



TPS 2021 INTEGRATED REPORT

Terminal Pacífico Sur Valparaíso S.A.



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LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear shareholders,

I hereby deliver this report, which summarises the 21st management year of Terminal Pacífico Sur Valparaíso, and which is the first one taking the form of an Integrated Report. This format reflects a new approach in our relationship with the Stakeholders. The value of collaborative work for the achievement of our objectives, which is to improve people's quality of life by developing foreign trade in a sustainable manner and with operational excellence, is emphasised herein.

In 2021, Chile grew by about 12% and consequently experienced a significant recovery in its commercial exchange as compared to the previous year, achieving, in accordance with data provided by Banco Central, a record growth of 41% expressed in value. Imports, driven mainly by consumer goods, had a growth of 55% in value and exports had a growth of 29%, the largest increases coming from minerals and agricultural and industrial products.

Thus, 2021 was a year of economic recovery and, for which reason, it was also a year of recovery of foreign trade and cargo transfer at port level. In the case of TPS, in particular, and in terms of tonnes of cargo, an increase of 5.69% of transported cargo was recorded compared to last year.

However, 2021 was also the second year of a worldwide pandemic, which required us to continue concentrating efforts and resources to protect the health and life of our employees and other members of the port system of Valparaíso.

In this context, and despite the difficulties, disruptions and restrictions imposed by the pandemic on the maritime and port activity at global and local level, we met the challenge of maintaining operations uninterrupted throughout the year.

Collaborative work of the port system of Valparaíso has truly been a key factor to fulfil the objective of continuing operations under such circumstances as the aforementioned. In this sense, it is worth highlighting the collaborative attitude that has been preserved with different authorities, among them, and particularly, Empresa Portuaria Valparaíso, Servicio Nacional de Aduanas and the Maritime Authority. Likewise, we acknowledge the companies that have made it possible for the logistics chain to stay active: Customs Agents, carriers and storers, among others.

In particular, I must also highlight the mutual coordination and communication efforts held with our clients. In such particularly challenging times, which have demanded flexibility and timely responses

from all actors involved, the foregoing has become especially necessary and requires particular attention. We will persevere with our search for enhancing coordination and communication instances, both in normal and in special times, as our clients' knowledge and needs are a significant part of the core of our work.

Moreover, 2021 was a special year in terms of strengthening the relationship between the port and the city, to which we attach great importance. As will be understood through this Integrated Report, throughout the year, we took an active part in various cross-cutting dialogue initiatives and instances, aimed at promoting a closer relationship and greater communication between porteños [port city persons/ residents of Valparaíso] and port activity.

Finally, I would also like to thank all our TPS employees, men and women whose valuable contribution and effort represents an essential part of the content herein.

Thus, I invite you to read this document and learn more about the vision that we have taken forward, so that Valparaíso, our beloved port, sustains and perseveres in its call as world-class port operator.



Pablo Ihnen de la Fuente
Chairman of the Board of Directors
Terminal Pacífico Sur Valparaíso

MESSAGE FROM THE MANAGING DIRECTOR

I am pleased to present the first Integrated Report of Terminal Pacífico Sur Valparaíso, which integrates our economic, social and environmental management with all our Stakeholders. Although we have systemised our reports biannually since 2013, we decided to consolidate said work with our annual report to provide a complete image of TPS, adding value to our business strategy.

The year covered herein was, yet again, marked by the pandemic, which has had an impact on people's health and safety and, of course, on international trade using maritime transport.

Thanks to the protocols, campaigns and measures we implemented at the Terminal, and specifically to our employees who have acted responsibly, 2021 concluded in a satisfactory manner. While a higher degree of positivity was recorded as opposed to last year, it remained far below national average.

We were able to meet our objective of maintaining operation uninterrupted throughout the year, despite pandemic-related restrictions, always prioritising people's health and safety, through collaborative work with the rest of the actors involved in the logistics chain. We once again met our objective and major task assigned: contribute to people's quality of life by developing foreign trade in a sustainable manner and with operational excellence.

A 2021 milestone was the creation of the Sustainability Division to unite the efforts that we had been making

since the start of the concession through different areas. Undoubtedly, this re-organisation has enabled us to make quicker progress in topics that are key for our sustainable development strategy, such as the organisational culture.

Regarding our sustainability strategy, which we share with Ultramar, the five pillars were constantly and productively addressed by means of different actions described herein, encouraging us to continue in the search for more demanding objectives, mainly regarding topics whose importance cannot be ignored, such as climate change.

In terms of cargo transfer, although the levels before the pandemic have not fully been attained, we did indeed record a 5.69% increase in comparison to last year, amounting to 7,548,917 tonnes transferred.

Our operational efficiency had a significant increase: the transfer of TEUs in relation to the terminal's surface area was 57,006 TEUs/hectare, representing an increase of 8.81% in comparison to 2020. These great results confirm that we have achieved standards above the existing ones in other ports across the world. For instance, Asia averages 34,666 TEUs/hectare and Latin America, only 21,616.

The operation also reached a very important milestone for Valparaíso with the return of container transport by train, both for imports and exports, thanks to the new Maersk service bound for Europe

that began to operate in TPS. Once more, our employees' coordination and joint effort, as well as the port system and railway led to positive outcomes.

Management with our suppliers and clients also had remarkable progress during the period described herein. As has been the trend over the last years, we continue to increase the proportion of SME suppliers, while we also continue to shorten the deadlines to pay invoices, taking 14 days on average.

Regarding our clients, one of the year's most striking indicators was the increase in iron transfer, which went from 28,414 to 240,850 imported tonnes, meaning an increase of 748%. However, fruit continues being the most exported product throughout TPS, accounting for 1,303,800 tonnes, among which grapes are the most outstanding fruit, with almost 353,000 tonnes, thus ranking first place among the fruits that are shipped from our terminal.

My final words are to express gratitude to all our employees, clients, suppliers and community of Valparaíso for the positive outcomes consolidated in this Integrated Report but, above all, for what is behind the indicators and which lead us to our objectives: everyone's spirit, encouragement and willingness to keep working together for the competitiveness of Valparaíso.



Oliver Weinreich Román
Managing Director
Terminal Pacífico Sur Valparaíso

01 ABOUT TPS



THE TERMINAL

We are a company with 22 years of experience, dedicated to the administration of Berthing Facility No. 1 of Port of Valparaíso, under the Concession Contract of Terminal 1, valid until 31 December 2029. Since 2000, we have transferred more than 165 million tonnes of cargo.

Our objective is to contribute to people's quality of life by developing foreign trade in a sustainable manner and with operational excellence.

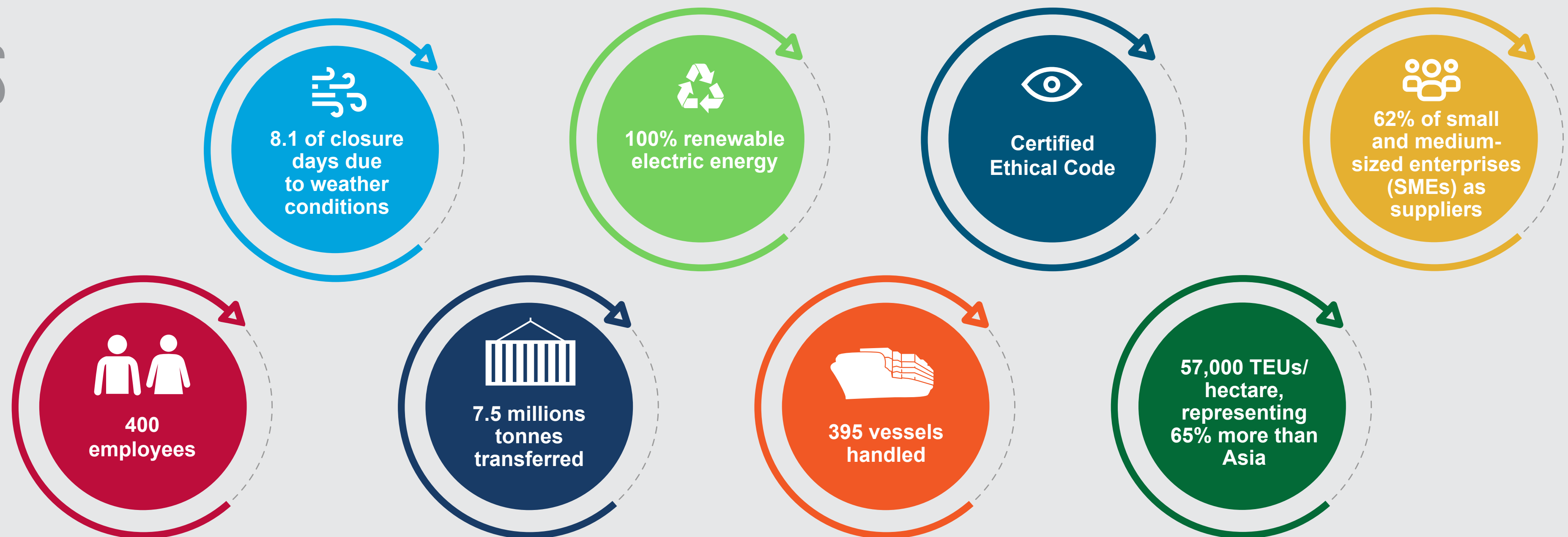
We are part of Neltume Ports, a holding of Ultramar, group of companies founded in Chile over 70 years ago, leader in maritime, port and logistics activities.

TPS has a surface of approximately 15 hectares in the sheltered waters of Valparaíso Bay, located in the central region of Chile, at coordinates 33° 01' 33" Latitude S and 71° 38' 22" Longitude W.

Our Terminal's strategic location in the protected bay of Valparaíso ensures continuous operation practically every day of the year. Thus, we register 97.8% of operational continuity due to our protected bay from weather conditions, while in other terminals of the Chilean mid-region this indicator is around 70%.

Our organisation's work environment is the result of constant dialogue with trade unions and employees. In 21 years of concession, we haven't had conflicts with our unions.

OUR NUMBERS IN 2021



OUR PILLARS



OUR PEOPLE:

Our employees are the driving force behind our strategy. We seek to contribute to the growth and development of each one of them, positively affecting their quality of life.

COMMITMENTS:

- Develop our employees, by valuing merit and diversity.
- Comply with the highest occupational safety standards.
- Promote a good working environment. Where every employee is proud to be part of TPS.

CUSTOMERS AND OPERATIONAL EXCELLENCE

We ensure that our service and processes attain the highest standards quality, and we profitably manage our business. We fulfill our customer's requirements and respond to the dynamism of our markets.

COMMITMENTS:

- Deliver excellent services.
- Manage the business efficiently and profitably.
- Constant search for continuous improvement

RELIABILITY AND TRANSPARENCY

A main value of our company is to relate in a transparent and reliable manner with all our stakeholders and ensure integrity.

COMMITMENTS

- Engagement with all our stakeholders.
- Encouraging robust ethics management
- Preserving the TPS organisational culture.
- Look after the development of the port of Valparaiso, through our actions.

SOCIAL DEVELOPMENT

Enhance social development of the territory in which we are located. Be good neighbours, deliver local employment opportunities, improve people's quality of life, and create favourable spaces for entrepreneurship, with emphasis on local suppliers.

COMMITMENTS:

- Contributes to the development and quality of life of our local communities.
- Support the development of suppliers, mainly of local businesses.

CARING FOR THE PLANET

Contribute from our reality to a global challenge, reducing our environmental footprint and identifying opportunities to use resources more efficiently, reduce our greenhouse gas emissions and promote a cultural change towards more environmentally friendly operations.

COMMITMENTS:

- Reduce our carbon footprint.
- Promote a proactive environmental culture within TPS.
- Protect areas of high biodiversity value near our operations.

THE VALUES THAT INSPIRE US

Passion is the energy that inspires us to do what we do in a cheerful and creative manner, accepting each problem as a challenge and an opportunity. It is fed by the conviction that what we are doing is valuable and contributes to our and others' well-being.

Integrity means being loyal to our values and deepest convictions through our actions, and being consistent in what we say and do.

Excellence refers to the constant search for optimising everything we do and to aim at exceeding expectations.

Safety is to protect life and the environment in every action performed and must always be a primary concern, for people give meaning to what we do.

OUR VISION OF SUSTAINABILITY



Sustainability as a principle has always been a part of our operations, as we are convinced that economic development is not achievable without social and environmental development.



We are a port terminal dedicated to the transfer of cargo, which constitutes an essential link in the foreign trade chain and our country's international standing. At the same time, we are a gateway to Valparaíso, a World Heritage City.



We are very focused on protecting the health and safety of all our employees at our Terminal, whether they belong to the organisation or other organisations associated with the chain.



All the relationships generated from our operation are based on trust and transparency, which form part of our strategic pillars. This implies that we are always open to dialogue and that our working style is direct and close.



We know that we have a great responsibility with Valparaíso, for it is a city that has been developed from the port, and that, as of today, maritime international trade continues being the main economic activity of the city.



We look to provide solutions in a timely manner to the community's matters of interest or concern, and, therefore, we prioritise having direct and permanent communication channels.



The projects are executed with a comprehensive perspective, taking into account the outcomes we could obtain, to enhance the positive ones and eliminate or, as far as possible, minimise the negative ones.



We are committed to taking care of our planet, as we developed an industrial activity that leaves a positive mark on the environment. We quantify the emissions from our operations and we are constantly searching for opportunities to minimise them.



We are careful with the ocean, the seabed and the wild species that may be found in our facilities.

TPS INTEGRATED POLICY

This policy has commitments acquired by everybody in the organisation to protect the physical integrity of people, their occupational health, and the principles of sustainable development in their current and future operations, to render quality services that are consistent with the requirements and expectations of our clients.

In summary, the Comprehensive Policy embodies the importance of complying with the law, make available the resources and conditions to safeguard the environment, the health and safety of the people by way of the Terminal's Integrated Management System. Also, it reinforces the importance of training our people and the responsibility with the community.

SUSTAINABLE DEVELOPMENT GOALS



We are an organisation that is aligned with the 17 Sustainable Development Goals (SDGs) of the United Nations (UN), with the aim of ensuring prosperity for all of society within the context of a sustainable development agenda that seeks to achieve these 17 goals over the next 15 years. We know that this challenge will only be achievable with the commitment of governments, the people, civil

society, and enterprises, so as far as the latter are concerned, we are committed to do everything in our power.

On the cover page of each chapter, we will indicate the SDGs addressed by our strategy.

CORPORATE GOVERNANCE

Ownership

The share capital of Terminal Pacifico Sur Valparaíso S.A. is made up of 3,333 shares of the same series with no par value. As at 31 December 2021, the company's ownership is distributed with 2,000

shares from Neltume Ports S.A., making up 60.01% of the total; and 1,333 shares from ConTug Terminals S.A., making up the remaining 39.99%.



CORPORATE GOVERNANCE

Board of Directors

Pablo Ihnen de la Fuente Chairman

Civil Engineer, Master's in Economics
Age: 66 years
Date of Entry: 30/12/2008
Years of Service: 13 years

Richard von Appen Lahres Director

Business Administration
Age: 55 years
Date of Entry: 26/04/2001
Years of Service: 20 years

Pier-Paolo Zaccarelli Fasce Director

Business Administration
Age: 59 years
Date of Entry: 25/09/2018
Years of Service: 3 years

Alejandra Mehech Castellón Director

Business Administration, Master's in Sociology
Age: 58 years
Date of Entry: 28/01/2017
Years of Service: 4 years

Gregory Gottlieb Director

Master's in Management
Age: 39 years
Date of Entry: 26/06/2018
Years of Service: 3 years

Antonio Jose de Mattos Patricio Junior Director

Captain, Master's in Maritime Port Management
Age: 60 years
Date of Entry: 25/09/2018
Years of Service: 3 years

Felipe Vial Claro Alternate Director

Attorney
Age: 61 years
Date of Entry: 25/04/2017
Years of Service: 4 years

Roberto Barra Constanzo Alternate Director

Industrial Civil Engineer
Age: 52 years
Date of Entry: 26/10/2021
Years of Service: 1 year

Giuseppe Prudente Alternate Director

Captain, Master's in Certification of Skills (FG)
Age: 61 years
Date of Entry: 22/12/2016
Years of Service: 5 years

Axel Hauschild Alternate Director

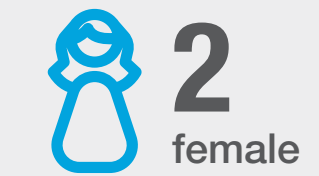
Master's in Management
Age: 29 years
Date of Entry: 26/10/2021
Years of Service: 1 year

Carol Rivera Flores Alternate Director

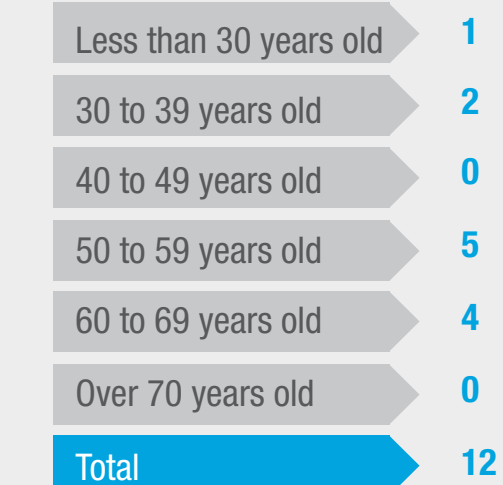
Master's in Finance and Investment
Age: 36 years
Date of Entry: 26/10/2021
Years of Service: 1 year

Fernando Reveco Santander Alternate Director

Industrial Civil Engineer
Age: 50 years
Date of Entry: 28/04/2015
Years of Service: 6 years



AGE GROUP



YEARS OF SERVICE



CORPORATE GOVERNANCE

Administration

Oliver Weinreich
Managing Director
 Industrial Civil Engineer
 Age: 46 years
 Date of Entry: 01/03/2005
 Years of Service: 16 years

Andrés Repetto
Operations Manager
 Civil Engineer
 Age: 36 years
 Date of Entry: 01/01/2020
 Years of Service: 2 years

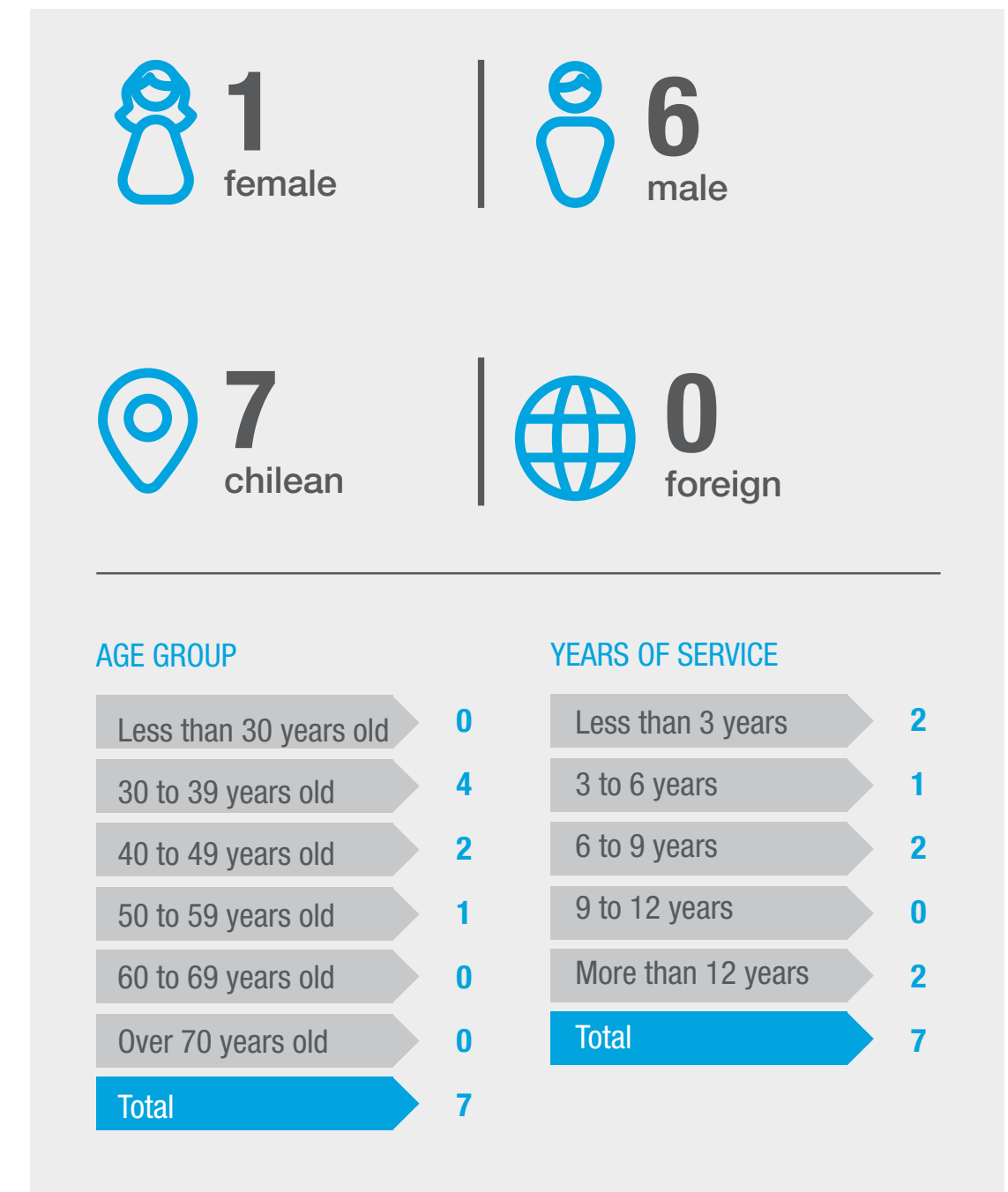
Raúl Guzmán
Commercial Deputy Manager
 Industrial Civil Engineer
 Age: 32 years
 Date of Entry: 02/04/2018
 Years of Service: 3 years

Roberto Guerra
Administration and Finance Manager
 Business Administration
 Age: 35 years
 Date of Entry: 14/06/2021
 Years of Service: 1 year

Rodrigo Cabrera
People Deputy manager
 Weapon Execution Engineer
 Age: 56 years
 Date of Entry: 27/01/2000
 Years of Service: 21 years

Iván Ianiszewski
IT and Engineering Deputy Manager
 Naval Electrical Engineer
 Age: 47 years
 Date of Entry: 02/01/2013
 Years of Service: 9 years

Laura Chiuminatto
Sustainability Deputy Manager
 Industrial Civil Engineer
 Age: 33 years
 Date of Entry: 25/03/2013
 Years of Service: 8 years



02 OUR PEOPLE

Our employees are the driving force behind our strategy. We seek to contribute to the growth and development of each one of them, positively affecting their quality of life.



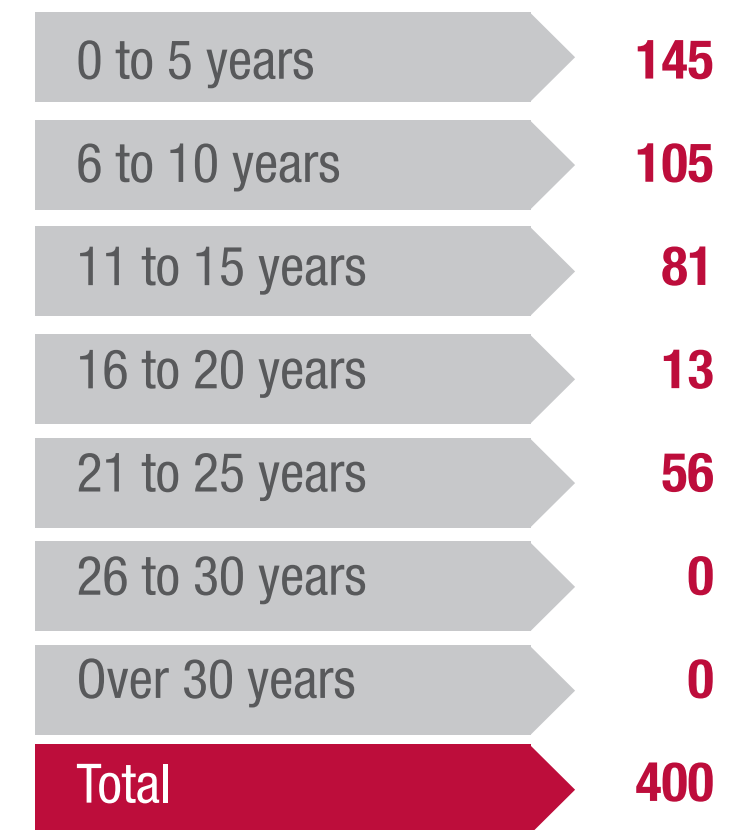
VALPARAISO

02. OUR PEOPLE

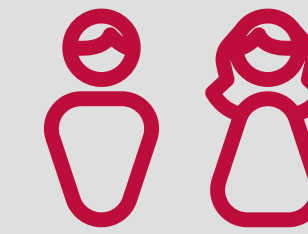
AGE GROUP



YEARS OF SERVICE



TPS TEAM



400
employees



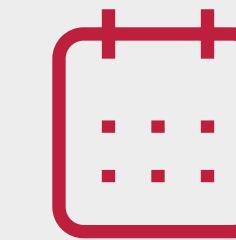
of which
46%
lives in Valparaíso city



66
are women



334
are men



44
is the average age of all the people
working in TPS



398
are Chilean



2
are foreigners

74
vacancies

16 in-house personnel
58 external employees

ACKNOWLEDGEMENTS

Award for Passion

See any problem as a challenge or an opportunity. Award granted to Claudio Pacheco.

