 12-31-18
	ThUS\$	ThUS\$
Cash flows provided by (used in) investing activities		
Proceeds from sale of property, plant and equipment	144	756
Cash flows from sale of controlling interest	-	38
Acquisition of property, plant and equipment	(1,289)	(1,392)
Purchases of intangible assets	(32)	(10)
Dividends received	2,178	2,316
Interest received	378	353
Other cash inflows	-	(30)(1)
Net cash flows provided by investing activities	1,379	2,031
Cash flows provided by (used in) financing activities		
Dividends paid	(14,799)	(9,196)
Payment of lease liabilities IFRS 16	(18)	-
Other cash outflows, classified as financing activities	-	(77)
Net cash flows used in financing activities	(14,817)	(9,273)
Net decrease in cash and cash equivalents before effect of exchange rate changes	(2,959)	(3,403)
Effect of exchange rate changes on cash and cash equivalents	(170)	(215)
Decrease in cash and cash equivalents	(3,129)	(3,618)
Cash and cash equivalents at the beginning of the year	23,371	26,989
Cash and cash equivalents at the end of the year	20,242	23,371

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	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2019	24,805	(2,990)	292	(184)		4,757	1,875	105,302	131,982	935	132,917
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	-	-	-	-
Restated opening balance of equity	24,805	(2,990)	292	(184)		4,757	1,875	105,302	131,982	935	132,917
Changes in equity											
Total comprehensive income (loss)								10,807	10,807	84	10,891
Net income for the year	-	(486)	-	(429)		-	(915)	-	(915)	(5)	(920)
Other comprehensive income (loss)											
Total comprehensive income (loss)	-	(486)	-	(429)		-	(915)	10,807	9,892	79	9,971
Increase (decrease) for transfers and other changes in equity	-	-	-	-		-	-	11	11	-	11
Dividends	-	-	-	-		-	-	(14,725)	(14,725)	(81)	(14,806)
Transfers to (from) retained earnings											
Increase (decrease) in equity	-	(486)	-	(429)		-	(915)	(3,907)	(4,822)	(2)	(4,824)
Equity as of December 31, 2018	24,805	(3,476)	292	(613)		4,757	960	101,395	127,160	933	128,093

	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2018	24,805	(3,068)	292	(228)		4,757	1,753	105,288	131,846	935	132,781
Increase (decrease) due to changes in accounting policy	-	-	-	-		-	-	(49)	(49)	-	(49)
Restated opening balance of equity	24,805	(3,068)	292	(228)		4,757	1,753	105,239	131,797	935	132,732
Changes in equity											
Total comprehensive income (loss)											
Net income for the year	-	-	-	-		-	-	8,824	8,824	82	8,906
Other comprehensive income (loss)	-	78	-	44		-	122	-	122	-	122
Total comprehensive income (loss)	-	78	-	44		-	122	8,824	8,946	82	9,028
Increase (decrease) for transfers and other changes in equity	-	-	-	-		-	-	353	353	-	353
Dividends	-	-	-	-		-	-	(9,114)	(9,114)	(82)	(9,196)
Transfers to (from) retained earnings	-	-	-	-		-	-	-	-	-	-
Increase (decrease) in equity	-	-	-	-		-	-	(8,761)	(8,761)	(82)	(8,843)
Equity as of December 31, 2018	24,805	(2,990)	292	(184)		4,757	1,875	105,302	131,982	935	132,917

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		12-31-2019	12-31-2018
Assets	Note	ThUS\$	ThUS\$
Current assets			
Cash and cash equivalents		250	176
Other financial assets		-	-
Other current non-financial assets		-	-
Current trade and other receivables		-	-
Current receivables from related parties		61	51
Current inventory		-	-
Current tax assets		-	-
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners		311	227
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners		-	-
Total current assets		311	227
Non-current assets			
Other non-current financial assets		-	-
Other non-current non-financial assets		-	-
Non-current receivables		-	-
Non-current receivables from related parties		-	-
Equity method associates		999	999
Intangible assets other than goodwill		-	-
Property, plant and equipment		-	-
Deferred tax assets		-	-
Total non-current assets		999	999
Total assets		1,310	1,226

	12-31-2019	12-31-2018
Equity and liabilities	ThUS\$	ThUS\$
Liabilities		
Current liabilities		
Other current financial liabilities	-	-
Current trade and other payables	3	3
Current payables to related parties	1	1
Other short-term provisions	-	-
Current tax liabilities	-	-
Current employee benefit provisions	-	-
Total current liabilities	4	4
Non-current liabilities		
Other non-current financial liabilities	-	-
Non-current payables to related parties	-	-
Other long-term provisions	-	-
Deferred tax liabilities	-	-
Non-current employee benefit provisions	-	-
Total non-current liabilities	-	-
Total liabilities	4	4
Equity		
Issued capital	2,437	2,437
Retained earnings	250	163
Other reserves	(1,381)	(1,378)
Equity attributable to owners of the parent company	1,306	1,222
Non-controlling interest	-	-
Total equity	1,306	1,222
Total liabilities and equity	1,310	1,226

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		01-01-19 12-31-19	01-01-18 12-31-18
Statement of Income by Function		ThUS\$	ThUS\$
Net income for the year		-	-
Revenue			
Cost of sales		-	-
Gross margin		-	-
Other income		-	-
Administrative expenses	13	(9)	(4)
Other expenses		-	-
Other gains		-	-
Net operating loss		(9)	(4)
Finance income	14	1	-
Finance costs		-	-
Share of net income (loss) of equity method associates and joint ventures	10.1	101	96
Exchange differences	15	(3)	(5)
Net income before taxes		90	87
Income tax expense from continuing operations		-	-
Net income from continuing operations		90	87
Net income attributable to			
Owners of the parent company		90	87
Non-controlling interest		-	-
Net income for the year		90	87
Earnings per share (see Note 12)			
Basic earnings per share from continuing operations	US\$/share	0.0464	0.0449
Diluted earnings per share from continuing operations	US\$/share	0.0464	0.0449

	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Comprehensive Income	ThUS\$	ThUS\$
Net income for the year	90	87
Components of other comprehensive income, before taxes		
Exchange differences on translation(*)		
Loss from exchange differences on translation, before taxes	(1)	-
Other comprehensive loss, before taxes, exchange differences on translation	(1)	-
Cash flow hedges(*)		
Gain from cash flow hedges, before taxes	-	-
Other comprehensive loss, before taxes, actuarial gains (losses) on defined-benefit plans	(5)	(1)
Other comprehensive loss, before taxes	(5)	(1)
Income taxes related to other comprehensive income (loss)(*)		
Income taxes related to cash flow hedges	-	-
Income taxes related to defined benefit plans	-	-
Total income tax related to components of other comprehensive income (loss)	-	-
Other comprehensive loss	(6)	(1)
Total comprehensive income	84	86
Total comprehensive income attributable to		
Owners of the parent company	84	86
Non-controlling interest	-	-
Total comprehensive income	84	86

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	01-01-19 12-31-19	01-01-18 12-31-18
Statement of Cash Flows (Direct Method)	ThUS\$	ThUS\$
Cash flows provided by (used in) operating activities		
Proceeds from operating activities		
Proceeds from sales of goods and provision of services	-	-
Proceeds from other operating activities	-	-
Payments for operating activities		
Payments to suppliers for supply of goods and services	(9)	(4)
Payments to and on behalf of employees	-	-
Other payments for operating activities	-	-
Net cash flows used in operations	(9)	(4)
Income taxes paid	-	-
Other cash inflows, classified as operating activities	1	-
Net cash flows used in operating activities	(8)	(4)
Cash flows provided by (used in) investing activities		
Non-current assets held for sale and discontinued operations	-	-
Loan repayments from related parties	-	-
Cash flows used to obtain control of subsidiaries or other businesses	-	-
Cash flows used in purchase of non-controlling interest	-	-
Proceeds from sale of property, plant and equipment	-	-
Acquisition of property, plant and equipment	-	-
Purchases of intangible assets	-	-
Dividends received	86	90
Other investment disbursements	-	-
Net cash flows provided by investing activities	86	90

	01-01-19 12-31-19	01-01-18 12-31-18
Cash flows provided by (used in) financing activities	ThUS\$	ThUS\$
Proceeds from issuing net equity instruments	-	-
Proceeds from long-term loans	-	-
Proceeds from short-term loans	-	-
Loan repayments	-	-
Repayment of finance lease liabilities	-	-
Dividends paid	-	-
Proceeds from repayment of related party loans	-	-
Interest paid	-	-
Other cash outflows, classified as financing activities	-	-
Net cash flows provided by financing activities	-	-
Net increase in cash and cash equivalents before effect of exchange rate changes	78	86
Effect of exchange rate changes on cash and cash equivalents	(4)	(5)
Increase in cash and cash equivalents	74	81
Cash and cash equivalents at the beginning of the year	176	95
Cash and cash equivalents at the end of the year	250	176

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	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2019	2,437	(2)	-	(2)		(1,374)	(1,378)	163	1,222	-	1,222
Changes in equity											
Total comprehensive income (loss)											
Net income for the year	-	-	-	-		-	-	90	90	-	90
Other comprehensive income (loss)	-	(1)	-	(5)		-	(6)	-	(6)	-	(6)
Total comprehensive income (loss)	-	(1)	-	(5)		-	(6)	90	84	-	84
Equity issuance	-	-	-	-		-	-	-	-	-	-
Dividends	-	-	-	-		-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-		3	3	(3)	-	-	-
Increase (decrease) in equity	-	(1)	-	(5)		3	(3)	87	84	-	84
Equity as of December 31, 2019	2,437	(3)	-	(7)		(1,371)	(1,381)	250	1,306	-	1,306
	Issued Capital	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Reserve for Actuarial Gains and Losses on Defined Benefit Plans		Other Miscellaneous Reserves	Other Reserves	Retained Earnings	Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$		ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Equity as of January 1, 2018	2,437	(2)	-	(1)		(1,374)	(1,377)	75	1,135	-	1,135
Changes in equity											
Total comprehensive income (loss)											
Net income for the year	-	-	-	-		-	-	87	87	-	87
Other comprehensive income (loss)	-	-	-	(1)		-	(1)	-	(1)	-	(1)
Total comprehensive income (loss)	-	-	-	(1)		-	(1)	87	86	-	86
Equity issuance	-	-	-	-		-	-	-	-	-	-
Dividends	-	-	-	-		-	-	-	-	-	-
Increase (decrease) for transfers and other changes in equity	-	-	-	-		-	-	1	1	-	1
Increase (decrease) in equity	-	-	-	(1)		-	(1)	88	87	-	87
Equity as of December 31, 2018	2,437	(2)	-	(2)		(1,374)	(1,378)	163	1,222	-	1,222