Award for Integrity

Strength in one's conviction and for having respect and consideration towards others. Acknowledgement that went to Marcelo Peral.

Award for Excellence

Showing dedication, quality, innovation and continuous improvement in their work. Distinction received by Claudia Basaure.

Award for Safety

Leadership, compromise and responsibility with others and the environment. Award given to Eduardo Godoy.

TPS Award

Our values identify and inspire us. Recognition awarded to Emerson Astudillo.

 **19**
employees



completed
 **10**
Years of Service


 **26**
employees

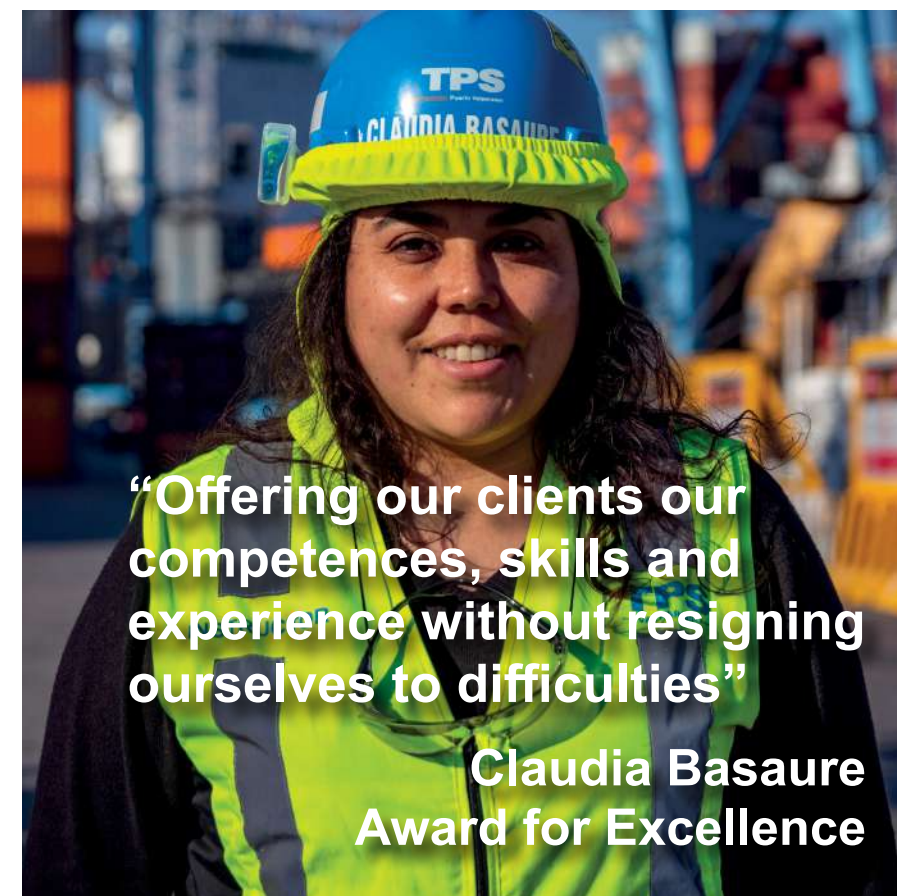
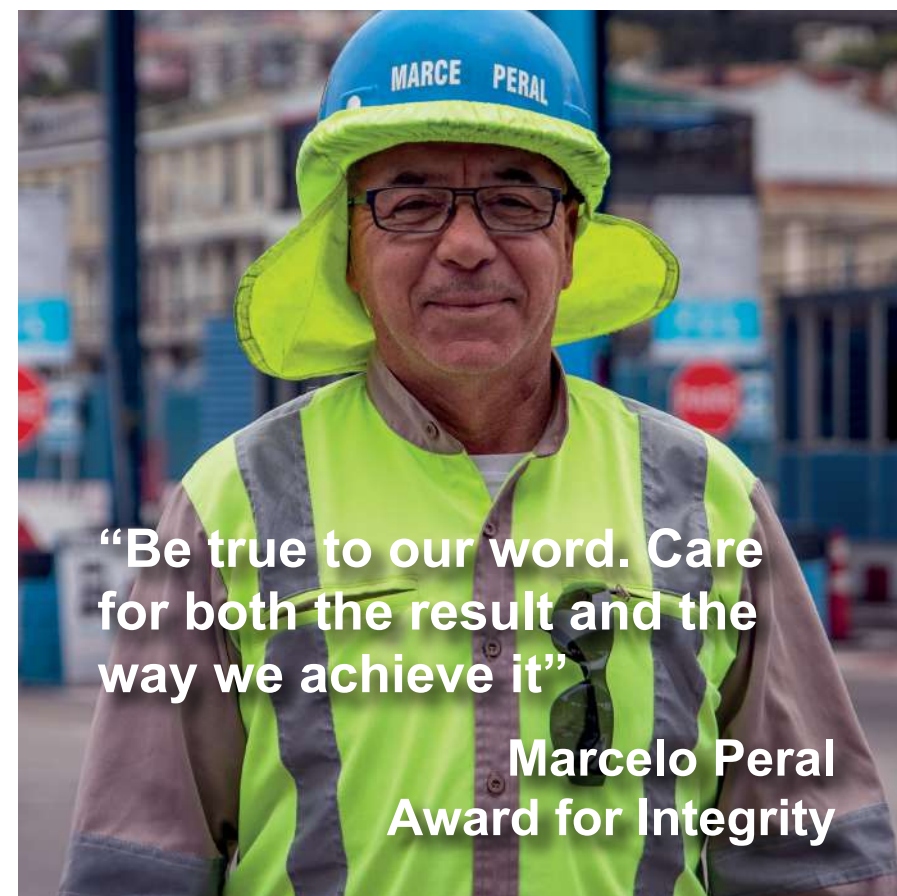
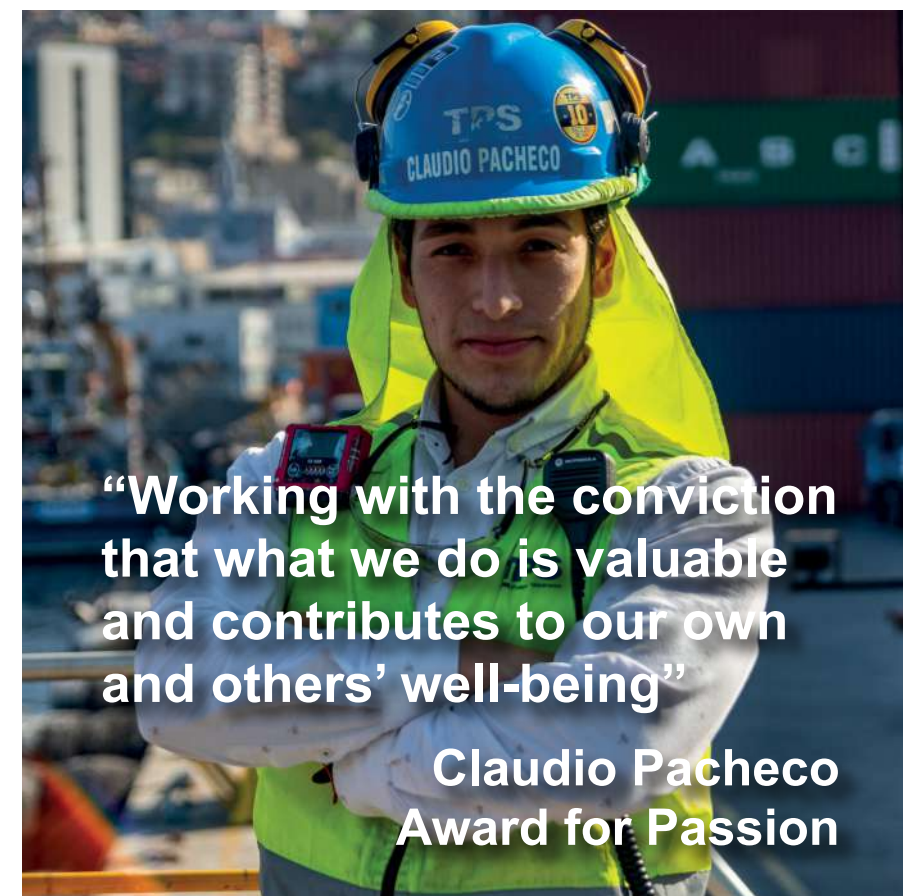


completed
 **15**
Years of Service

 **1**
1 person



completed
 **20**
Years of Service



DEVELOPMENT OPPORTUNITIES

One of the most important pillars of our organisation is the professional development and growth of the people that are part of TPS. In spite of the pandemic restrictions, we made an effort to complement the training of our employees, by means of video conference and videos.

Also, we implemented the creation of TPS Academy in the middle of the year, with an investment of CLP 5,900,000, a training platform that allows collaborators to follow different training courses, a portal in which 240 people have already participated in 21 training courses, in matters such as: cybersecurity, emotional intelligence, sexual diversity, and inclusion.

Biannual re-training programme: comprehensive initiative for machinery operators that aims at updating and reinforcing knowledge and good practices regarding equipment safety and operation, aligned with the TPS and Ultraport's YOU Create Culture campaign. The forklift and gantry crane operator tasks were the first to participate in the programme that was carried out in collaboration with Inacap.

COURSES

- How to create a safe and healthy environment at work?
- Sexual Harassment at the Workplace
- Lean Good Practices
- BUK
- Cybersecurity, Everybody's Task
- Effective Communication
- Sexual Diversity in the Contemporary World
- The Art of Influencing through Persuasion
- Basic Excel
- Induction of ethics management system
- Emotional Intelligence
- Leadership in Times of Crisis
- Agile work methodologies
- New trends in digital economy
- Outlook
- Power Point
- Crime prevention (8 crimes)
- Narcotest procedure
- Customer service
- YOU Create Culture
- Word



 **25,963**
training hours

 **60.52**
average training hours per person

 **429**
trained persons

 **49**
training courses

99,000 USD
invested in training

 **4**
movements within group companies

Supervisor enhancing programme

During 7 weeks, 31 supervisors from the Surveillance and Shift Supervisor and TPS planning coordinators, together with Shift Supervisor personnel in the chain of command from Ultraport, received this training, allowing to quickly apply what was learned in the day-to-day. The contents included several modules such as culture of excellence in safety, corporate induction, meetings with different Terminal areas, workshops about leadership and development of soft skills and the application of a skill assessment test, among others.



 **31** Trained supervisors



Communication with our employees

During this period, BUK—a platform to manage the payment of salaries, allowances and benefits of our employees—was launched, which to date is fully operational.

We started a digital signage system that allows to keep employees informed through screens located in all Terminal.

We also performed and distributed 25 videos within the framework of campaigns and other initiatives of internal communication, among which are “Know my Job and “YOU create culture” campaign, together with Ultraport.

We carried out a visit programme for employees and their families to go round the Terminal and get to know the yard equipment as a way for their family members to learn about the work we perform. In total, 400 people visited the terminal on two weekends in September and October, including workers from Ultraport and their families.

 **400**

people visited the Terminal in two weekends



BENEFITS

In addition to all the benefits considered in the context of our labour law, below we specify the labour benefits voluntarily provided by our organisation:



TRADE UNIONS AND JOINT COMMITTEES

Employees' freedom of association is an applied and respected principle in our Terminal since the beginning of our operation. Therefore, we have high level unionisation: 75% of the employees are affiliated to one of the trade unions of TPS. In 21 years of operation, as a result of the permanent dialogue and the participation instances that we have developed, we have had no labour conflicts with our unions.

In addition, we have periodically executed collective agreements with both organisations and fully respect the agreements reached. Today, the collective bargaining is currently in place with both trade unions until 2024.



During this period, the Joint Health and Safety Committees (JHSCs) of wharfage companies and the JHSCs relating to the administrative area strengthened the concepts of caring for oneself and each other, along with participating in activities with other committees from other companies of the region. Also, both committees actively participate in the respective operations committees: the joint port committee formed by TPS and Ultraport and the administrative operations committee formed by the JHSCs of the administrative area of TPS and the other 8 permanent contracting companies of JHSCs.

Both trade unions and the JHSCs carried out their corresponding electoral processes during 2021, in accordance with current regulations.



DIVERSITY AND INCLUSION

Regarding the labour inclusion, by the end of the year, TPS had 5 personnel members with disabilities, in compliance with Act 21,015, who are fully integrated into the different tasks of our Terminal.

We maintain a workplace where everyone is respected, and no one is discriminated. We believe that a healthy workplace where everyone is treated in a kind and considerate manner, regardless of age, gender, skin colour, marital status, religion, political stance, nationality or social background, allows teamwork and the achievement of our company's objectives.

We do not discriminate on the basis of gender when selecting an applicant to fill a vacancy; we only draw a distinction on labour competencies and experience, as required by national law and

the Universal Declaration of Human Rights of the United Nations. In 2021, no employee was affected by discrimination, as it has been throughout all our operating years.

Last year, 15.04% of the personnel was made up of women and, in 2021, it increased to 16.5%. This raise is the result of our commitment to a diverse and inclusive organisation.

There also are no wage differences between men and women in our organisation because our policies regarding this matter abide by payment based on salary bands associated to a job evaluation. Currently, the minimum wage in TPS is 46% above the national minimum wage.

Minimum Wage TPS



46%

above the national minimum wage



Female staffing increased 1,5%

HEALTH AND SAFETY

Safety of all the people who work in our Terminal is a priority in each action we perform; therefore, all Terminal areas have a commitment to zero accidents that could cause a serious injury.

- **10 Golden rules campaign:** campaign that reinforces 10 key aspects that every person going into the terminal must know; to do so an intervention is carried out with the handing out of a book, stickers and videos. It had a coverage of more than 700 people.

- **“Lift your hand”:** what started in 2020 as specific interventions was implemented as a policy in 2021, which declares that any person can stop a task if risks are detected, to review it and look for the safe way to continue.

- **5S tool:** methodology created in Japan to maintain the order in the workplace, focused on an efficient and safe organisation system. We carried out a competition to motivate our employees to use this tool.

- **Same Level Falls campaign:** aimed at decreasing accidents due to same level falls; this campaign achieved a dramatic reduction of the occurrence of falls of people inside and outside the Terminal.

- **Installation of three traffic lights:** focused on helping the traffic tasks and decreasing the man-machine interaction, and also support the flow order and reduce the risk of pedestrians being run over.


- **Incorporation of elements that reduce the man-machine interaction such as:** structures for people in charge of the control of transit and platforms for works at a height, pedestrian crossings, and restricted operational areas.

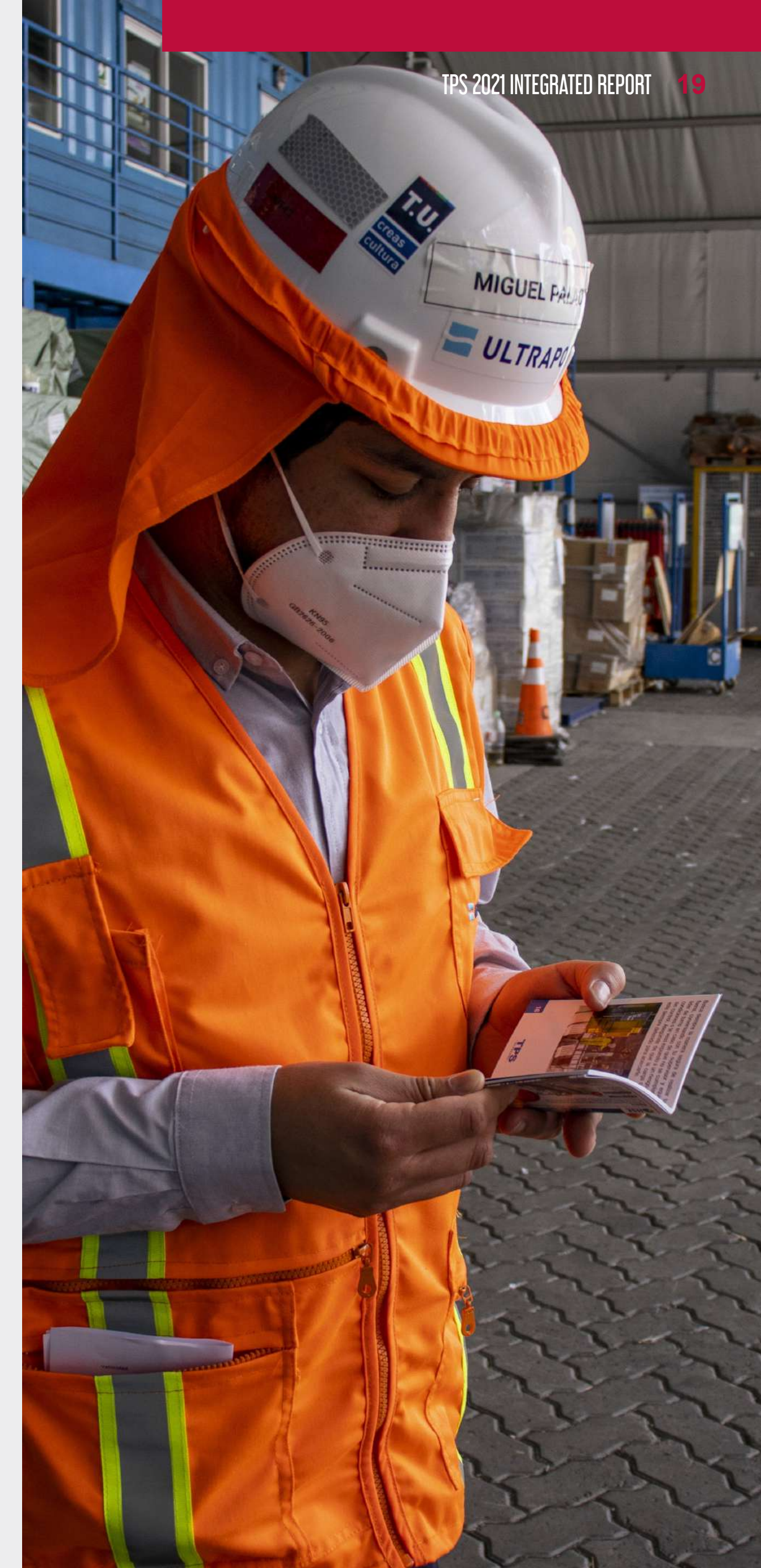
 **1,046**
Leadership safety walks

 **12,056**
Correct Procedure remarks

 **103**
Procedure deviations

 **2,772**
Comprehensive Safety Inductions

 **27**
work-related accidents at TPS, considering TPS workers and permanent suppliers



FACING THE PANDEMIC

In the year covering this Integrated Report, all managements and departments made an effort to avoid the spread of COVID-19 among our employees and the people who render services at the Terminal premises, just as we did in 2020.

TPS faced the worldwide health crisis from the perspective of the health and safety of all employees, on three key aspects:

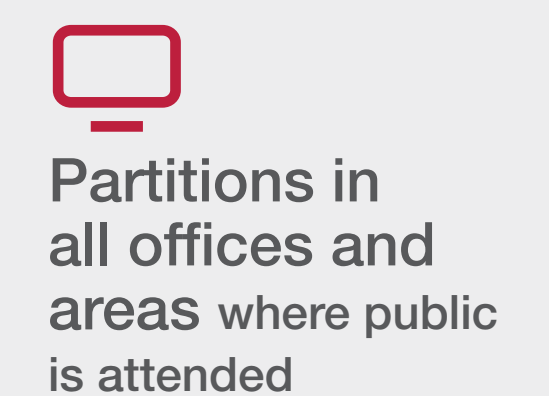
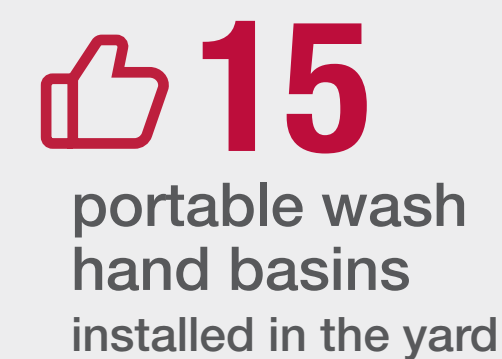
- Comprehensive coordination with authorities, unions and employees, working together with a transparent and quick communication; as from January 2020.
- Formation of the crisis committee and involvement of the entire organisation, as from March 2020, to determine protocols and be prepared for the arrival of the virus.
- Quick implementation of prevention measures, on many occasions in advance of authority guidelines. Initially, if there were measures that made sense to us, we went ahead with their implementation.

We have a COVID-19 Committee that is in charge of controlling all suspicious cases, close contacts, possible cases and confirmed cases. This control allowed to identify close contacts, take preventive measures with these cases and boost the active search by applying a PCR test at the terminal.

According to the task of each employee, we gave priority to teleworking and flexible shifts and timetables were coordinated to face the mobility restrictions in the best way possible.

During 2021 we received the Covid Seal, handed over by the Labour and Social Security secretariat, María Violeta Silva, and the Instituto de Seguridad del Trabajo . This certificate demonstrates that TPS complies with 100% of the Plan Paso a Paso of the Ministry of Health.

Also, we were visited by the Superintendencia de Seguridad Social (SUSESO) , which is a technical visit to ports in the region related to the commitment taken at the labour discussion tables between the Government, the workers and the terminals. SUSESO ensures the prevention of occupational diseases, both within the regulatory as well as the supervision field, and which aims at responding to the sustainable development of the system.



03 CUSTOMERS AND OPERATIONAL EXCELLENCE

We ensure that our service and processes attain the highest standards quality, and we profitably manage our business. We fulfill our customer's requirements and respond to the dynamism of our markets.



03. CUSTOMERS AND OPERATIONAL EXCELLENCE

OUR SERVICES

We are a multipurpose port terminal, dedicated to cargo transfer: fruit, copper, iron, and projects cargo. Even though we are specialized in containers, we also receive passenger and breakbulk vessels. We also offer services such as reefer connections, container weighing, container stuffing and stripping, storage, and inspections. Among our advantages stands out a 97.8% of operational continuity due to our protected bay from weather conditions; a pregate service that allows an efficient logistics, a high-level Port Community System that connects the logistics chain (Silogport), NAVIS, the most widely used operating system in the world by high-efficiency terminals; and Gates equipped with an OCR (Optical Character Recognition) system.