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11_ BOARD'S STATEMENT OF RESPONSIBILITY

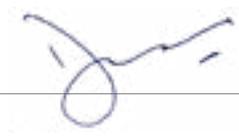


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STATEMENT OF RESPONSIBILITY

The undersigned directors and chief executive officer declare themselves responsible for the veracity of the information contained in this annual report for the year ended December 31, 2018, in conformity with the information they have had in their power.

<p>Óscar Hasbún Martínez</p> <hr/> <p>Chairman</p> <hr/> <p>11.632.255-2</p>  <hr/> <p>Francisco Gutiérrez Philippi</p> <hr/> <p>Director</p> <hr/> <p>7.031.728-1</p>  <hr/> <p>Armando Valdivieso Montes</p> <hr/> <p>Director</p> <hr/> <p>8.321.934-3</p> 	<p>Jean-Paul Luksic Fontbona</p> <hr/> <p>Vice Chairman</p> <hr/> <p>6.372.368-1</p>  <hr/> <p>Jorge Gutiérrez Pubill</p> <hr/> <p>Director</p> <hr/> <p>5.907.040-1</p> 	<p>Diego Bacigalupo Aracena</p> <hr/> <p>Director</p> <hr/> <p>13.828.244-9</p>  <hr/> <p>Francisco Pérez Mackenna</p> <hr/> <p>Director</p> <hr/> <p>6.525.286-4</p>	<p>Macario Valdés Raczynski</p> <hr/> <p>Chief Executive Officer</p> <hr/> <p>14.123.555-9</p> 
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This Statement of Responsibility has been signed in accordance with General Character Standard No. 30 and the Company is in possession of the originally signed document.



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GLOSSARY

ATI: Antofagasta Terminal Internacional.

Azimuth: propeller that allows a complete (360°) turn to be made, improving a tug's maneuverability and even making a rudder unnecessary.

Bollard pull: measure of the amount of power a tug is capable of exerting in a towage job under certain conditions.

Bonded warehouse: a customs deposit facility authorized to provide services to third-parties where any goods can be warehoused until picked up for import, export or another customs destination.

Cabotage: transport of people, goods or luggage between different locations within the same country (without leaving the country) that is operated by a foreign shipping company.

Clearance: review of goods by a customs representative to verify that the customs declaration agrees with what is physically present.

COSO ERM: internationally recognized body that establishes basic regulatory frameworks for risk and compliance in matters of internal control.

Cross docking: a technique that helps optimize warehousing time, making it either completely unnecessary or of very limited need. As a result of the process, goods are not stored in the warehouse or, when they arrive, they leave directly for customer facilities.

DJSI: Dow Jones Sustainability Index, which has been prepared by RobecoSAM since 1999.

Draft: vertical distance between a point on the floating waterline and the base line or keel, including the thickness of the hull.

FCL/LCL: Container shipment modalities: LCL (less than container load) and FCL (full container load). In an LCL shipment, the goods occupy less than a full container and, therefore, share the container with goods from several other suppliers.

FIFI: Fire Fighting. Equipment to fight fires on vessels.

FIT: Florida International Terminal.

GHG: Greenhouse gases.

GRI: Global Reporting Initiative is an independent entity that created the first global set of guidelines for preparing sustainability reports.

ISO: International Organization for Standardization, an international system of standards for a diversity of products.

ITI Iquique Terminal Internacional.

Lashing: in nautical terms, it is the act of tying or fastening something or the rope itself or piece of rope used for tying.

Lighter: large, uncovered boat used to transport cargo between vessels or between a vessel and land.

PBV: Puerto Buenavista.

Reefer connection: although the reefer container comes equipped with a refrigerator motor—to maintain the cold chain—it always relies on an external source of energy to work properly. These connections can be on board vessels or in the form of outlets at terminals.

STI: San Antonio Terminal Internacional.

SVTI: San Vicente Terminal Internacional.

TEU: acronym for the term Twenty-foot Equivalent Unit, which represents an imprecise unit of measurement of capacity used in maritime shipping (container ships and container port terminals) expressed in containers.

TMAZ: Terminal Marítima Mazatlán.

TPG: Terminal Portuario Guayaquil.

Unlashing: this involves untying, undoing, unfastening or taking apart the lash, rope or chain used to secure or lash the vessel.