Territory connectivity through roads and railways



Connecting services to Asia, Europe and both coasts of North America



Pre-gate in ZEAL with exclusive roadway allowing efficient logistics to the port

More than

3,000

reefer connections capacity

2,25

average moves per container where the minimum is 2 movements

2.3%

of closure days while other ports in the area have around 30% closure days

Capacity to handle

2

Post-Panamax vessels simultaneously, with 52 metres of beam



NAVIS operating system integrated with Silogport (PCS)

14

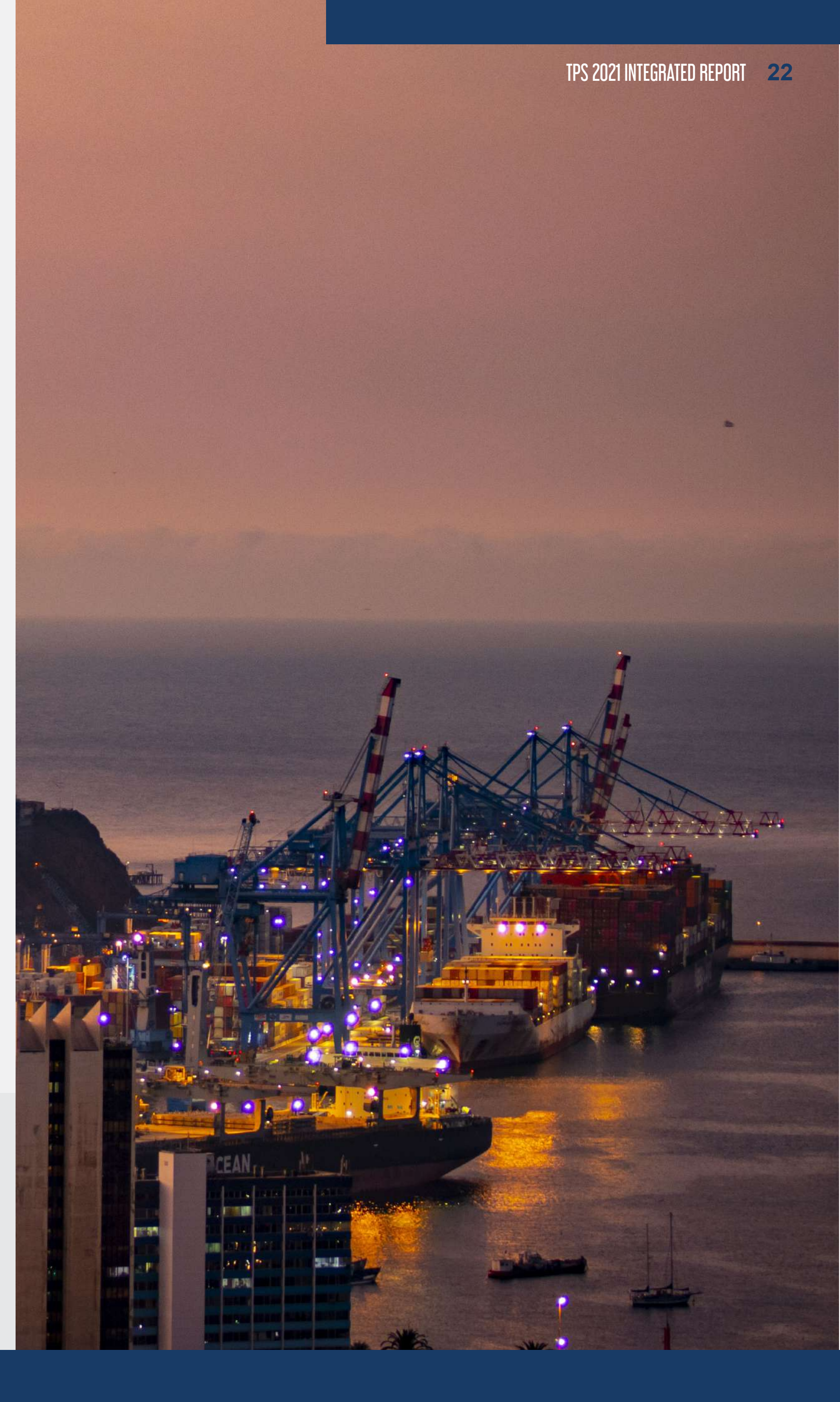
Operational Hectares

740

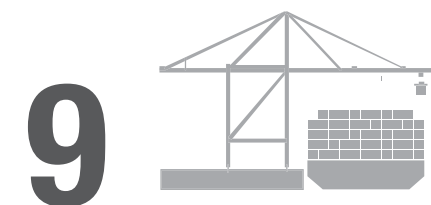
metres-long quay

Draft of **14.5**

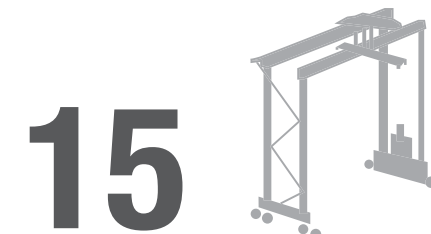
metres



TERMINAL FACILITIES, EQUIPMENT AND CAPACITY



9
Ship to Shore (STS) gantry cranes 5 of which are Super Post-Panamax



15
Rubber Tyred Gantry (RTG) yard cranes



1
Gottwald mobile crane

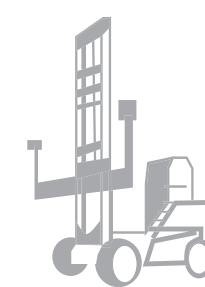
43
Tractor trailers



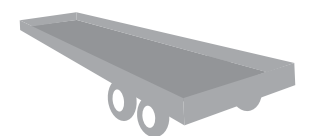
29
Platforms for more than 3,000 reefer connections



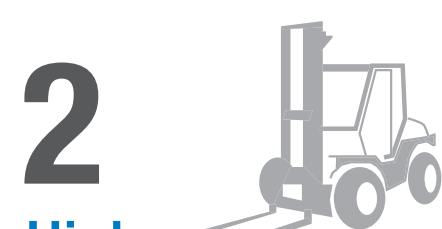
7
TopLifters



2
Spill bins



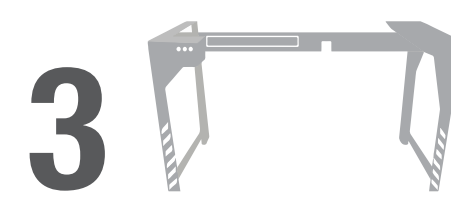
9
Reachstacker



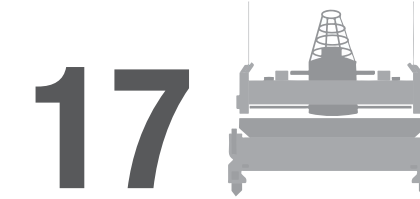
2
High tonnage forklift



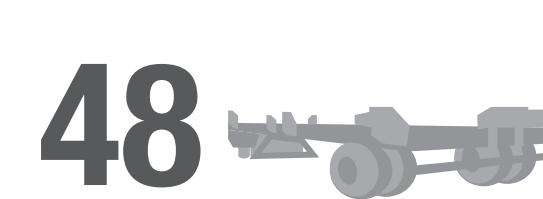
11
Forklift



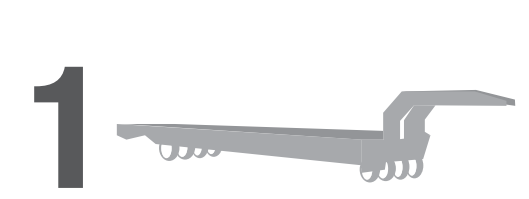
3
Out of Gauge (OOG) handling gear



17
spreader



48
chassis



1
80-ton trailer bed



Optical Character Recognition (OCR) system at Gates



NAVIS operation system integrated with Silogport (PCS)



740
metres-long main berthing facility
 which allows to attend 2 Post-Panamax vessels simultaneously



266
metres-long secondary berthing facility

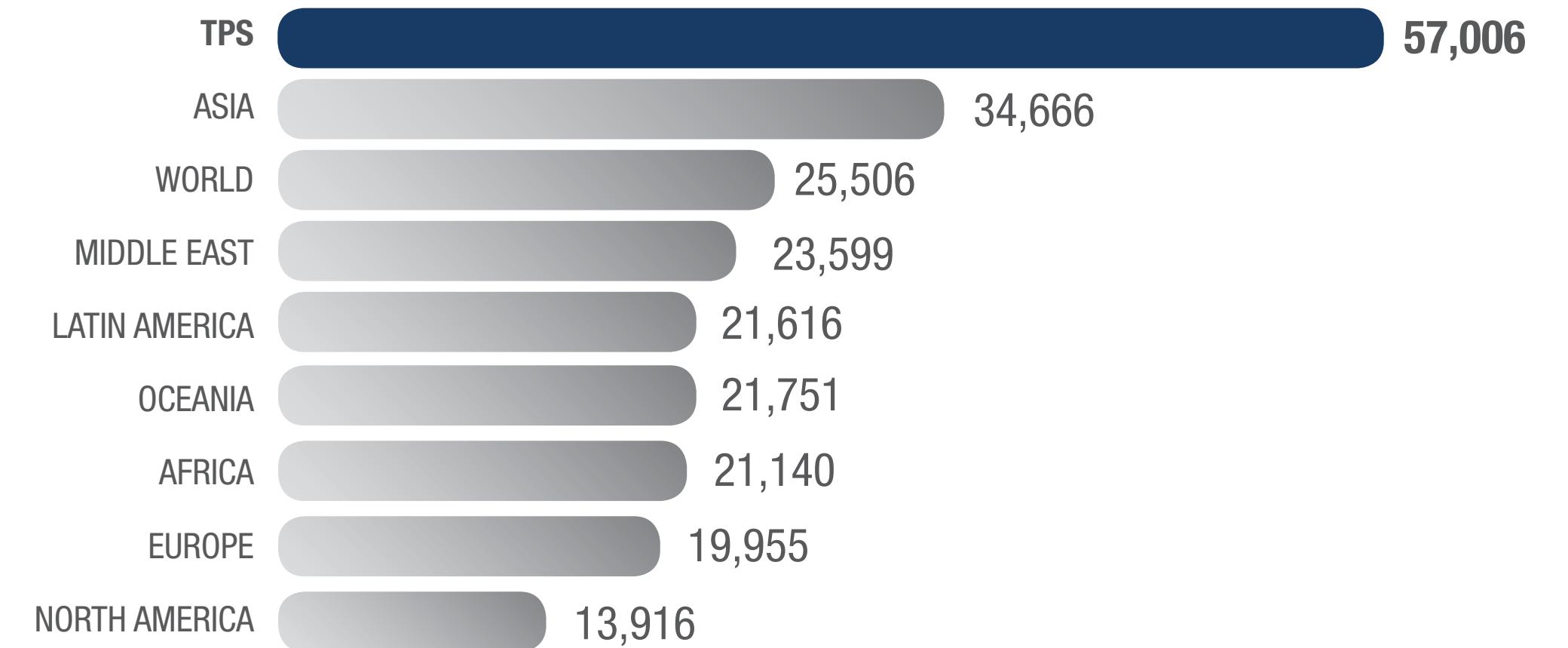
AN EFFICIENT AND SAFE OPERATION

Throughout the years, we have stood out for having a very high cargo transfer performance in relation to the terminal surface, especially in support areas, which has been achieved by perfecting the planning of operations, as well as adopting efficient and safe computer systems, added to the investment in infrastructure and equipment.

So, our terminal exceeds the average of some continents regarding the amount of containers moved in relation to the available surface.

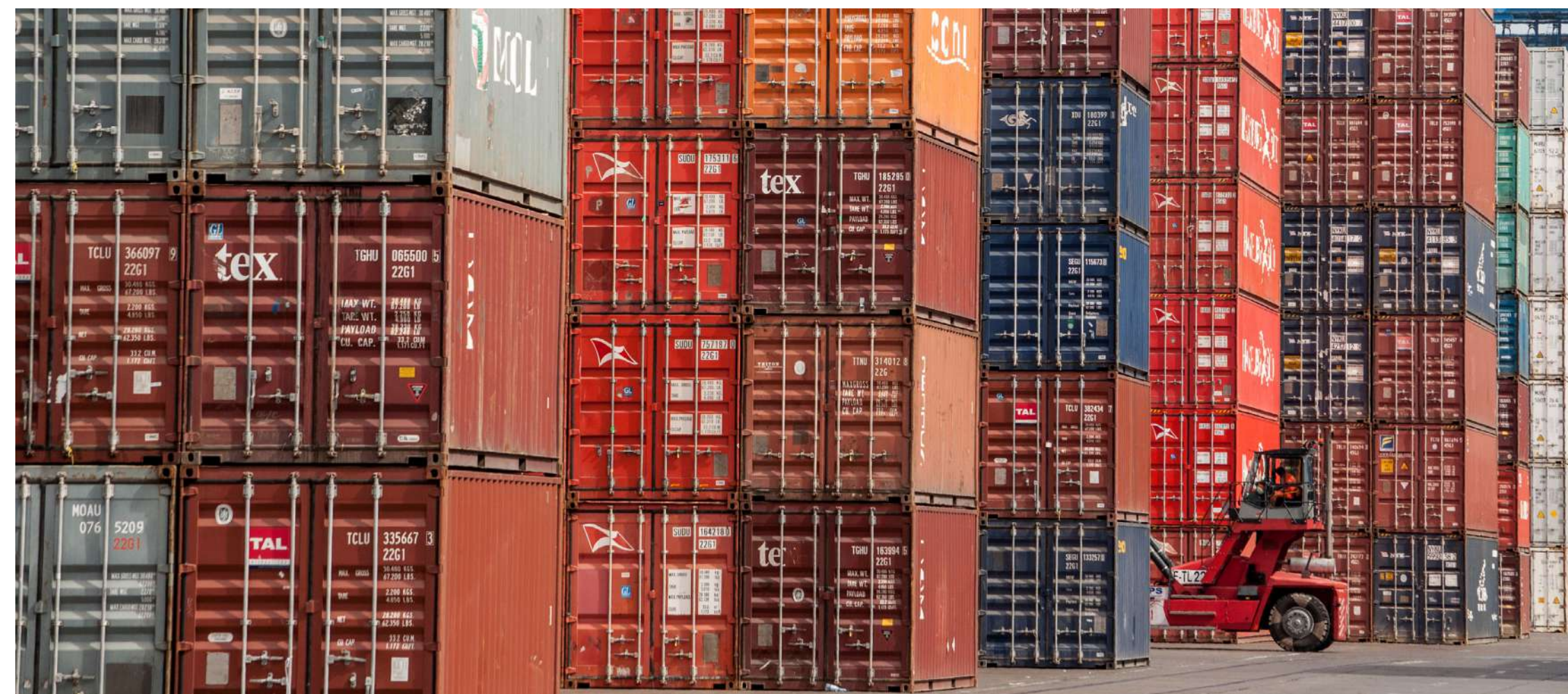
In 2020, we implemented a remote endorsement system for importers and Customs Agents to carry out their formalities online, which was maintained in 2021 due to its good results, with 13,822 online endorsements carried out.


One of the most representative efficiency indicators is the performance of cargo transferred in relation to the Terminal surface. According to the Drewry Annual Report, our Terminal moves 57,006 TEUs per hectare, which is 40% more than the average of ports in Asia, and almost three times the average of ports in Latin America.



TPS CARGO MOBILISATION VS CONTINENT AVERAGE (TEUS/HECTARES)

Source: Global Container Terminal Operators Annual Report 2021-2022 Drewry



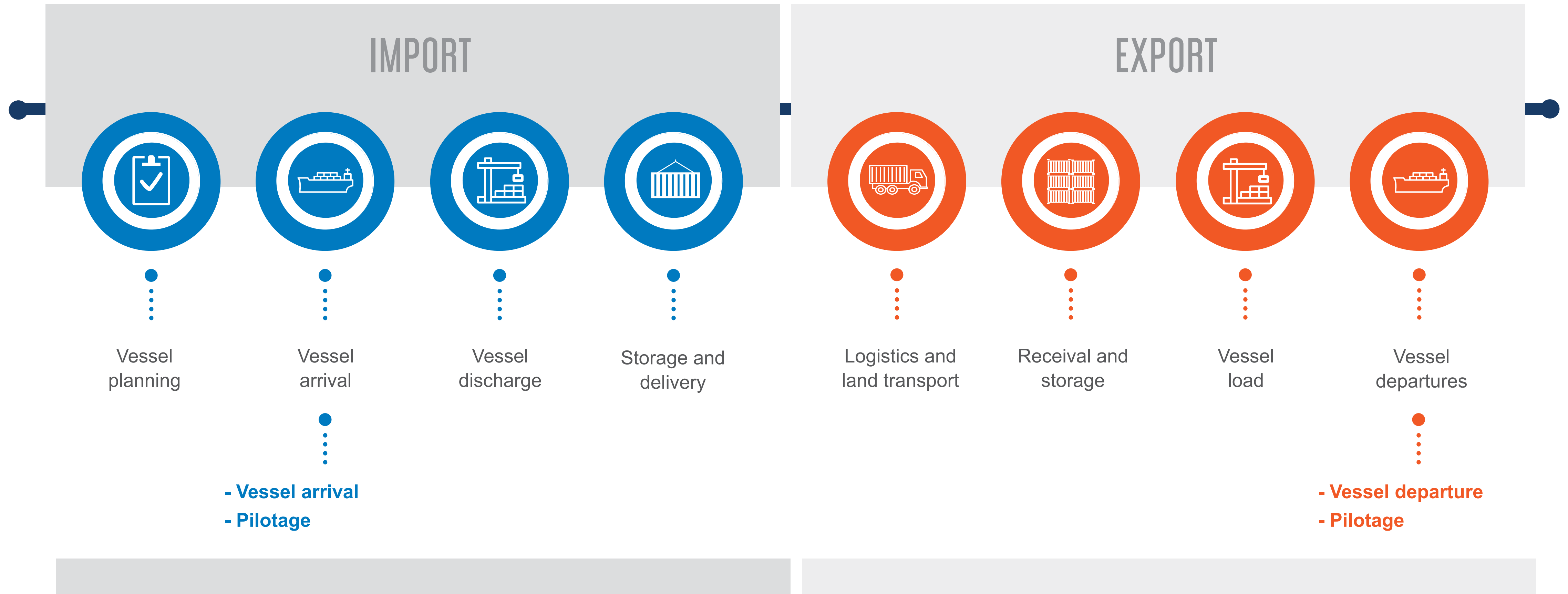
 **57,006**
TEUs per hectare mobilised

▶ 40%
more than the average of ports in Asia

 **13,822**
Online Endorsements carried out


▶ 18%
% of increase compared to the last year


VALUE CHAIN




CARGO TRANSFER

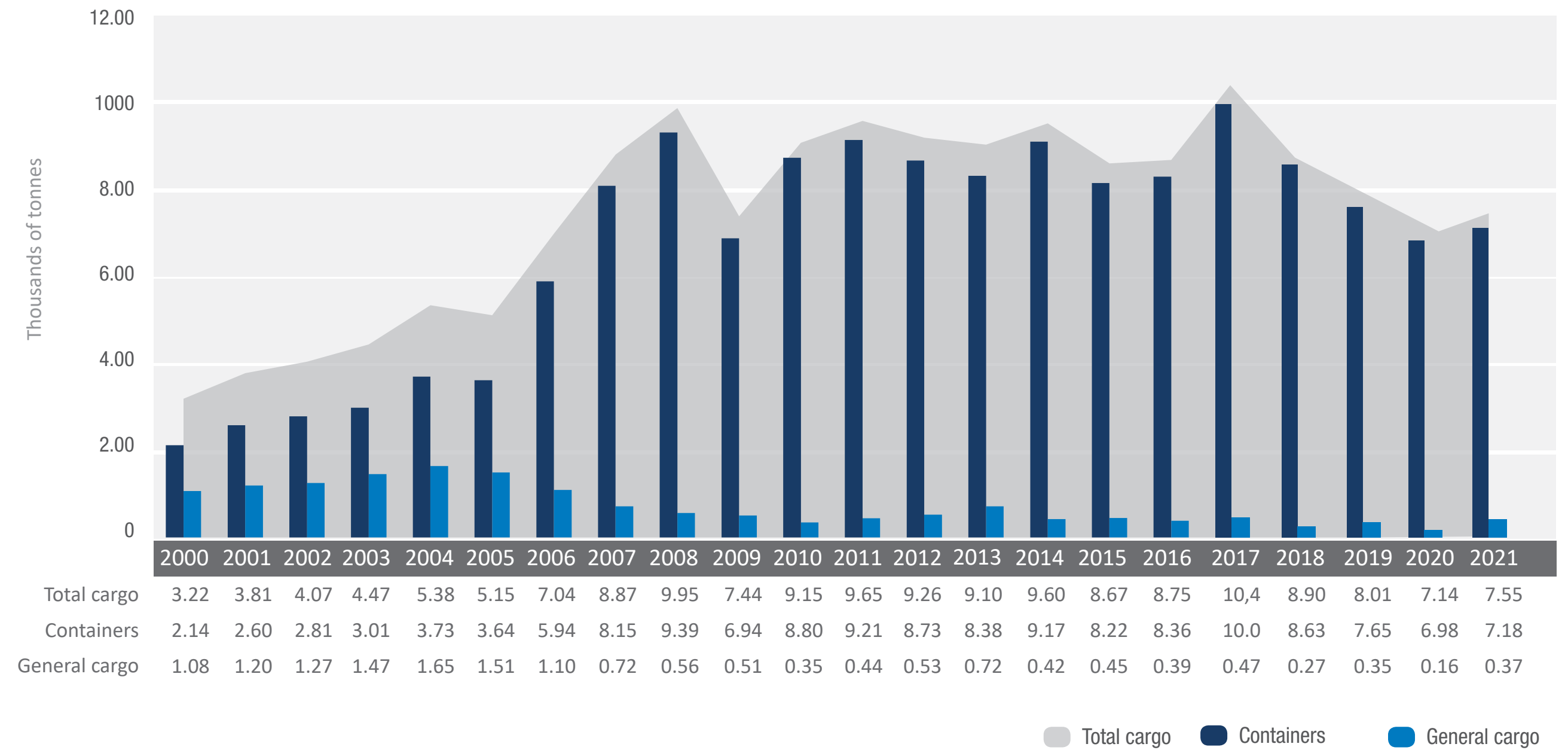
In two decades of operation, cargo transfer has evolved continuously, and we have achieved the highest transfer figures of Valparaíso in some recent periods. Over the last year, we transferred 7.55 million tonnes in 2021, equivalent to 798,087 TEUs.

 **798,087**
TEUs transferred

 **7.55**
million tonnes of
total cargo

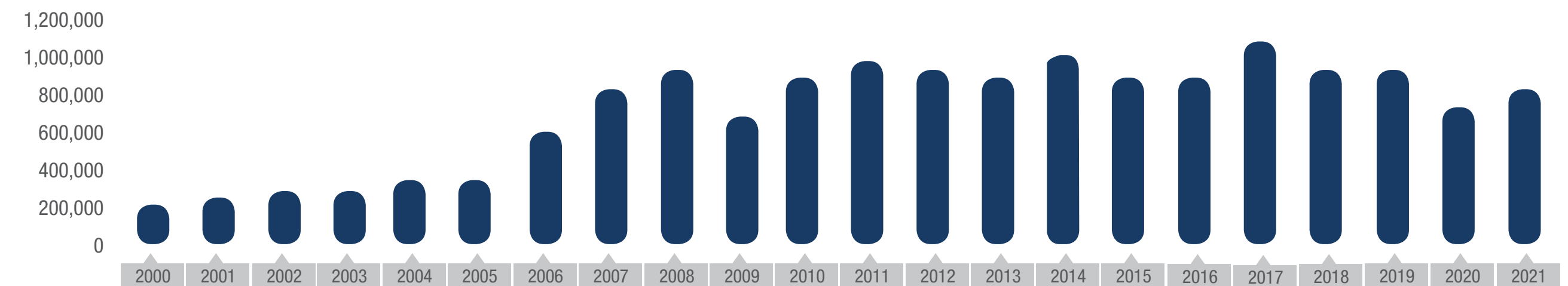
 **240,850**
Iron tonnes transferred

Variation
748%
compared to 2020



CARGO TRANSFER SINCE 2000 (THOUSANDS OF TONNES)

Source: TPS

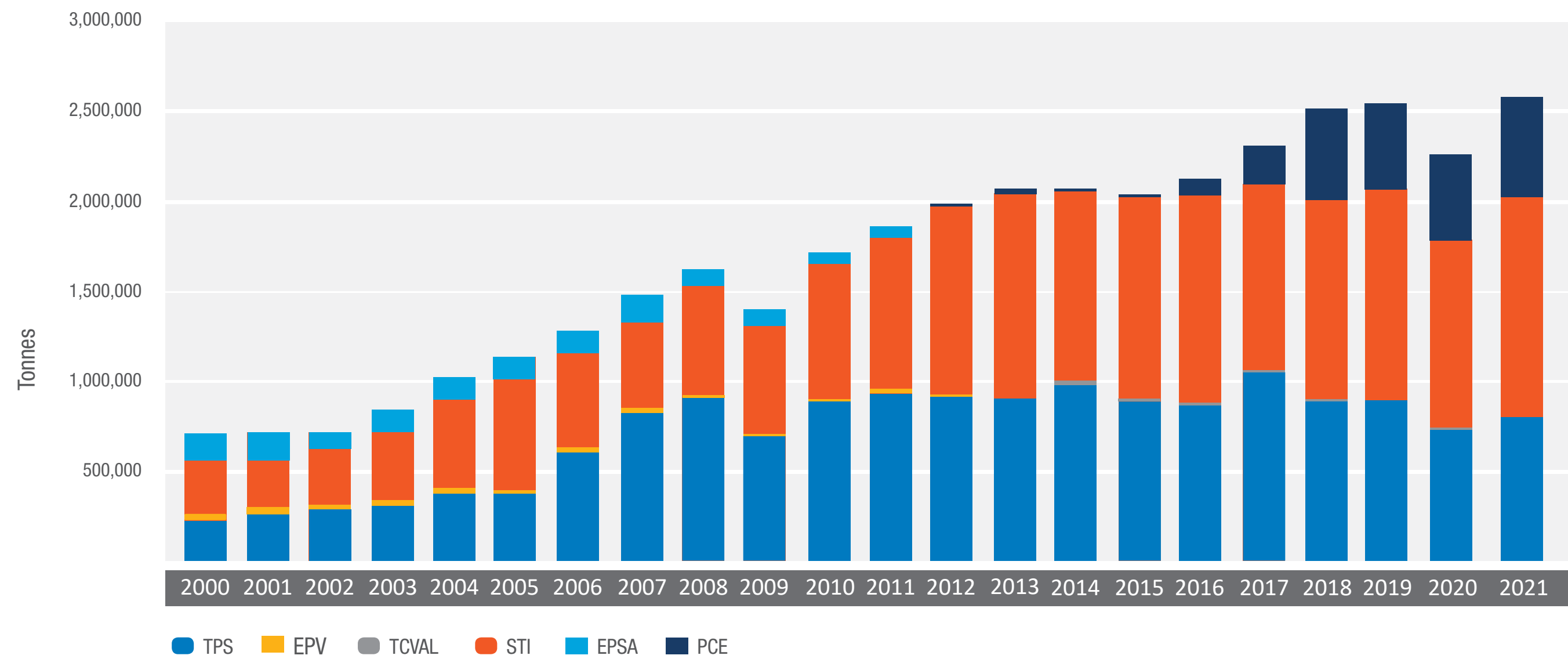


TPS TRANSFER (TEUS)

Source: TPS

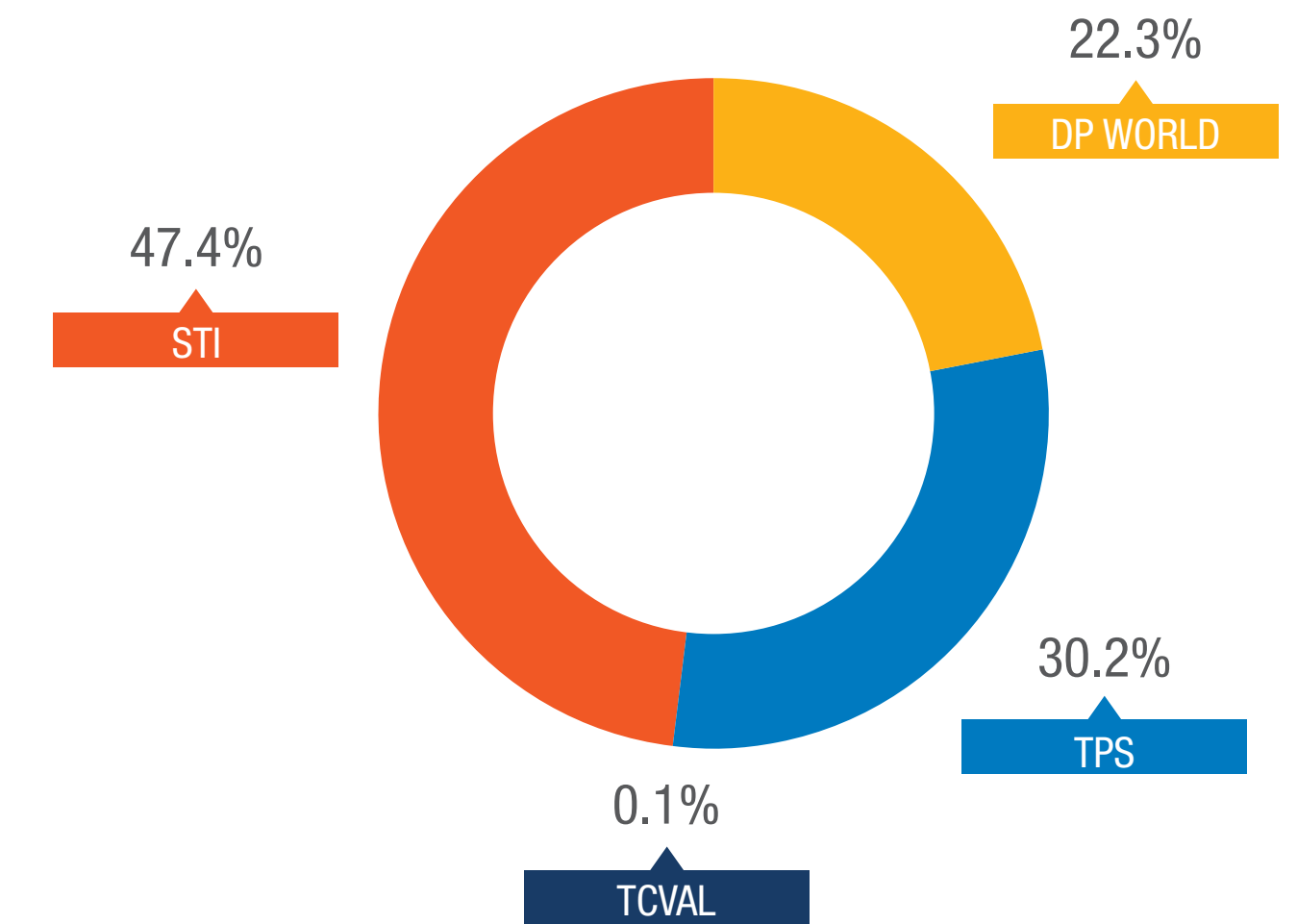
CARGO TRANSFER

The following figures show the evolution of cargo throughput regarding the main terminals of Valparaiso Region, as well as the market share of the different operators.



V REGION: CONTAINER TRANSFER (TEUS)

Source: TPS



VALPARAÍSO REGION: MARKET DISTRIBUTION

Source: TPS

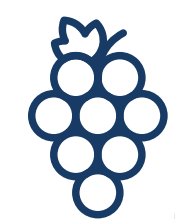
TPS: MAIN PRODUCTS EXPORTED THROUGH TPS

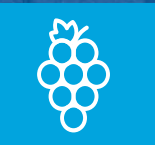





During 2021, the main export products through our Terminal, which represent 44% of the total exports, were: fruit, food, copper, wine, and spirits. The main export destinations were the Far East and the East Coast of the United States, with 31% and 24%, respectively. The product with greatest moved volume was fruit, with 53% of the total.

 **44%**

of exports were: fruit, food, cooper, wine and spirits.

Total fruit exported

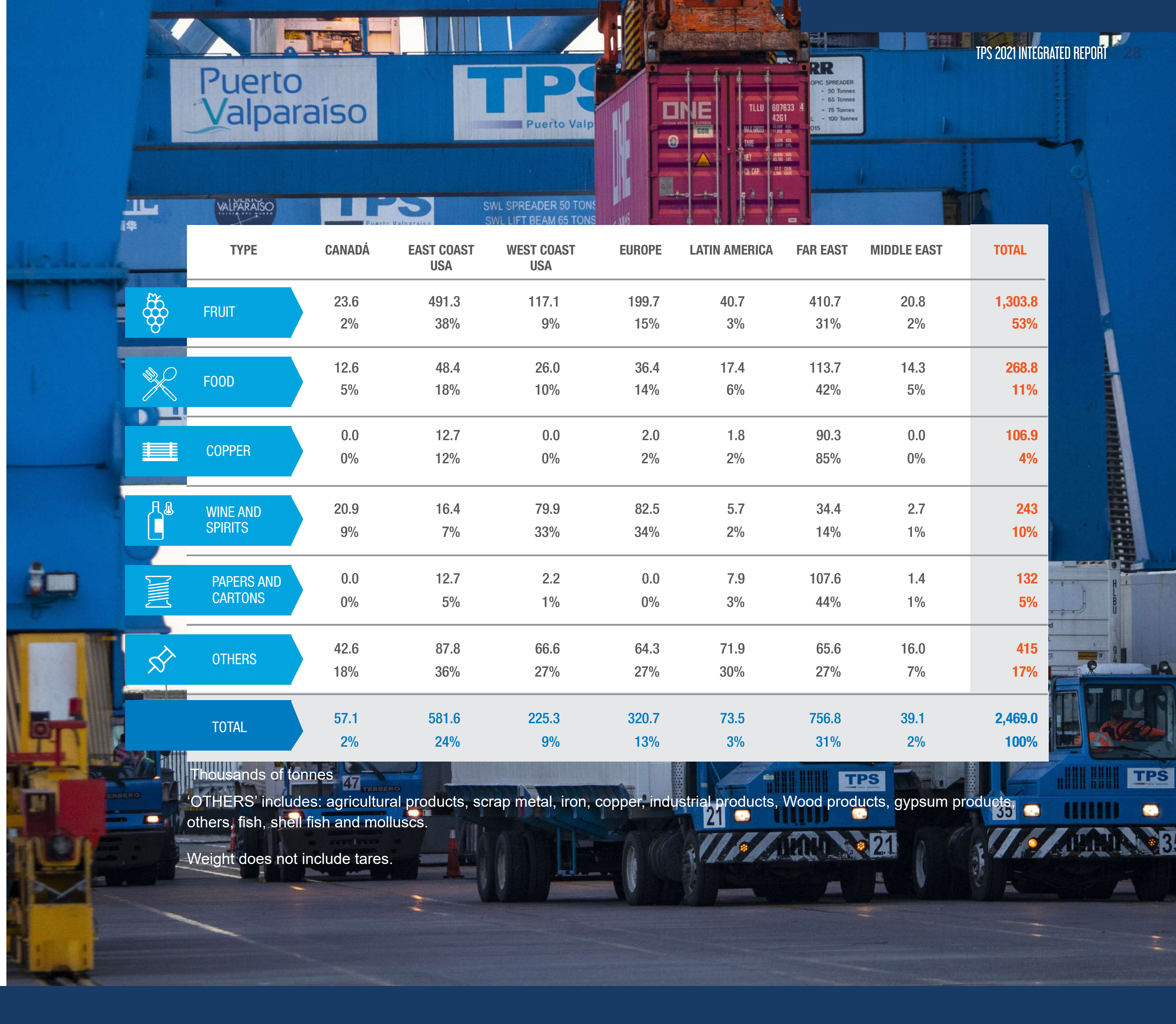
 **1.3**
millions of tonnes

TYPE	CANADÁ	EAST COAST USA	WEST COAST USA	EUROPE	LATIN AMERICA	FAR EAST	MIDDLE EAST	TOTAL
 FRUIT	23.6 2%	491.3 38%	117.1 9%	199.7 15%	40.7 3%	410.7 31%	20.8 2%	1,303.8 53%
 FOOD	12.6 5%	48.4 18%	26.0 10%	36.4 14%	17.4 6%	113.7 42%	14.3 5%	268.8 11%
 COPPER	0.0 0%	12.7 12%	0.0 0%	2.0 2%	1.8 2%	90.3 85%	0.0 0%	106.9 4%
 WINE AND SPIRITS	20.9 9%	16.4 7%	79.9 33%	82.5 34%	5.7 2%	34.4 14%	2.7 1%	243 10%
 PAPERS AND CARTONS	0.0 0%	12.7 5%	2.2 1%	0.0 0%	7.9 3%	107.6 44%	1.4 1%	132 5%
 OTHERS	42.6 18%	87.8 36%	66.6 27%	64.3 27%	71.9 30%	65.6 27%	16.0 7%	415 17%
TOTAL	57.1 2%	581.6 24%	225.3 9%	320.7 13%	73.5 3%	756.8 31%	39.1 2%	2,469.0 100%

Thousands of tonnes

'OTHERS' includes: agricultural products, scrap metal, iron, copper, industrial products, Wood products, gypsum products, others, fish, shell fish and molluscs.

Weight does not include tares.



Fruit is the main product exported through TPS. Over the last 15 years, the amount of fruit transferred in refrigerated containers, an area of high specialisation in our Terminal, has considerably increased.

Between 2006 and 2021, the export of fruit in reefer containers has increased by 98%.

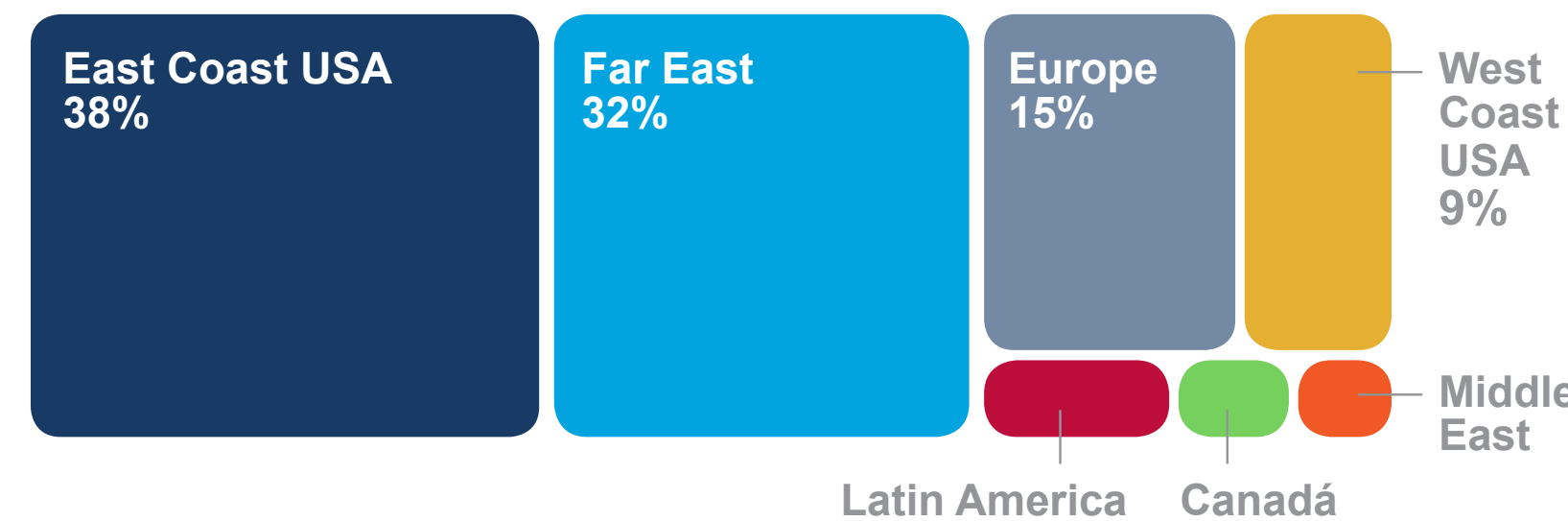
Although grapes are the main export fruit product, our terminal handle several products destined for the highly demanding markets of the Northern hemisphere, including cherries, which have seen a significant increase in recent years thanks to the Chinese market.

Currently, the main destination of Chilean fruit that is handled through TPS is the United States, followed by the Far East, where the main market is China and then Europe. We are a terminal that connects with the most important importers of the world.



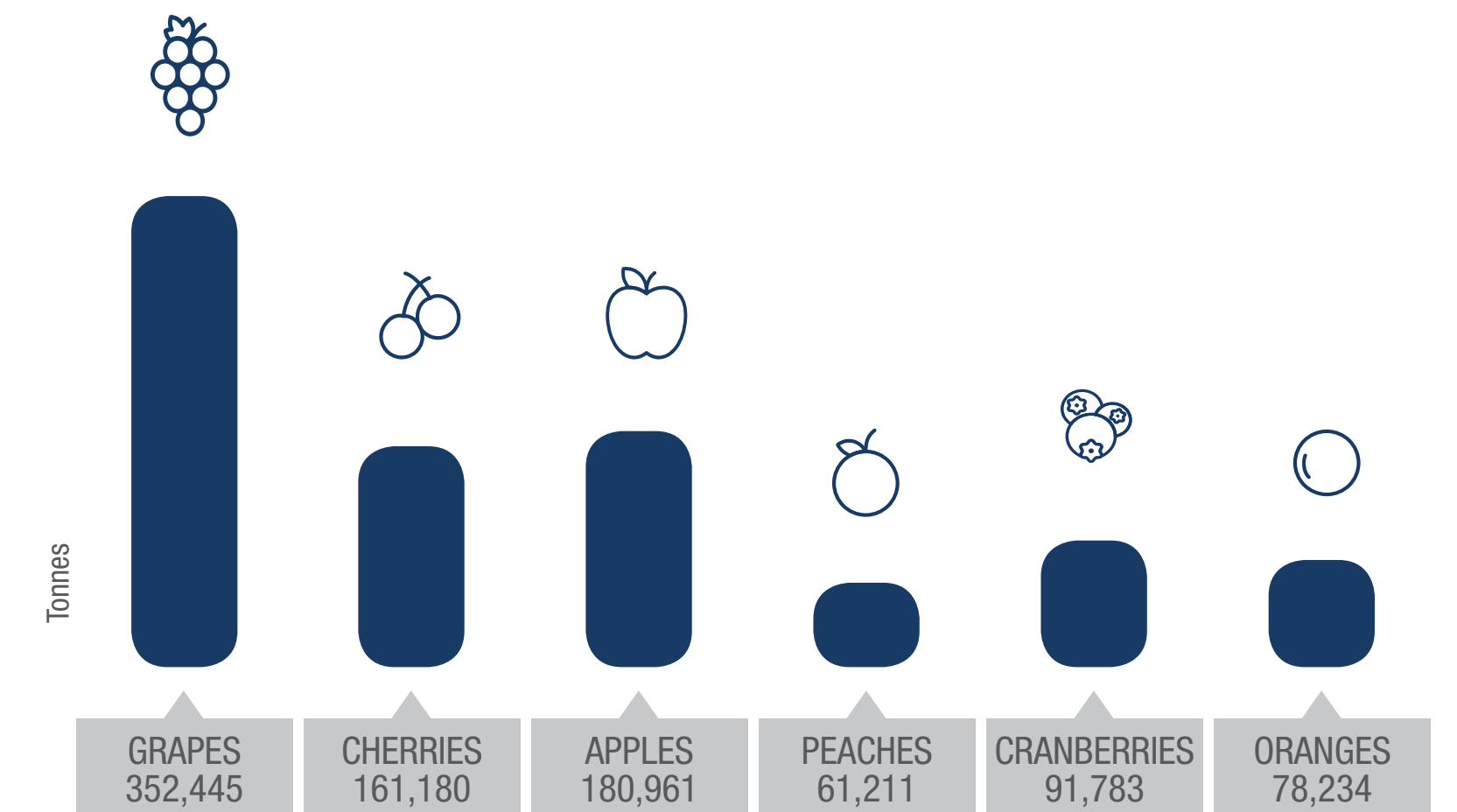
From 2006 to 2021 the export of fruit in refrigerated containers has increased by

❄️ 98%



MAIN DESTINATIONS OF FRUIT

Source: TPS



MAIN FRUITS TRANSFERRED 2021 (TONNES)

Source: TPS

CONTAINERS TRAIN SERVICE

In December 2021, we carried out the first train service with export cargo in containers for the Maersk CLX service, thanks to the alliance between our Terminal, Empresa Portuaria Valparaíso, Maersk, EFE and FEPASA. After months of preparation, a joint effort of all the logistic chain and Maersk to promote this modality, to increase the movement of cargo by train from and to the port, was achieved.

In this case, with the novelty of fresh cargo in reefer containers, which will be added to the movement of cargo carried out by trucks that use the La Pólvora route; as well as fragmented copper cargo that is received at TPS by train. Within the period, 234 import and export containers were transferred in 2021 by train.



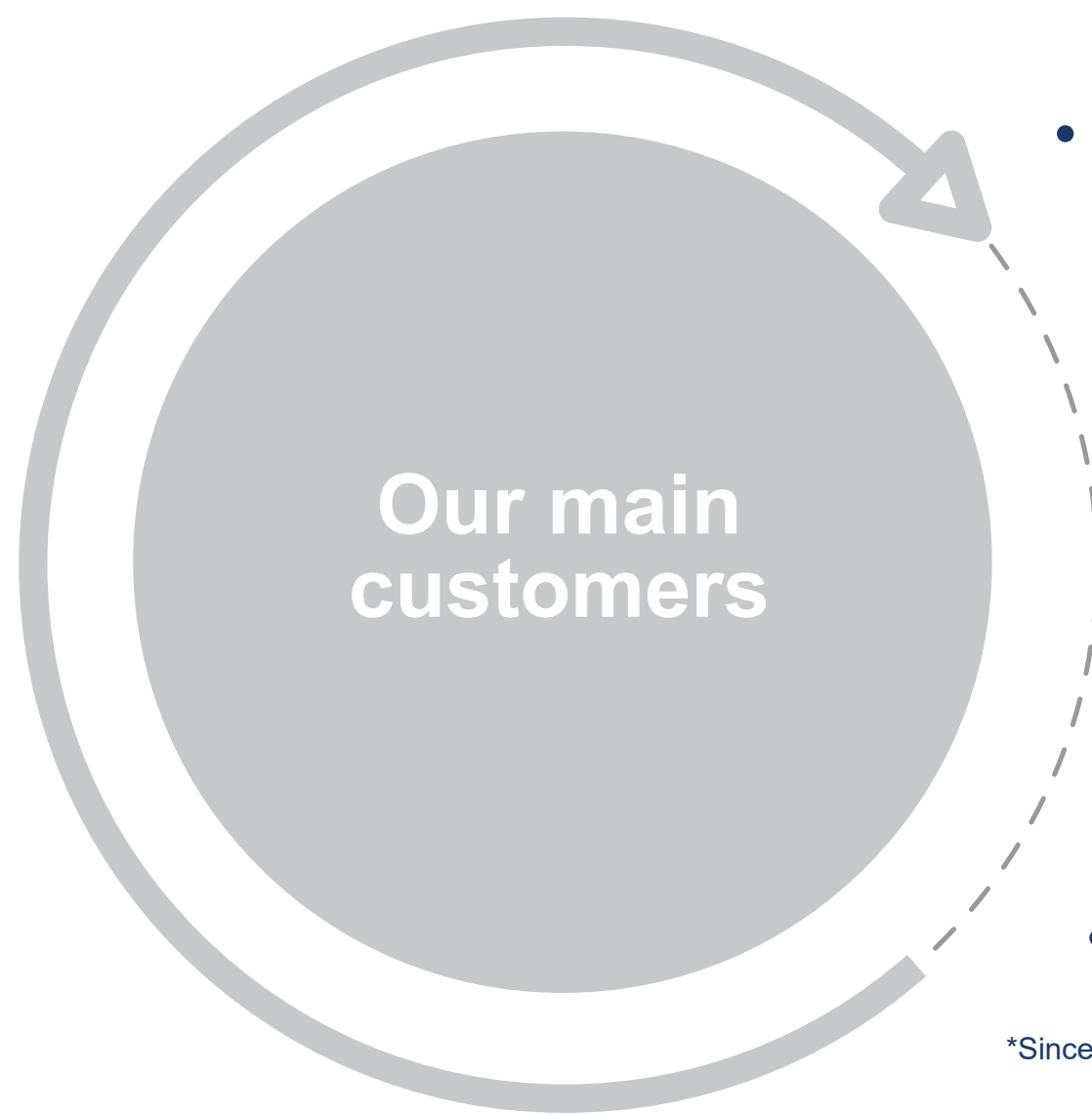
Combined cargo

The so called “combined cargo”—which is implemented continuously in Valparaíso since 2020—allows to make the transfer of cargo even more efficient and, also, deliver a concrete benefit to the city because it makes more efficient the number of trucks using the access routes to the berthing facilities. During 2021, 6,259

combined operations were carried out, which has implied an increase of 4.4% regarding the same period in 2020. Those are operations in which the same truck enters TPS with cargo to deliver and returns with cargo to be dispatched; that is: less truck trips without cargo. In addition, the train also seeks to improve efficiency and reduce our carbon footprint considering in the same roundtrip import and export cargo.

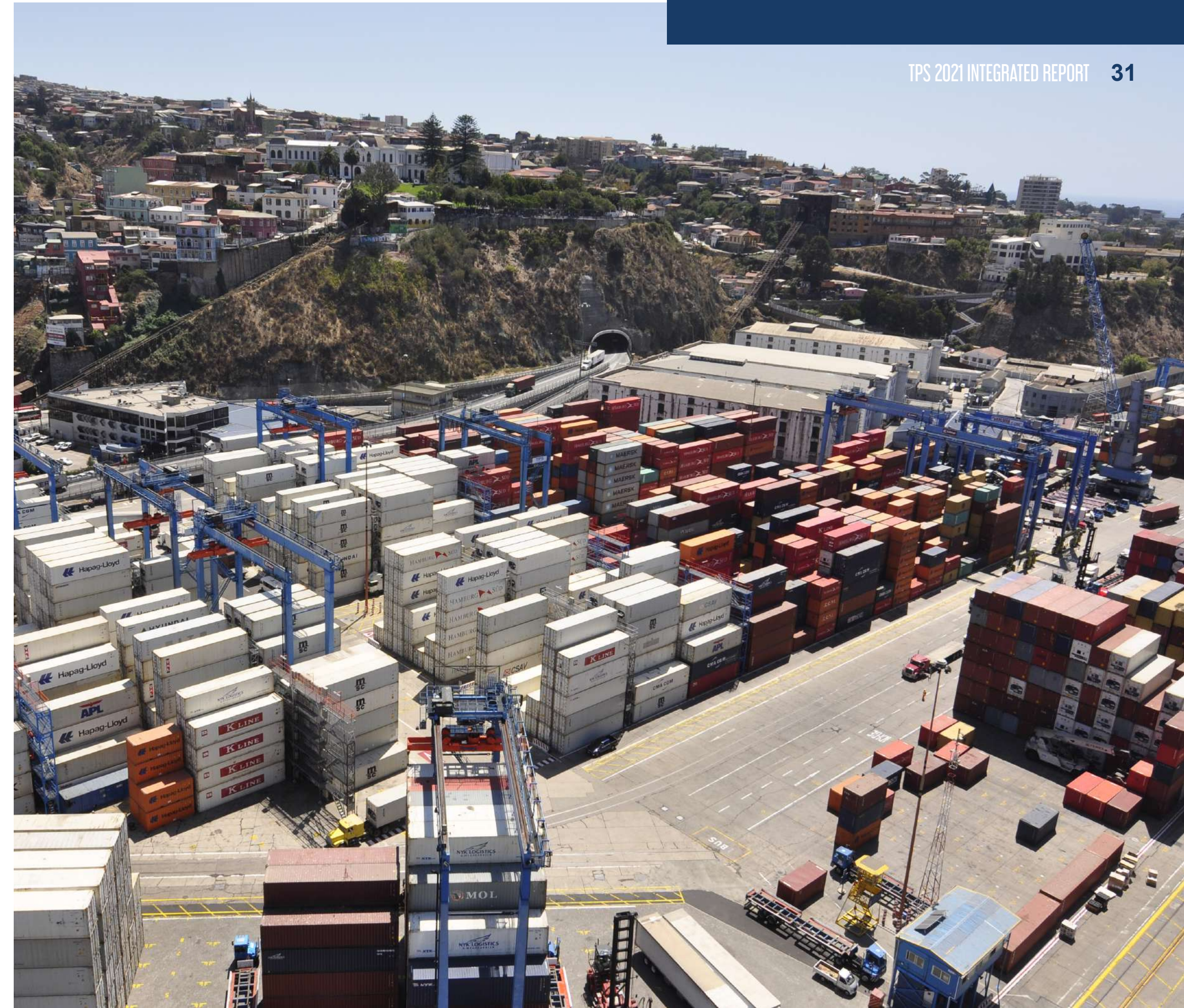
OUR CLIENTS

Among our clients, there are world-class shipping lines, as well as importers, exporters, freight forwarders, customs agents, and carriers, with whom we have developed and created a more productive logistics chain to import, export and carry cargo in the central area, which has been a major contribution to the growth of this activity in the country.



- **Cool Carriers**
- **Global Reefers**
- **Hapag-Lloyd**
- **Hyundai Merchant Marine**
- **Maersk Line (*)**
- **Mediterranean Shipping Company**
- **Ocean Network Express**
- **CINTAC**
- **VH**

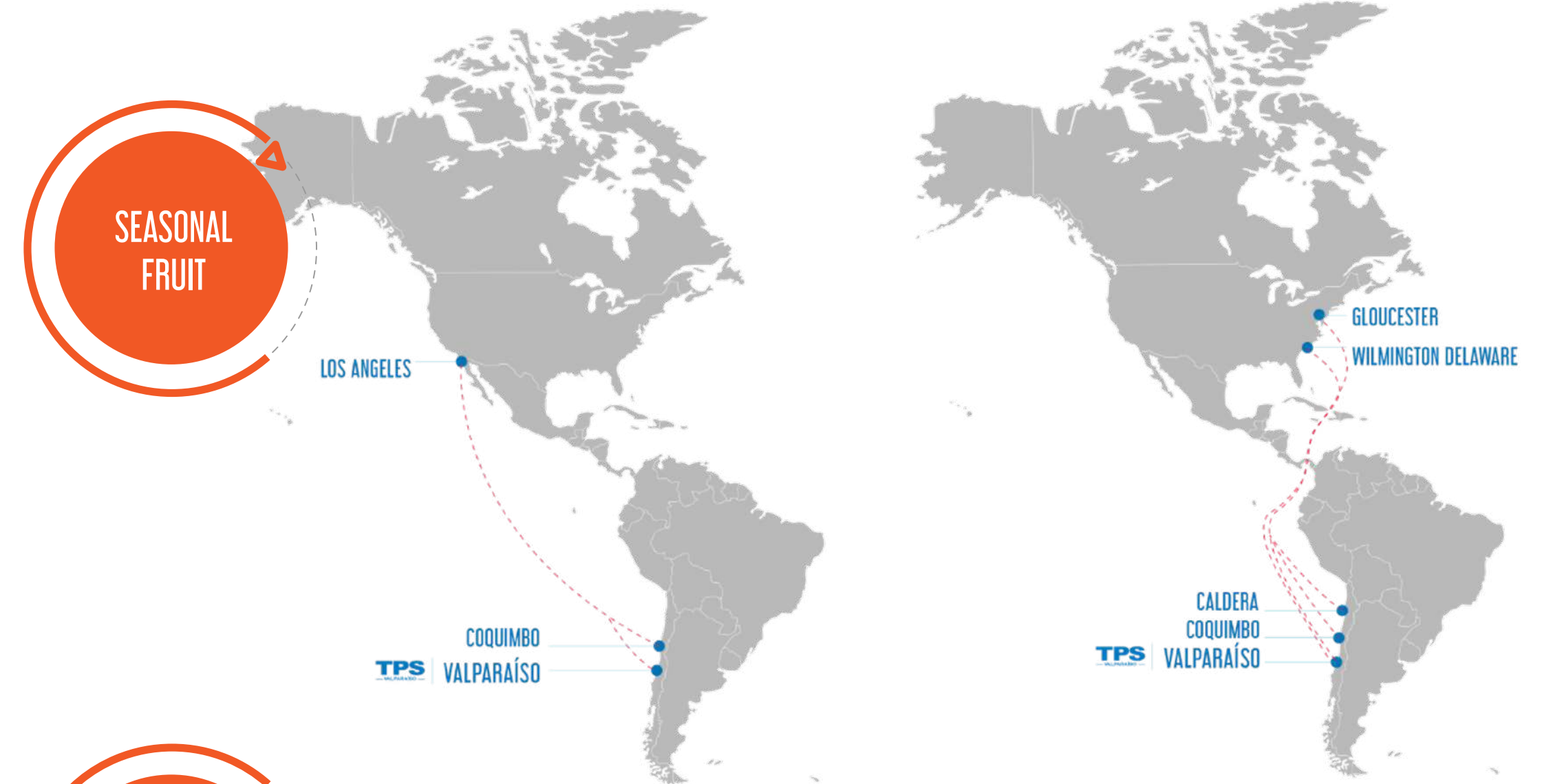
*Since November 2021



Maersk CLX Service: The inclusion of this new regular service to TPS, with weekly calls, is a major boost to Valparaíso. The service that mobilises a high percentage of reefer containers, moored at TPS since December 2021 and offers an additional connection alternative to national importers and

exporters between Valparaíso and the base ports in Europe, such as Rotterdam, the Netherlands; Antwerp, Belgium; and Hamburg, Germany, besides connections and transfer to other intermediate destinations, such as Cartagena, Manzanillo, Balboa and Callao.

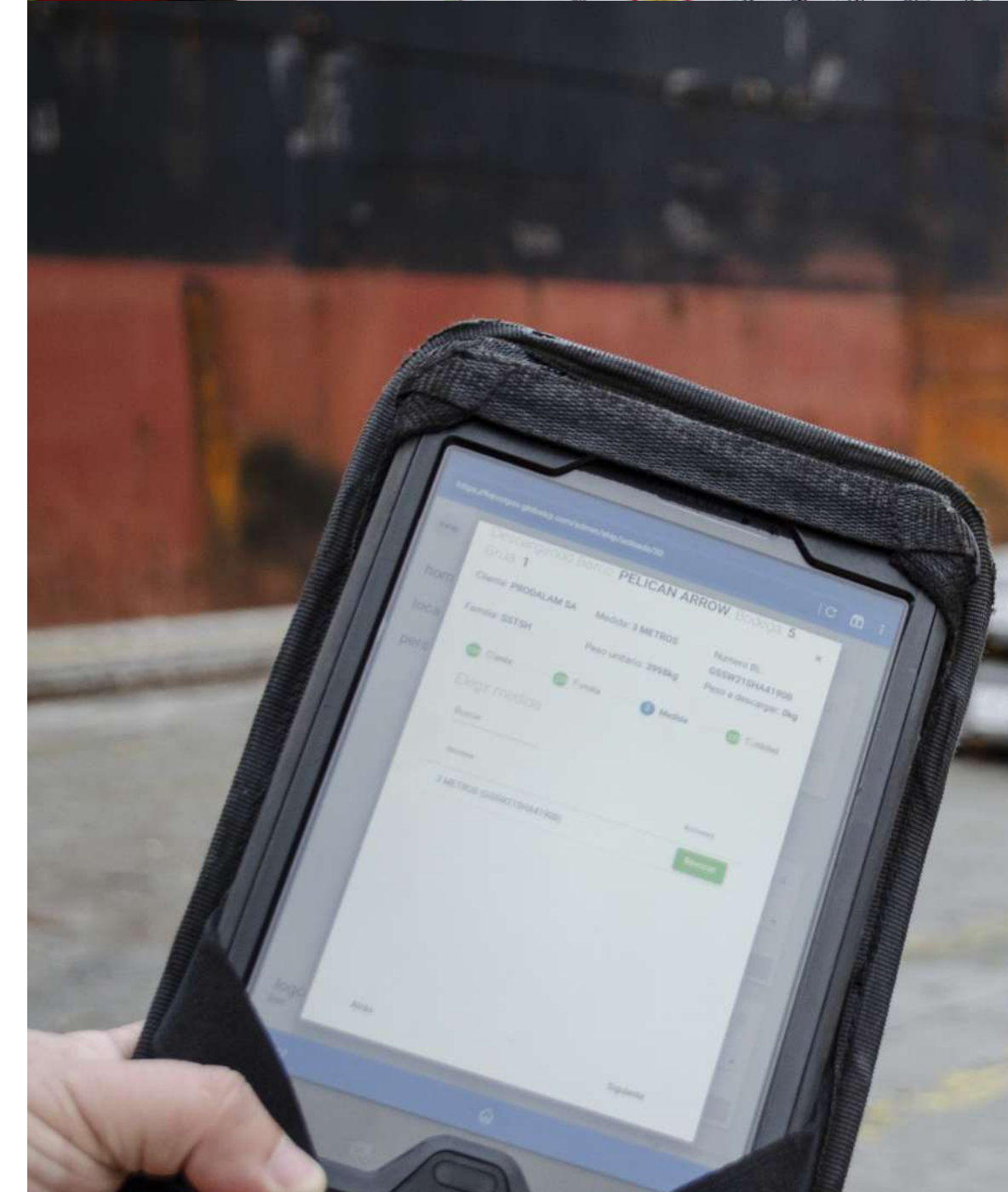
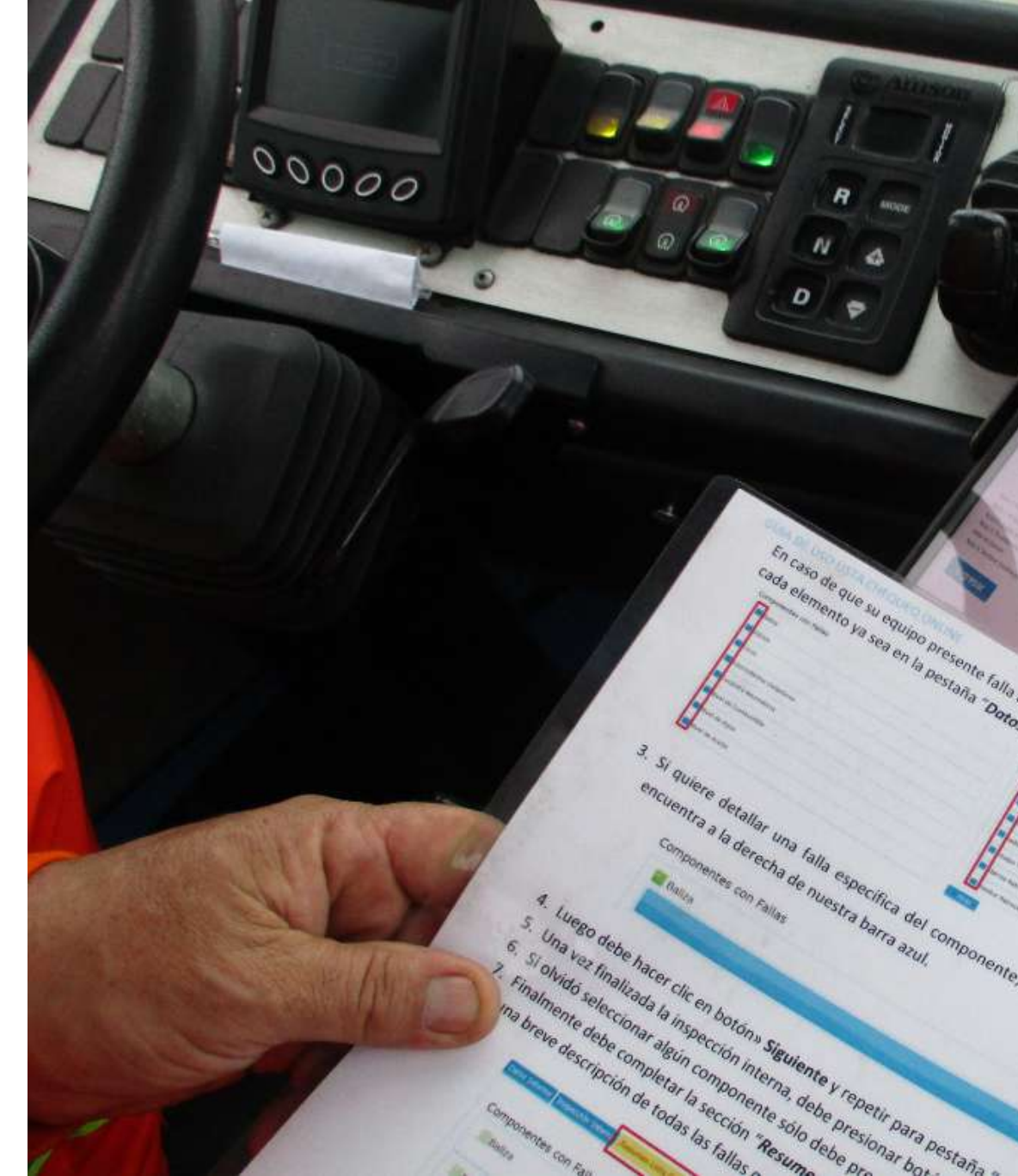
SHIPPING SERVICES



TECHNOLOGY AND INNOVATION AT THE SERVICE OF OUR OPERATION

Throughout 2021, we developed a series of projects to optimise the operation, taking care of the safety of people and the facilities. We highlight the following:

- **Agency:** system to arrange by time periods the entry of trucks with full export containers by means of an app that is in testing period.
- **On-line iron:** software that digitalises the discharge and delivery of iron and shows the state of the operation in real time to the clients.
- **OEE Application:** software that communicates with operations and maintenance to manage the use of the equipment and their efficiency.
- **24/7 maintenance:** restructuring of 24/7 corrective preventive maintenance, incorporating experts from every team in this new role.
- **UV sanitation in crane cabins:** project that started in 2020 and extended this year to all the gantry cranes from the dock. It was a project developed by internal teams that has been shared with other terminals.
- **Wind “traffic light” with solar energy:** the wind speed is measured in the gantry cranes and the information is sent to the virtual monitoring platform as well as to a traffic light, whose lights indicate the operational restrictions due to the wind.
- **Team monitoring platform:** it integrates a sole monitoring platform for equipment with several characteristics and manufacturers. Today, it encompasses all STS and RTG cranes, besides half of the tractor units. This platform allows to visualise failures, their state and details, minimising man-machine interaction.
- **On-line checklist:** digital form that can be completed in two minutes, before the start of the shift on the state of the container ships (Reachstacker and Empty Handler) and tractor units. In 2021, 157 operators were trained (93% of the team).
- **4G Project:** improvement of the yard network in all connected devices. This change, successfully tested in 2021, which will be implemented in 2022, will allow a stable internet connection in the devices, without losing the connection with the main system Navis (N4).



04

RELIABILITY AND TRANSPARENCY

A main value of our company is to relate in a transparent and reliable manner with all stakeholders and ensure integrity.

5 IGUALDAD DE GÉNERO



8 TRABAJO DECENTE Y CRECIMIENTO ECONÓMICO



9 INDUSTRIA, INNOVACIÓN E INFRAESTRUCTURA



10 REDUCCIÓN DE LAS DESIGUALDADES



11 CIUDADES Y COMUNIDADES SOSTENIBLES



17 ALIANZAS PARA LOGRAR LOS OBJETIVOS




04. RELIABILITY AND TRANSPARENCY

OUR PLACE IN VALPARAÍSO

We participated throughout the entire year in the Valparaíso Dialoga cycle, led by Empresa Portuaria Valparaíso and with the participation of several representatives from all the activities in the commune, among them a wide range of professionals, people and institutions linked to the port activity. The purpose of this unprecedented dialogue process was to define the relationship between the city, the citizens and the port.

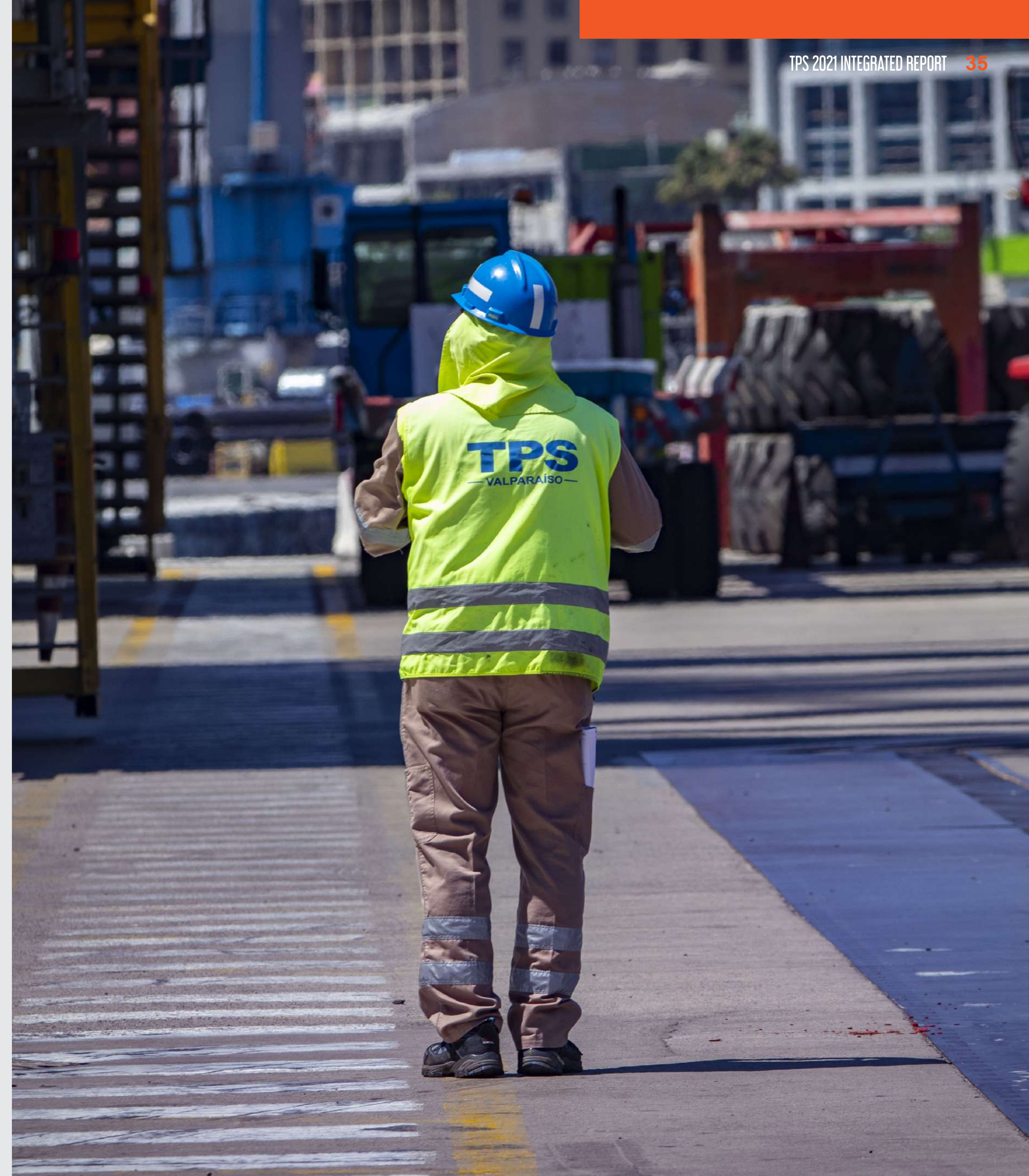
We believe in a fluent, honest and face to face communication with everyone who participates, in one way or another, in the development of our operation, for which reason we have developed numerous communication channels to maintain a permanent connection with them, depending on their expectations and needs.

 **10**
stakeholders meeting to discuss a sustainable development

 **100%**
Ethics Management System diffusion

 **89%**
qualified employees in anti-corruption policies and procedures

 **3**
complaints answered and closed through the TPS Ethics Channel



TPS ETHICS MANAGEMENT SYSTEM

Our Ethics Management System is the basis for developing policies and procedures in a transparent and robust manner to respond adequately and completely to all the information needs of our Stakeholders. The principles of the TPS ethics systems are what guide all of our decisions.



Ethics and Crime Prevention Committee, its aim is to strengthen values in the organisation, prevent acts of corruption, investigate and conclude on claims



Ethics Management Platform complaints channel on our website



Ethics Code, provides a work reference frame based on the values and culture of TPS



Crime Prevention Model, based on a risk matrix that helps to identify all business processes where a corruption offence may be committed, as required by the law 20.393

During the period covered by this Integrated Report, we received 3 complaints through our Complaint Channel, all of which were answered and resolved in due course.

During 2021, 89% of the employees were qualified on anti-corruption policies and procedures. Furthermore, in December, we were granted the certification for our Crime Prevention Model by Prelafit Compliance Consultancy in two months, a very short period compared to the average time that it takes most companies working on this certification.

From July to December, 13 policies and procedures were implemented and have been approved by the Board of Directors.

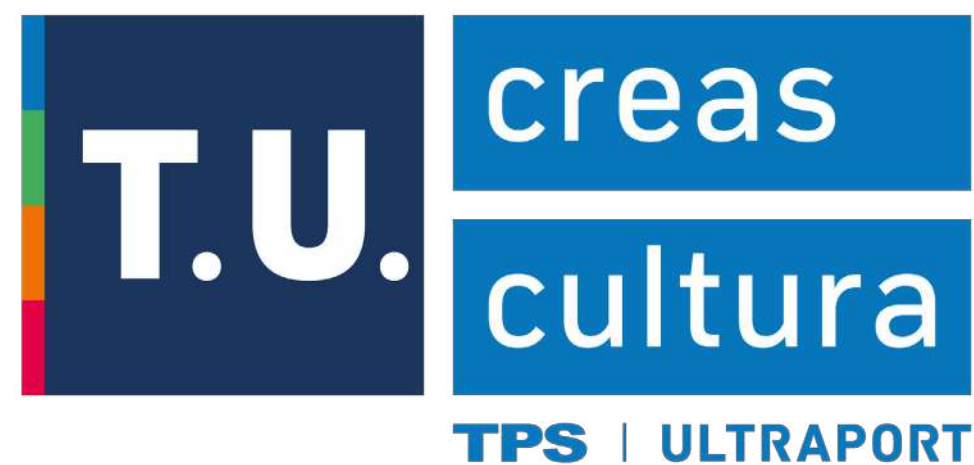
Moreover, with the aim of being transparent and making our expenses visible, we implemented the Rindegastos platform, strengthening the transparency in the use of resources.

The contractors at our Terminal are regularly evaluated by our internal teams, who verify that all documents sent—such as employment history and social security certificates, social security payments, salary statements, accidents statistics, and work-related illnesses—comply with all the legal requirements.

ORGANISATIONAL CULTURE

We are convinced of the importance of a solid organisational culture that becomes stronger among our employees throughout time. We want employees to identify with our culture, and for those who join us to find meaning in the way we do things.

Together with Ultraport, we are leading the YOU Create Culture campaign, destined to achieve a common language among those contributing to increase the safety and efficiency in our operations, with everyone's participation. This campaign transmitted the work of 4 teams or work dimensions (Agility, Speed, Resilience and Risks) integrated by people from both companies.

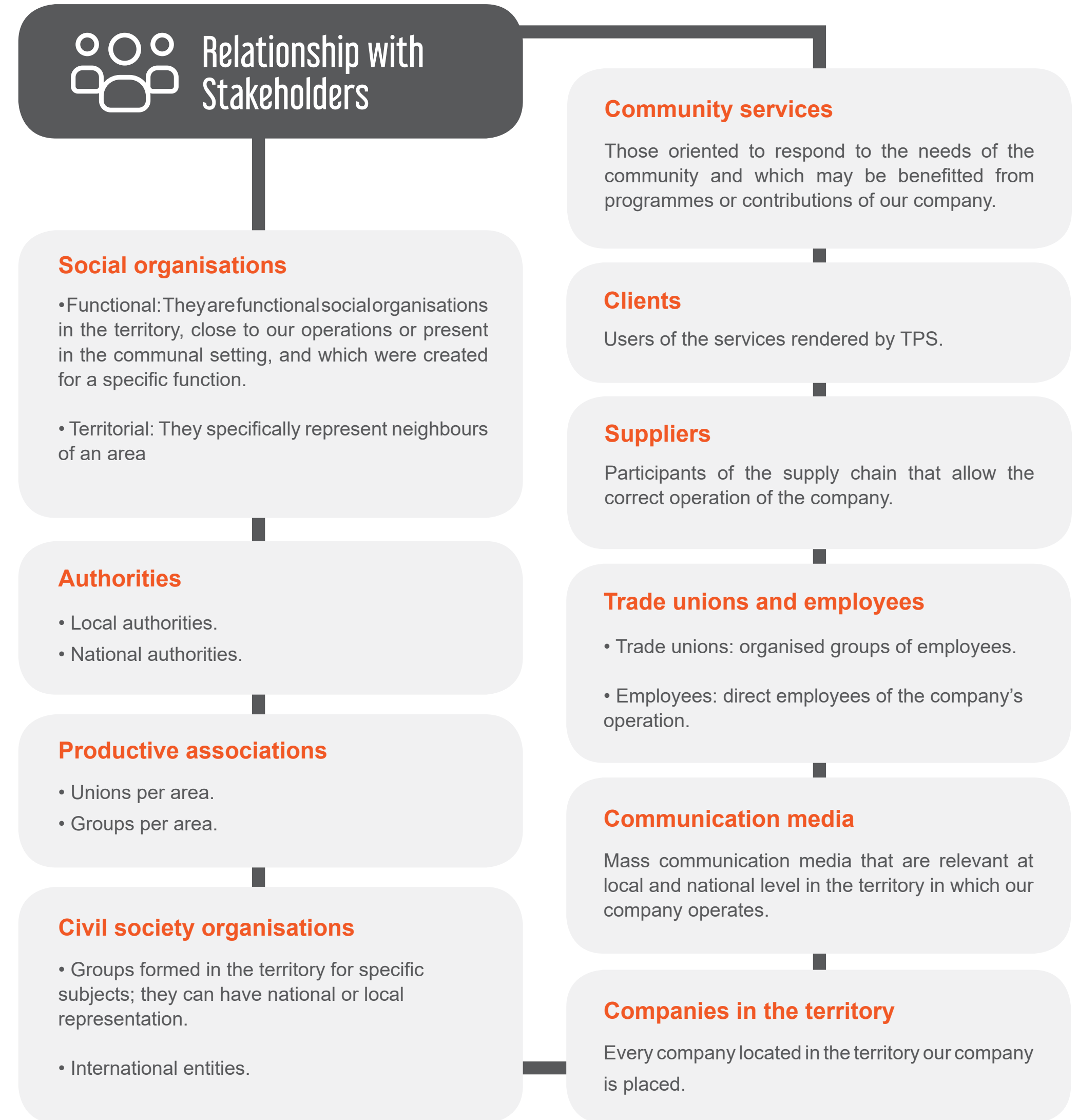


We have an annual organisational culture activities programme, which includes the following themes and campaigns:

- Improvements to the “Man overboard” campaign.
- Vaccination
- Same level Falls
- “Lift your hand”
- International Environment Day and Month of the Sea
- Sustainability Month
- Reliability and transparency month
- Our People Month
- Cybersecurity Month
- Respect and Golden Rules
- TPS Awards

We implement leadership activities that are led by the General Manager, deputy directors, chiefs and supervisors to pass on these concepts. This activities includes periodic outings to talk to employees, review of critical controls and monitoring of high potential measures, among others.

Part of the organisational culture requires integrated work with our stakeholders, defined as follows:



WORKING WITH OUR STAKEHOLDERS

We have formed a relationship of trust with the main actors in the city, which has been strengthened since the creation of the Sustainability Division during the first semester of 2021, and that among its tasks is the management of a harmonious relationship with every Stakeholder.

During the second semester of 2021, we met with 10 Stakeholders identified in our sustainability strategy, which allowed the identification of relevant topics for them that we can develop during 2022.



IDENTIFIED ISSUES BY STAKEHOLDERS:



- Consider issues as equity and inclusion.



- Security as a key and transversal aspect to all ideas.



- Improve general communication between the actors with a main focus on civic impact and sustainability management projects by the companies or organisations responsible.



- Move forward in a model for sustainable economic development.



- Generate employment opportunities.



- Prioritise the well-being of people above other considerations.



- Increase the concern and work towards the well-being of children.



- Recognise and respect the diversity of activities and vocations that interact in the port city, tourism, culture, history, identity and management of the coastline.



- Arrange a harmonious development model of the coastline and a coexistence model between the port and the city.



- Move forward in collaboration opportunities between public and private organisations that allow to arrange specific projects that impact the community.



- Generate an attractive and accessible cultural offer for the citizens.



- Move forward in the ethic management of business.



- A climate-change related vision that incorporates consumption and energetic management.

INITIATIVES THAT WE SUBSCRIBE TO

We are part of the main trade union associations in the region and in our field, such as: **Cámara Regional del Comercio de Valparaíso, ASIVA, FOLOVAP** and the **Cámara Marítima y Portuaria de Chile A.G.**



ISPS Certification: International Ship and Port Security, granted by the International Maritime Organization (IMO) in force since 2004. We were the first Chilean port to obtain this certification.



ISO 14001: 2004: It allows the development of an environmental management plan that includes environmental objectives and goals, policies and procedures. In force since 2002.



ISO 26000 Social Responsibility: In force since 2014, when we developed an in-depth analysis of our practices and we aligned them to the 7 Subjects and 7 Principles contemplated by the standard.



Solas Agreement: In compliance with the IMO, in 2016 we implemented a container weighing system on the yard cranes, which allows to verify and certificate the weight of a container without having to interrupt the routine operation.



Carbon Footprint Measurement Certification: Since 2013, we have the certification that confirms the implementation of a methodology to measure and control Greenhouse Gases (GHG).



Great Place to Work: We participate yearly in the working environment measurement conducted by Great Place to Work Chile Institute.



ISO 45001:2018: International norm for work-related safety and health management systems, destined to protect the workers and visitors from accidents and work-related illnesses, promoting safer and healthier work environments. In force since 2018 and replaces OHSAS 18001, in force since 2013.



HuellaChile: Recognition by the Ministry of the Environment that certifies reaching the level of quantification of direct, indirect and other indirect greenhouse gases, in accordance with the requirements of the HuellaChile Programme and NCh-ISO 14064:2013/1. In force at TPS since 2018.



Renewable Energy Seal by IMELSA Energía certifying that all the electric energy we use at TPS comes from renewable sources.



Certification of the Crime Prevention Model granted by Prelafit Compliance consultancy in 2021 that recognises the model adopted by TPS and its implementation.

05

SOCIAL DEVELOPMENT

Enhance social development of the territory in which we are located. Be good neighbours, deliver local employment opportunities and improve people's quality of life.



VALPARAÍSO AND ITS PEOPLE

We are committed to the growth and quality of life of the community in Valparaíso because we are convinced that a joint growth of our community will allow everyone to evolve in a healthy manner.

From the start, we have been aware of the importance of having a respectful and committed relationship with the development of the inhabitants of Valparaíso, city that shelters our operations since 2000.

Valparaíso is a unique and complex city, with multiple vocations that have evolved along with the port activity, and where everyone can contribute to the growth of the commune. It is a city rich in culture, tradition and diversity, qualities that we appreciate in a positive way since they have allowed us to generate a harmonious and trustful relationship.



Support to the entrepreneurship championship “Nothing Stops Us”



campaign with Firefighters from Valparaíso

Support to the Ganamar programme for

 **400**

children and adolescents from the city

 **120**

kids at the Children’s Football Tournament

 **19**

trainee students

 **62%**

of small and medium-sized enterprises (SMEs) as suppliers

 **43%**

of the suppliers are local companies

 average of **14**

payments days to SMEs suppliers

CONTRIBUTING TO THE DEVELOPMENT OF THE COMMUNITY

We seek to generate value in the territories we operate: establishing development mechanisms with the communities and local suppliers from a shared-value perspective.

This happens by having mechanisms of transparent dialogue: promoting the delivery of transparent and reliable information on our operational management.

We also assume a commitment to look after the safety and wellbeing of our Stakeholders, by constantly training our employees, contractors, suppliers and clients in matters of safety.



 **62%**
of SMEs suppliers

 **43%**
of the suppliers are local companies

SUPPLIERS

The main suppliers in the period covered by this report were:



We support suppliers from the commune of Valparaíso because it is a commitment that we have assumed with the growth and development of the city that shelters us. Ten years ago, we started paying the invoices of our suppliers in 30 days, practice that nowadays is a law.

In 2021, 62% of our Terminal suppliers were SMEs and 43% were local companies, representing a 12% increase in the proportion of SMEs suppliers in comparison to the previous year.

Matrix of suppliers with sustainability indicators: as from September and with a new tender, we formalized the use of a matrix for the selection of suppliers for these processes which incorporates sustainability criteria in their evaluation.



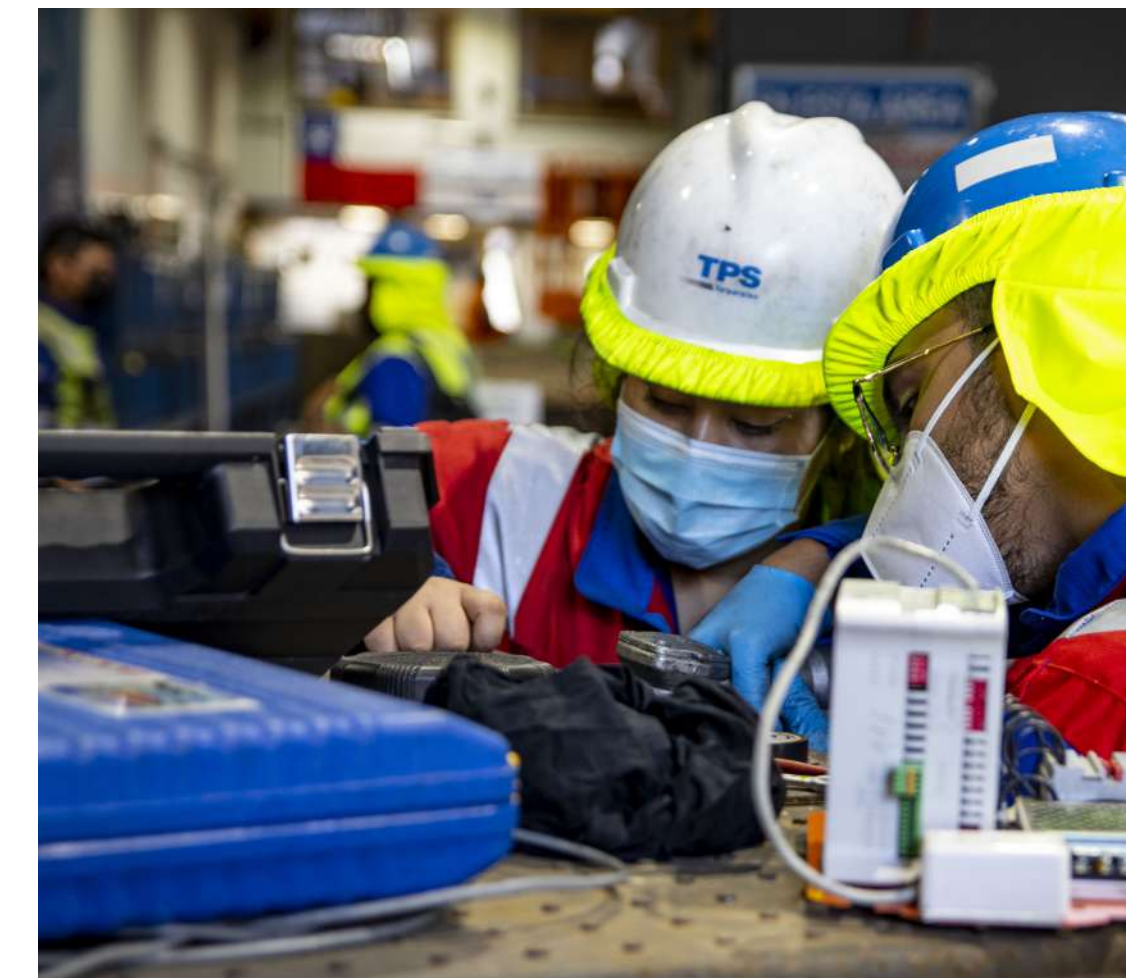
Average of
 **21**
 payment days to suppliers

Average of
 **14**
 payment days to SMEs suppliers

EDUCATION, SPORTS AND CULTURE

We want to contribute through projects that promote education, sports, culture and quality of life because we know that they are sustainable initiatives that contribute to the future of our commune. During 2021, and in spite the pandemic restrictions, we conducted the following activities:

- **Children's football championship TPS 2021 "I am a player"**: in October we organised this tournament alongside the Municipality of Valparaíso, with 120 kids participating from 12 neighbourhood sports clubs from all Valparaíso.
- **Enseña Chile**: since 2014 we are regional partners of this foundation that is currently working with 16 vulnerable schools in the Valparaíso Region. The work in this period focussed on maintaining the continuity of the remote education, as well as the development of socio-emotional skills, civic education and character.
- **Entrepreneurship Championship "Nothing Stops Us"**: we integrated ourselves to this successful initiative as regional partners to promote entrepreneurship. Besides collaborating in the winners' selection, we contributed with mentoring to help entrepreneurs consolidate their businesses.
- **Laboratory at the Alfredo Nazar High School**: one of the educational institutions in Playa Ancha, this high school received a new laboratory with top-ranked technological equipment for their Electricity, Electronics and Telecommunications departments. This contribution was possible thanks to SOFOFA, Ultramar and other organisations.
- **Alliance with Corporation La Matriz**: one of the emblematic organisations from Barrio Puerto, which is the foundational area of our city and close to the port of Valparaíso. This corporation keeps high-impact initiatives with the most vulnerable communities, a process that TPS has supported with resources as well as the participation of our employees. During the year, various activities of collaborative work were carried out, motivating employees to participate.
- **Baburizza Museum Children's Painting Contest**: we participated on the award ceremony for the contest "The colours of the port" organised by Museo de Bellas Artes de Valparaíso Palacio Baburizza and we invited the young 10-year-old artist along his family to visit the Terminal.





- **Visit of engineering students from all over the country:** about thirty students participating on the XXIII National Congress of Civil Engineering Students visited TPS with the objective of bringing students closer to the port area, getting to know the logistics and work we conduct.

- **Support to the Volunteers Team at the Bote Salvavidas in Valparaíso:** along with Ultramar Agencia Marítima, we donated equipment and personal protection equipment for the Bote Salvavidas, a centenary institution that deals with the safety of people at sea.

- **Alliance with Santiago Wanderers in Valparaíso:** in February 2021, we renewed this alliance that started in 2008 and that constitutes an important economic support for the most important sports club in the city and the oldest prevailing in America, which is part of the hearts of everyone from Valparaíso.

- **Children's day:** in the spirit of this celebration, we organised the contest "What I like about Valparaíso is..." in which children from Valparaíso sent drawings, pictures and miniatures of their favourite places in the city. The award ceremony consisted of gifts and family guided visits to the Naval and Baburizza Museums.

- **Ganamar:** we contributed to this unprecedented project developed by the Aguas Más Seguras Foundation and Waterman Chile, to create the first social nautical centre in the country, at San Mateo beach, besides TPS, in Valparaíso, where 400 kids, adolescents and elderly people will have the opportunity to learn safety at sea and nautical sports for free. We also supported several cleaning activities at San Mateo beach so that it could be in good conditions to receive the beneficiaries of the project.

- **Solidary Christmas campaign:** voluntary money donation to buy gifts that were requested by kids in their letters to Correos de Chile. With the total amount collected, Christmas gifts were bought to 17 kids between 2 and 14-years-old, besides Christmas dinners.

- **Mentoring with CRCP and ASIVA:** through a digital platform, we connected with SMEs from Valparaíso in order to help them reinvent after the COVID economic crisis and eventually meet new supplier alternatives for our Terminal.

- **1+1 Campaign with Firefighters from Valparaíso:** for second year in a row, we managed to buy 294 tickets for the annual firefighters' raffle on behalf of TPS and the company donated the same amount.

06

CARING FOR THE PLANET

Contribute from our reality to a global challenge, reducing our environmental footprint and identifying opportunities to use resources more efficiently.



ENERGY AND WATER CONSUMPTION

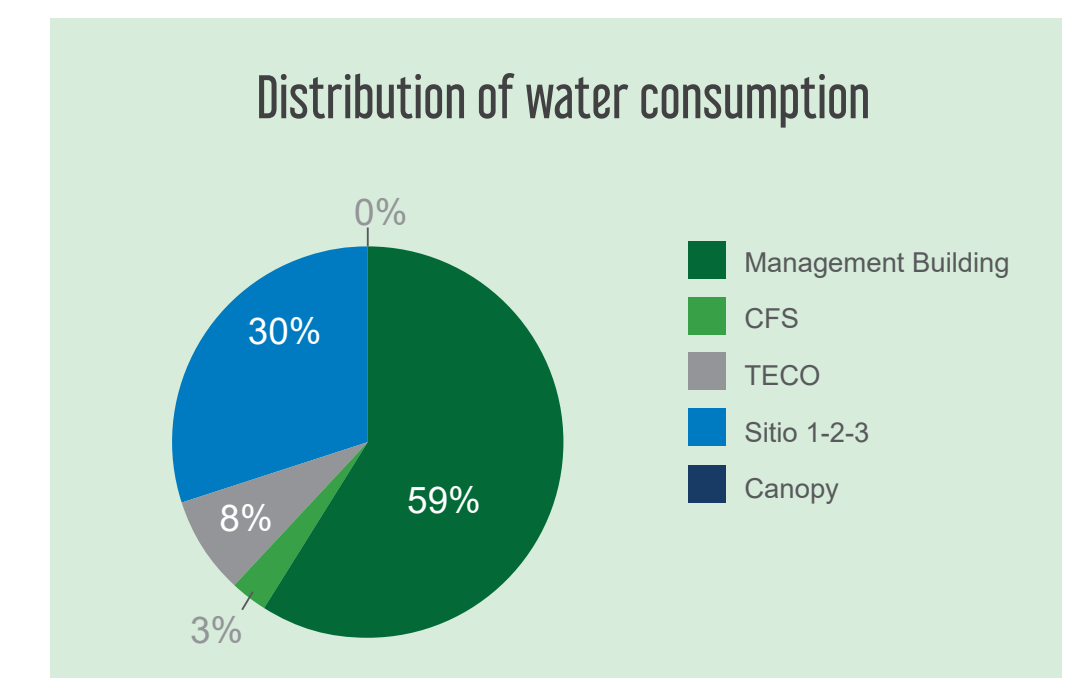
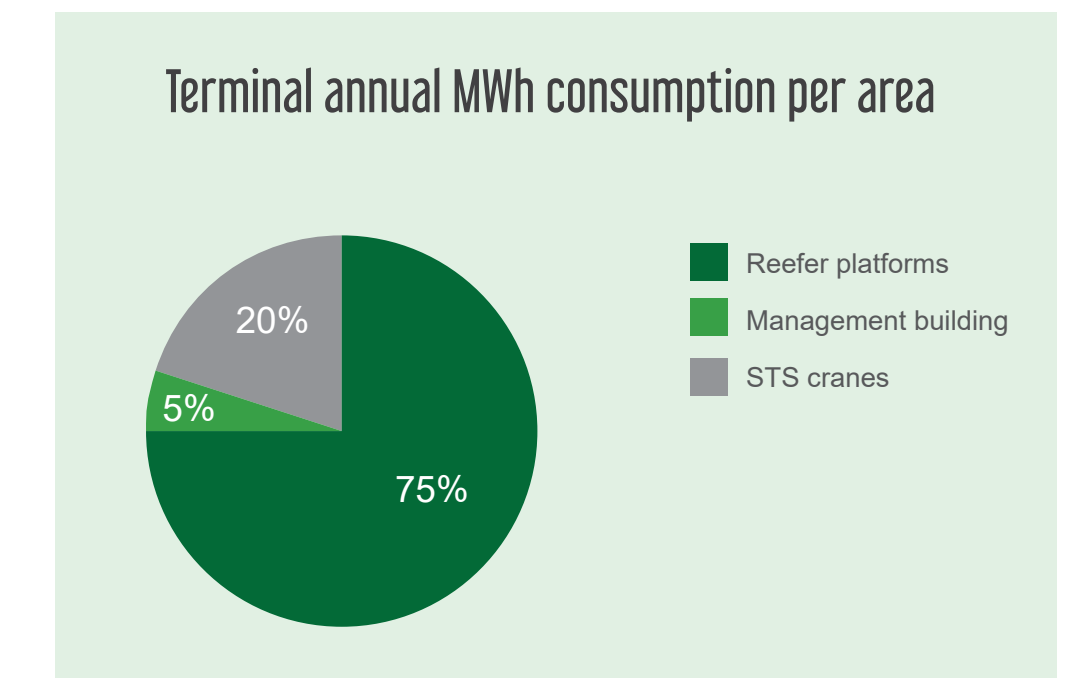
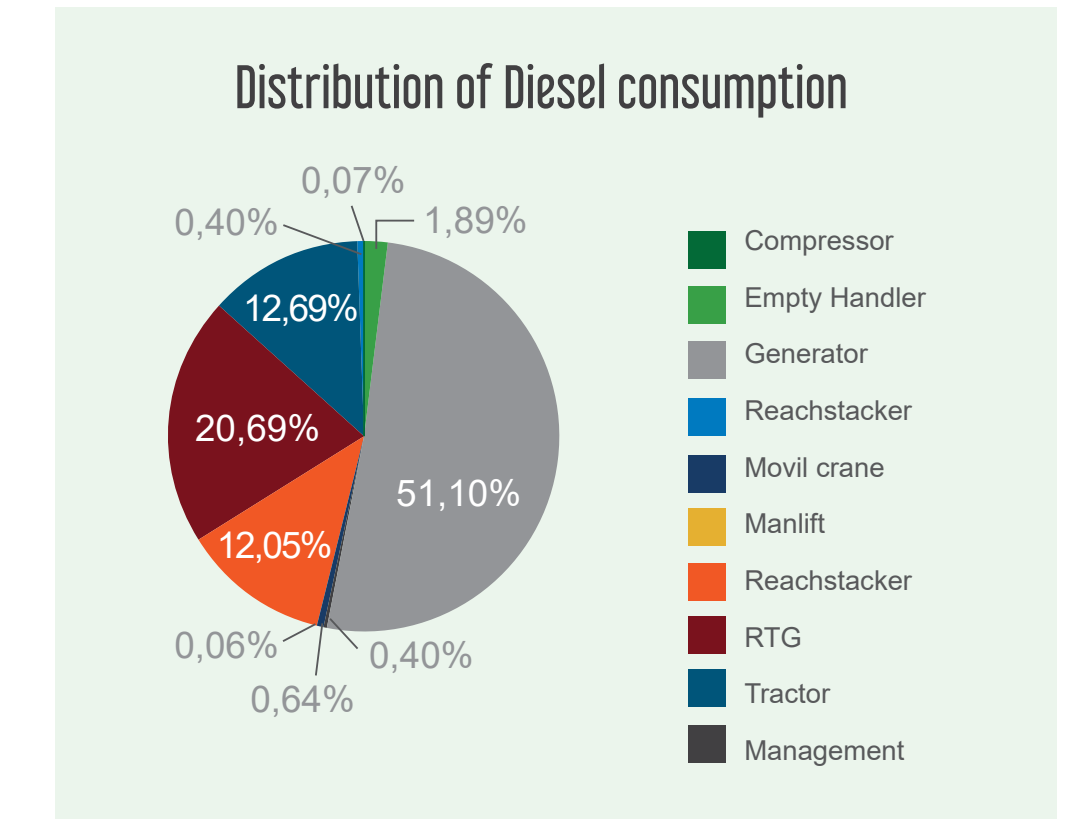
In 2021 we renewed the Green Seal IE granted by Imelsa Energía, which certifies that 100% of the electric energy used in our Terminal comes from renewable sources, which constitutes a major step forward in this subject, since we have a great consumption mainly for the function of gantry cranes and most of reefer connections.

Regarding the energy that comes from non-renewable sources, the fuels used in the operations at our Terminal correspond mainly to diesel, petrol, natural gas and liquefied gas.

Our water consumption is divided into two areas: the first one used by our employees in showers, restrooms, and dining rooms; and the other used in operations, delivered to the ships that need it, as well as the water used to wash the equipment. During 2021, we consumed a total of 15,826 cubic metres of water.

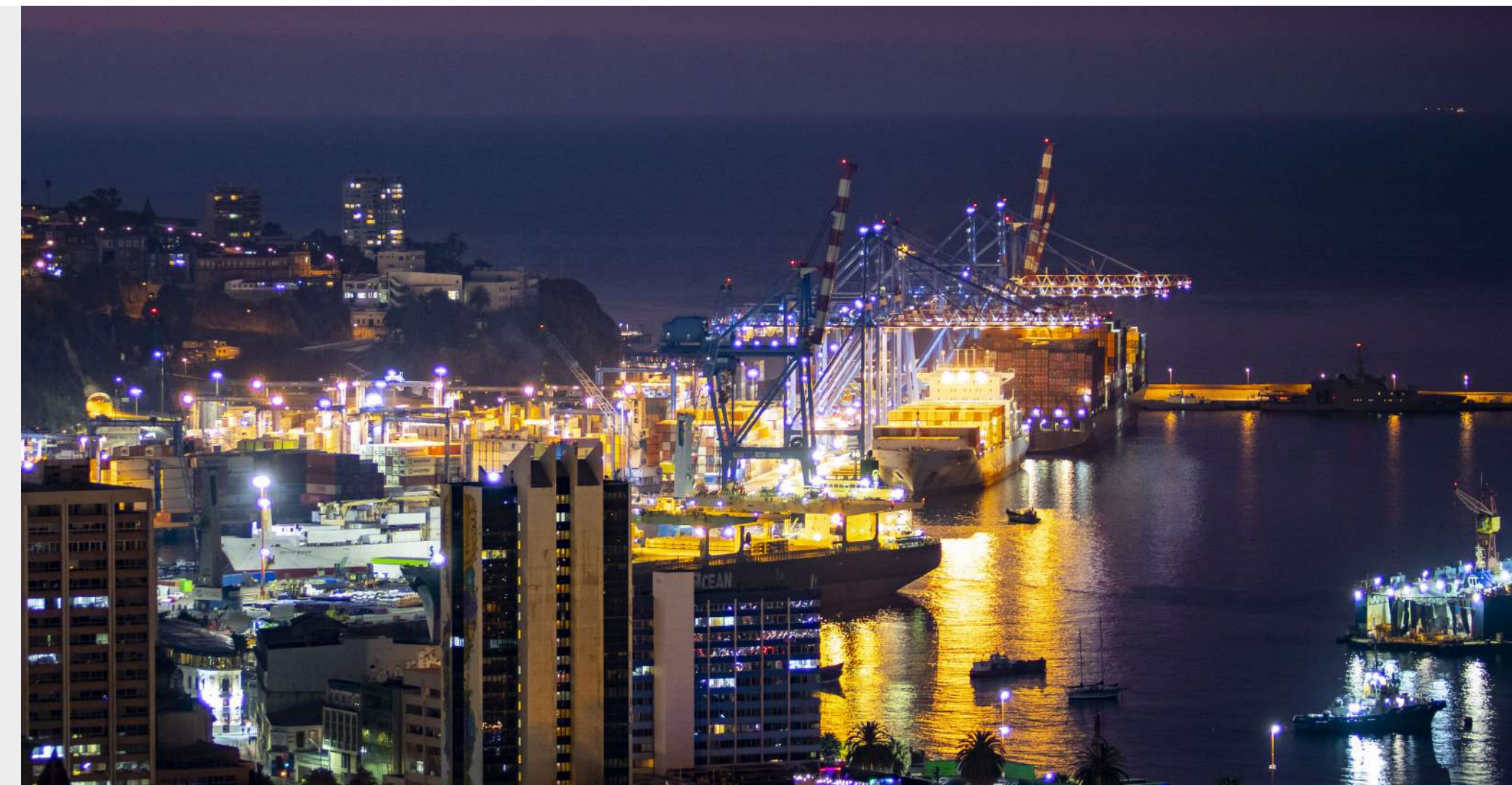
Furthermore, alongside other companies and organisations, we were selected to develop a pilot project for green hydrogen, exploring the possibilities to be incorporated in industrial processes. The

initiative was selected by the Aceleradora de Hidrógeno Verde of the Agencia de Sostenibilidad Energética, foundation related to the Government that executes public policies in that matter, implementing specific programmes and projects that encourage the decrease of energy consumption.



Recycled Certified
by HuellaChile four years in a row

15,826
cubic metres of water consumed



CARING FOR BIODIVERSITY

We have an Environmental Vigilance Programme with the aim at following the marine environmental conditions in our area of operations. The environmental conditions monitored during 2021 were similar to the ones from the previous two years, according to the annual evaluation carried out by an external company since 2010 at our Terminal. The values obtained in several parameters were found within the available historical records for the area and time of monitoring.

We have procedures to rescue injured marine fauna and sea birds; moreover, during the year we conducted two exercises of spillage into the sea, destined to prevent and act properly in such an

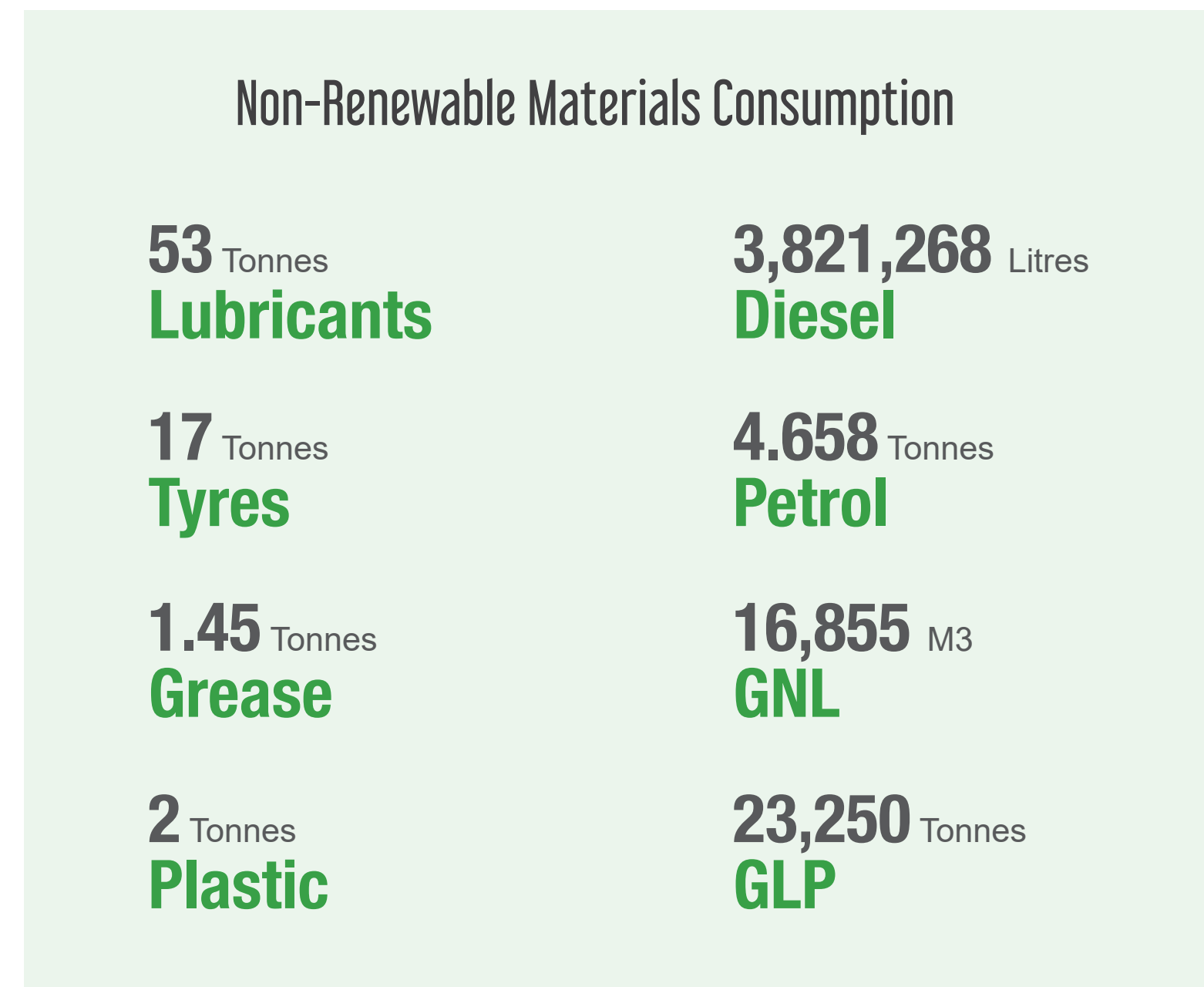
incident. One of these exercises was carried out together with Ultraport, STM and Suatrans, and the other with the Port Captaincy of Valparaíso.

Furthermore, in 2021 we carried out a preventive exercise to prepare in case of a spillage on the ground of dangerous cargo (IMO), to which the 11° Compañía de Bomberos from Valparaíso responded to the emergency. This activity is part of the annual prevention and emergencies preparedness plan in our Terminal.



MATERIALS USED IN THE OPERATION

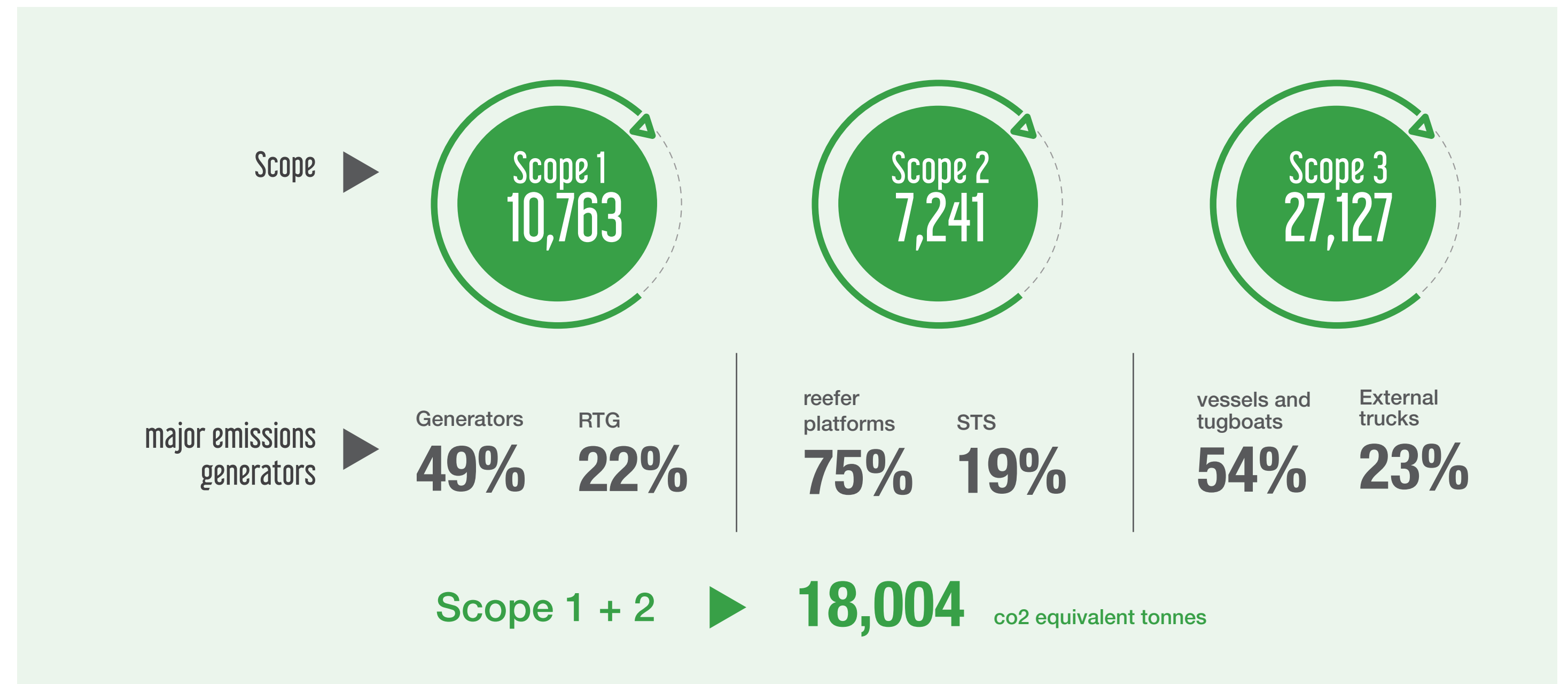
In 2012 we built a registry of the material used in the operations of the Terminal. We identified lubricants, tyres, and grease as the most relevant, destined for the maintenance of the equipment. Wood is only used when locking and stevedoring cargo. In 2021, the renewable and non-renewable materials that we used in the operations were:



MEASURING OUR CARBON FOOTPRINT

Since 2012, we have been measuring our carbon footprint and this certification recognises having reached the level of quantification of greenhouse gases of scope 1, 2 and 3 in accordance with the requisites of the HuellaChile programme and the NCh-ISO 14064:2013/1.

In 2021 we obtained for the fourth time the Quantification of Greenhouse Gases seal by the HuellaChile programme, part of the Ministry of the Environment.



WASTE TREATMENT


We are convinced that it is necessary to recycle and reuse as many waste materials as possible. Within this context, during 2021 we recycled 7,302 kilos of tyres, 1,443 kilos of white paper and collected 86,540 kilos of scrap metal that was shredded and sold. It is worth mentioning that all waste was disposed of in authorised depots.

In compliance with every norm in force, we conducted, as per every year, a final waste disposal with specialised companies for their treatment.



 **232,445**
kilos of non-dangerous waste

 **183,163**
kilos of dangerous waste

 **2,403**
kilos of IT waste to be recycled

PROTOCOL FOR THE MANAGEMENT OF ENVIRONMENTAL INCIDENT

It refers to the communication and investigation methodology on environmental incidents related to noise, air, ground, water, fauna, and regulatory elements, through the definition of the following criteria: seriousness, potentiality, actions and responsibility.

The objective is to identify the cause of the incidents and how they can be avoided or mitigated rapidly and efficiently by generating a continuous improvement culture, with a strong development in knowledge and

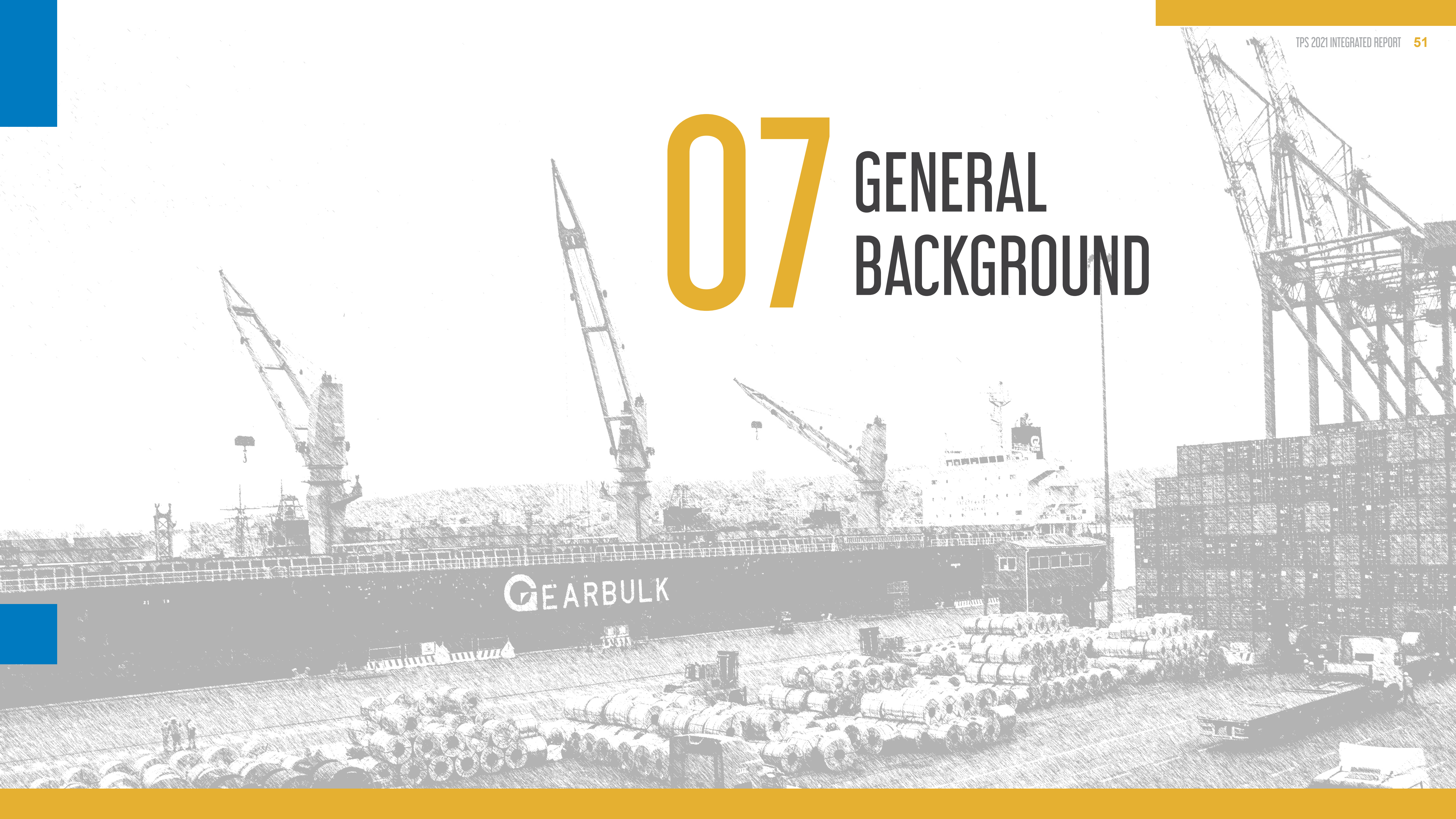
transparent dissemination to the entire organisation. This procedure applies to all the activities at the Terminal, to internal as well as external personnel, including partner companies, consultancies, suppliers, agreement managers, among others. In the period of this Integrated Report, environmental incidents decreased in 41% in a monthly average compared with 2020.

ENVIRONMENTAL AND SAFETY ASSESSMENT

As part of the culture transformation, Ultramar promoted an assessment process to different companies in the group, which in the case of TPS, began in 2017 with a focus on safety. This assessment provided the opportunity to share good practices with other companies and industries, identify improvement opportunities and thus progress in the continuous improvement of the organisational culture. In 2019, socio-environmental assessment was incorporated, which included a more extensive view in relation to the environment in which we operate.

In this way, during 2021 we were able to see how the review of processes, gap management and the promotion of a culture with a sustainable vision has improved in relation to previous years, which means progress in achieving our purpose: to contribute to the quality of people's life, through foreign trade in a sustainable manner and with operational excellence

07 GENERAL BACKGROUND



COMPANY PROFILE

Company Identification

Registered Name: Terminal Pacífico Sur Valparaíso S. A.

Legal domicile: 2 Antonio Varas, 3rd Floor, Valparaíso.

TIN: 96.908.870-3

Telephone: +56 32 227 5800

Web page: www.tps.cl

Line of business: Development, operation and maintenance of the Berthing Facility No. 1 of the Port of Valparaíso, wharfage and cargo storage company.

Articles of Incorporation

Terminal Pacífico Sur Valparaíso S. A. was established on 25 October 1999 before the Notary Public of Santiago, Mr Iván Torrealba Acevedo, and registered in the Business Register on page 698, under number 602, on 26 October 1999.

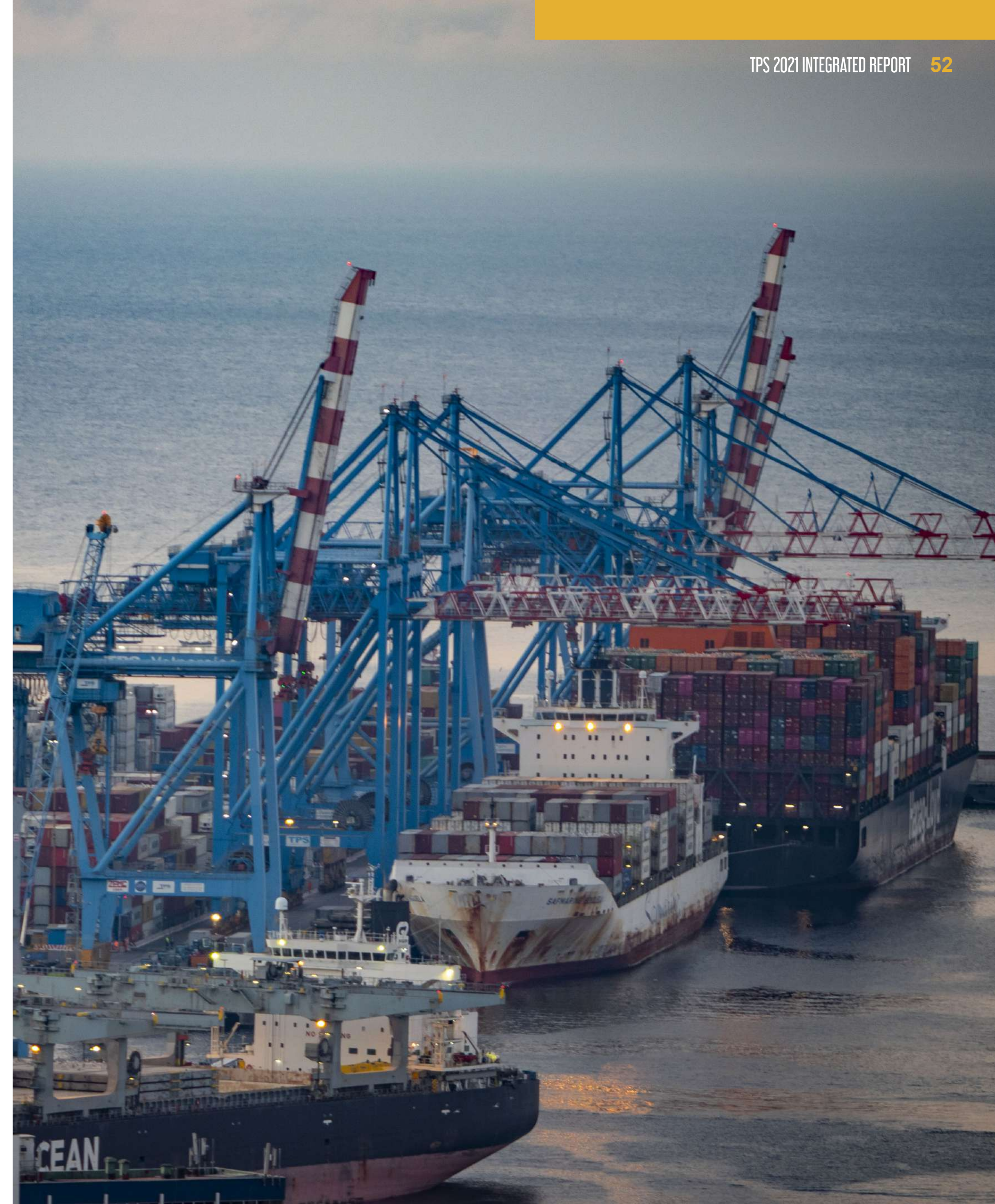
Ownership and Control of the Company

Below we provide background information of the Shareholders and their shares in the company:

Details of Shareholders

The share capital of Terminal Pacífico Sur Valparaíso S.A. is made up of 3,333 shares of the same series without par value. As of 31 December 2021, the company's ownership is distributed as follows:

Shareholder	TIN	Participation
Neltume Ports S.A. RUT: 76.237.330-0	2,000	60.01%
Contug Terminals S. A. RUT: 59.236.520-0	1,333	39.99%



Controller of the Company

In light of the aforementioned, the controller of the Company is Neltume Ports S.A., society that in turn is controlled by Inversiones Ultramar Limitada, which is controlled by Marítima Choshuenco Limitada.

Board of Directors

The Company has no Board of Directors, given it is a private limited company.

Insurance

As of 31 December 2021, the company has the following insurances in force:

- Termination of the concession agreement due to the destruction of the berthing facility.
- Interruption of businesses due to damage on the berthing facility.
- Civil responsibility of third parties.
- Damage to equipment and other fixed assets.

Agreements

The Concession Agreement of Berthing Facility No. 1 at the Port of Valparaíso was signed with Empresa Portuaria Valparaíso on 12 November 1999.

By means of this agreement, the Company is given the exclusive concession to develop, maintain and operate Berthing Facility No. 1 of the Port of Valparaíso, including the right to charge basic fees to the users for basic services and special fees for special services rendered in the berthing facility. The details of the content, scope and characteristics of this agreement are explained on the Financial Statements that are part of this Annual Report.

FINANCIAL BACKGROUND

TPS is a private limited company, registered under No. 56 in the Registry of Reporting Entities of the Financial Market Commission.

The company handles their transactions mainly in pesos and dollars, through accounts in national and North American banks, being their functional currency the United States dollar. The main financial activities with these banks are invoice collection, term deposit, long-term credits, short-term credits, interest rate swap, foreign currency forward and currency sale.

Risk Factors

The main risk factors envisioned for the development of the company's business are those that may affect Chilean foreign commerce.

IFRS Norm

The Financial Statements in 2020 were published under the IFRS norm under the provision issued by the Superintendency of Securities and Insurance that forces registered private limited company to present their Financial Statements under this standard, except for what has been instructed in the Official Circular No. 856 of the Superintendency of Securities and Insurance, that the differences between assets and liabilities by concept of deferred taxes that directly cause the increase of the First Category tax rate introduced by Act 20.780 must be registered in Patrimony.



INVESTMENT AND FINANCING POLICIES

Investment

Since the start of the concession, TPS has allocated USD 215 million in infrastructure, port equipment and development of technological systems of the Terminal, among others. The decrease of investment amounts in 2021 was caused by the pandemic context, where most of the shares concentrated on fighting the pandemic.

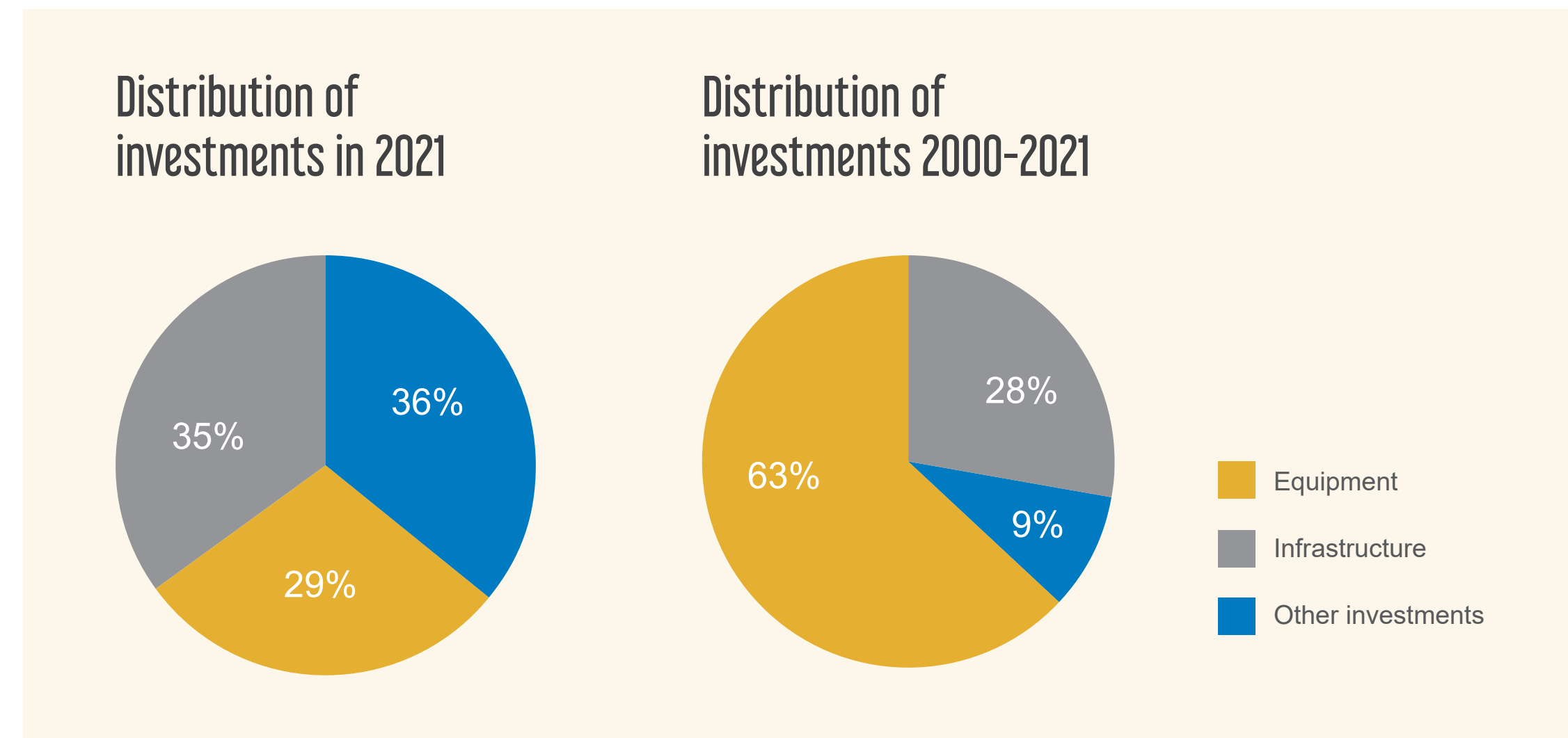
Regarding the investment plan for the five-year period of 2021-2025, TPS projects an approximate investment of USD 10.9 million, from which 60% is destined to buy and replace equipment and machinery.

Financing

Due to the investments in previous years, we keep a loan with Scotiabank which was refinanced in December 2019 and will be amortised in June 2026. The capital was amortised by USD 10,323.98 and the interests paid were USD 2,900.47 which correspond to the founding disbursement made in 2021.

Subsidiaries and affiliates

There are no subsidiaries, affiliate companies nor investments in other companies.



Dividend Policy

On 11 November 2021, USD 900.09 per share were sent as essential fact for the possible dividend payment, which was paid on 19 November to the shareholders with charge to retained profit.

Diluted profit 2020: USD 194 per share

Diluted profit 2021: USD 1,142 per share

Distributable profit

Accumulated Profit exercises Previous IFRS	MUSD
Derivative reserves	(943)
Accumulated profit	3,381
Profit/(loss) 2021 exercise	4,806
Dividends distributed 2021	(3,000)
Total	4,244
Distributable Profit	5,187
Distributable dividend/Distributable profit	122.23%

08 FINANCIAL STATEMENT



INDEPENDENT AUDITOR'S REPORT

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

To
Shareholders and Directors of
Terminal Pacífico Sur Valparaíso S.A.

We have performed an audit of the accompanying Financial Statements of Terminal Pacífico Sur Valparaíso S.A., which comprise the statement of financial position as of December 31, 2021 and 2020, and the comprehensive income statements, statements of changes in equity and statement of cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with International Financial Reporting Standards; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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. Accordingly, we express no such 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis on a matter – Other Miscellaneous Reserves

As indicated in Note 17 of these financial statements, agreed to ratify the agreement to pay an interim dividend in the amount of ThUS\$ 31,500, and of which the charge to profits for the year and retained earnings As a result of the payment of the mentioned interim dividend, as of December 31, 2020 and 2019, the Company presents a negative balance in "Other Miscellaneous Reserves" in the amount of ThUS\$ 24,385, which includes the amount distributed as interim dividend below mentioned. The Management and their legal advisors considered

that this transaction and its presentation are adjusted in conformity with the law and the provisions of Law 18,046, even when there are no specific pronouncements with regard to the distribution and presentation of interim dividends over the results of the Company at the date of the agreement. Our opinion regarding this matter has not changed.

Cristopher Reveco V.

EY audit SpA.

Valparaíso, February 4th, 2022

Statements of Financial Position

As of December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

Assets	Notes	12-31-2021	12-31-2020
		ThUS\$	ThUS\$
Cash and cash equivalent	4	23.467	12.759
Other current financial assets	10	-	-
Other current non-financial assets	5	2.838	2.553
Trade receivables and other current accounts receivable	6	7.914	9.631
Current accounts receivable from related parties	7	497	133
Inventory	8	2.281	2.193
Current tax assets	9	131	274
Total Current Assets		37.128	27.543
Other non-current financial assets	10	16.077	16.005
Other non-current non-financial assets	5	80	355
Intangible assets other than goodwill	11	72.540	80.774
Property, plant and equipment	12	52.717	59.254
Total Non-Current Assets		141.414	156.388
Total Assets		178.542	183.931

Statements of Financial Position

As of December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

Liabilities and Equity	Notes	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Other current financial liabilities	13	20.428	21.198
Current trade payables and other accounts payable	14	6.711	6.145
Current accounts payable to related parties	7	9.073	2.441
Total Current Liabilities		36.212	29.784
Other non-current financial liabilities	13	84.513	101.056
Deferred tax liabilities	15	8.308	5.770
Allowance for employee benefits	16	4.092	4.514
Total Non-Current Liabilities		96.913	111.340
Total Liabilities		133.125	141.124
Paid-in capital	17	67.000	67.000
Other reserves	17	(25.329)	(27.381)
Accumulated profits	17	3.746	3.188
Total Equity		45.417	42.807
Total Liabilities and Equity		178.542	183.931

Statements of Income by Function

For the years ended December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Revenue from ordinary activities	18	75.131	66.037
Sales costs	19	(58.123)	(52.821)
Gross profits		17.008	13.216
Other revenue		41	-
Administrative expenses	20	(6.500)	(7.864)
Finance revenue		588	707
Finance costs	21	(4.884)	(5.295)
Foreign currency translation	25	496	168
Other expenses		(158)	(1)
Pre-tax profit (loss)		6.591	931
Income tax expense	15	(1.785)	(283)
Profit (loss)		4.806	648
Profit per share (dollars per share)			
Basic profit per share in continued operations		1.442	194
Basic profit per share in discontinued operations			
Basic profit per share		1.442	194
Diluted profit from continued operations		1.442	194
Diluted profit from discontinued operations			
Diluted profit per share		1.442	194

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Profit		4.806	648
Components of other comprehensive income, before taxes:			
Other comprehensive income, before taxes, actuarial profits (losses) for defined benefits plans	16	92	117
Profits (losses) for cash flow hedging, before taxes	13	2.719	(3,094)
Other components of other comprehensive income, before taxes		2.811	(2.977)
Income tax related to other comprehensive income:			
Income tax related to defined benefits plans of other comprehensive income	16	(25)	(32)
Income tax related to hedge instruments of equity of other comprehensive income		(734)	835
Income tax related to components of other comprehensive income		(759)	803
Other comprehensive income		2.052	(2.174)
Total comprehensive income		6.858	(1.526)

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

2021	Paid-in Capital	Cash flow hedge reserve	Profit and (loss) reserve for defined benefits plans	Other Miscellaneous Reserves	Other reserves	Retained earnings	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balances as of 1-1-2021	67.000	(2.891)	(105)	(24.385)	(27.381)	3.188	42.807
Win							
Other comprehensive income	67.000	(2.891)	(105)	(24.385)	(27.381)	3.188	42.807
Comprehensive income						194	194
Increase (Decrease)						4.806	4.806
Other comprehensive income		1.985	67		2.052		2.052
Comprehensive income		1.985	67		2.052	5.000	7.052
Dividends (1)						(4.442)	(4.442)
Increase (Decrease) due to other distributions to owners							
		1.985	67		2.052	558	2.610
Total changes in equity	67.000	(906)	(38)	(24.385)	(25.329)	3.746	45.417
Balances as of 31-12-2021							

(1) See Note 17 c)

(2) Restatement of beginning balance corresponds to deferred taxes applied to income for the year in previous periods. This deferred tax cumulative concept must be presented in equity under the cash flows hedging reserve column.

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

2020	Paid-in Capital	Cash flow hedge reserve	Profit and (loss) reserve for defined benefits plans	Other Miscellaneous Reserves	Other reserves	Retained earnings	Total equity
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balances as of 1-1-2020	67.000	(1.074)	(190)	(24.385)	(25.649)	3.970	45.321
Win		442			442	(442)	
Other comprehensive income	67.000	(632)	(190)	(24.385)	(25.207)	3.528	45.321
Comprehensive income						1.206	1.206
Increase (Decrease)						648	648
Other comprehensive income		(2.259)	85		(2.174)		(2.174)
Comprehensive income		(2.259)	85		(2.174)	1.854	(320)
Dividends (1)						(2.194)	(2.194)
Increase (Decrease) due to other distributions to owners		(2.259)	85		(2.174)	(340)	(2.514)
Total changes in equity	67.000	(2.891)	(105)	(24.385)	(27.381)	3.188	42.807
Balances as of 31-12-2020							

(1) See Note 17 c)

(2) Restatement of beginning balance corresponds to deferred taxes applied to income for the year in previous periods. This deferred tax cumulative concept must be presented in equity under the cash flows hedging reserve column.

Statements of Cash Flows (direct)

For the years ended December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – see note 2.1)

	Notes	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Types of billing for operating activities			
Billing from the sales of goods and services.		90.499	74.717
Types of payments:			
Payments to suppliers of goods and services		(53.393)	(48.625)
Payment to and from employees		(6.415)	(8.995)
Interest paid		(2.900)	(3.254)
Interest received		24	65
Income taxes (paid)		131	(32)
Other cash inflows (outflows)		(2.348)	88
Cash flows provided by (used in) operating activities		25.598	13.964
Amounts provided by the sale of property, plants and equipment, classified as investment property			
Purchase of property, plant and equipment	12	(1.047)	(823)
Purchases of intangible assets	11	(23)	
Cash flows provided by (used in) investing activities		(1.070)	(823)
Amount from long term loans			
Amount from long term loans	13	-	-
Loan payments		(10.324)	(10.324)
Dividends paid, classified as financing activities	17	(3.000)	(2.000)
Cash flows provided by (used in) financing activities		(13.324)	(12.324)
Effects of variation in exchange rate on cash and cash equivalent			
Effects of variation in exchange rate on cash and cash equivalent	26	(496)	(168)
Increase (decrease) in cash and cash equivalent		10.708	649
Cash and cash equivalent (Beginning balance)	4	12.759	12.110
Cash and cash equivalent (End balance)		23.467	12.759

Notes to the Financial Statements as of December 31, 2021 and 2020

(Translation of Financial Statements originally issued in Spanish – See note 2.1)

1. Corporate information

Terminal Pacífico Sur Valparaíso S.A. (“the Company”), Tax Identification Number 96.908.870-3, is a Privately held Corporation constituted on October 25, 1999, and the concessionaire of the Berthing Facility No. 1 of the Port of Valparaíso, according to the Concession Contract for the development, maintenance and exploitation of Berthing Facility No. 1 of the Port of Valparaíso, held with Empresa Portuaria Valparaíso by public documentation on November 12, 1999 signed in Valparaíso in the notary’s office of Ricardo Maure Gallardo.

The corporate purpose of the Company is the development, maintenance and exploitation of Berthing Facility No. 1 of Empresa Portuaria Valparaíso; as well as to perform the business of wharfage and stowage.

The Company’s legal address is Antonio Varas No. 2, 3rd floor, Valparaíso.

According to Article 14 of Law 19,542, which regulates port concessions, the Company must follow the regulations that govern open corporations and must be listed in the Securities Registry of the Superintendence of Securities and Insurance (currently Commission for the Financial Market). The Company was registered with this authority in 2000 under number 712. With the change made to Law 20,382, in October 2009 it was transferred to the Reporting Entities Registry and registered under number 56.

According to the terms of the Concession Contract signed with Empresa Portuaria Valparaíso, the Company received from the Authority the abovementioned Berthing Facility on January 1, 2000, when it began its operating activities. The term for the concession is 20 years from the mentioned date with the option of an extension of 10 more years for the Company if: (i) the execution of the construction project stated in Appendix VII of the Bidding Bases is completed before the beginning of the 19th Contract Year pursuant to the terms and conditions established in Appendices VII and VIII of the Bidding Bases; (ii) the Company declares its intention to extend the Term before the 19th Contract Year begins.”

On June 2, 2014, Terminal Pacífico Sur Valparaíso S.A. introduced to Empresa Portuaria Valparaíso the Major Investment Project called “Extensión Sitio 3 y Reforzamiento Sitios 4 y 5 del Frente de Atraque N° 1 del Puerto de Valparaíso Etapa I” (“Site 3 Extension and Sites 4 and 5 Reinforcement of Berth Location No. 1 in the Port of Valparaíso Stage I”) that comprises all works related to the optional project described in Appendix VII referred to above. In addition, the Company formally announced its intention to extend the concession term.

On November 7, 2014, the project received its initial approval by Empresa Portuaria Valparaíso. Therefore, the contracting company initiated the works relating to the project execution. Once the works concluded, the Concession Term was extended according to the abovementioned conditions.

The extension was confirmed on December 27, 2018, when Empresa Portuaria Valparaíso granted the final approval of the project and ratified the extension of the Concession term for 10 additional years. To this date and according to the Concession Contract, Empresa Portuaria Valparaíso and TPS are still auditing the actual cost of the works, in order to determinate the residual value of the project that should be restored at the end of the concession.

The shareholders of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2021 and 2020, are:

Shareholders	No. of shares	Participation
Neltume Ports S.A.	2.000	60,01%
ConTug Terminals S.A.	1.333	39,99%

From this information it is concluded that the controller of the Company is Neltume Port S.A., which is controlled by Inversiones Ultramar Limitada, which is controlled by Marítima Choshuenco Limitada.

According to Exempt Resolution DRE 674 of the Internal Tax Service (SII), of July 6, 2001, the Company is authorized to perform its accounting in U.S. dollars.

2. Basis of preparation of the Financial Statements

2.1 Declaration of compliance

The Financial Statements have been prepared in accordance with International Accounting Standard IAS 1, entitled “Presentation of Financial Statements”. Hereinafter, the terms NIC, NIIF and IAS can be used indistinctly.

These Financial Statements accurately reflect the financial position of Terminal Pacífico Sur Valparaíso S.A. as of December 31, 2021 and 2020, and the results of its operations, the changes in equity and the cash flows for the years ended December 31, 2021 and 2020.

For the convenience of the reader, these Financial Statements and their accompanying notes have been translated from Spanish into English.

2.2 Financial Statements model under IFRS

The Company has included the following models to prepare its Financial Statements:

Statements of Financial Position,
Statements of Income (by function)
Statements of Comprehensive Income
Statements of Cash Flows (direct method)
Statements of Changes in Equity
Notes to the Financial Statements

2.3 Accounting period

The Financial Statements cover the periods ended on December 31, 2021 and 2020.

2.4 Basis of measurement

The Financial Statements have been prepared under the principle of historical cost, except for the items that are reported at fair value in accordance with IFRS.

2.5 Functional and presentation currency

The Financial Statements have been prepared in U.S. dollars, which is the Company’s functional and presentation currency, and all values presented herein are rounded to the nearest thousands, except when indicated otherwise.

2.6 Cash and cash equivalents

The cash and cash equivalents presented in the Statements of Financial Position include the bank balances and term deposits which qualify as cash and cash equivalent according to IAS 7.

2.7 Responsibility for the information and use of judgments and estimates

The Company’s directors must review the Financial Statements of Terminal Pacífico Sur Valparaíso S.A. as of December 31, of each year and assume responsibility that the information contained therein corresponds to the information in the Company’s accounting books, according to the information received from the respective departments. The present Financial Statements were approved by the Board of Directors at its meeting held on February 4, 2022.

The preparation of the Financial Statements requires that the Management make judgments, estimates and assumptions that affect the application of the accounting policies, asset, liability, revenue and expense amounts presented. The real results may differ from these estimates.

Relevant estimates and assumptions are reviewed regularly using the best information possible. These accounting estimates are recognized in the period in which they are reviewed and in the future period affected.

In particular the main estimates of uncertainties and critical judgments in the application of accounting policies that have a significant effect on the amounts recognized in the Financial Statements, are the following:

- Estimate of provisions for contingencies.
- Estimate of the useful life of property, plant and equipment.
- Calculation of the fair value of financial instruments.
- Discount rates used for the purposes of IFRIC 12.
- Obligations for employee severance pay benefits for years of service.

2.8 Foreign currency

Transactions in foreign currency (defined as any currency other than the Company's functional currency) are converted to the functional currency according to the effective exchange rate at the date of transaction.

Monetary assets and liabilities in foreign currency are converted to the functional currency by applying the effective exchange rate at the close of each period, while non-monetary assets and liabilities are converted to the functional currency by applying the effective exchange rate at the date of transaction.

The exchange rate applied by the Company at the close of the years are indicated below:

Exchange rate	12-31-2021	12-31-2020
Chilean peso	844,69	710,95
EURO	0,8838	0,8141

2.9 Income from indexed units

Assets and liabilities controlled in Unidades de Fomento have been converted to U.S. dollars at the equivalent of each unit at the date of closing of the Financial Statements, and readjustments are recorded under the category of Income from indexed units in the Statement of Income.

The value of the Unidad de Fomento applied by the Company at the close of each period is shown below:

Exchange rate	12-31-2021	12-31-2020
Unidad de Fomento	36,69	40,88

2.10 Inventory

Inventory is valued at its acquisition cost or net realizable value (A), whichever is the lowest. The cost of inventory is determined using the Weighted Average Cost method.

The acquisition cost comprehends the price of purchase, import duties and other taxes (that cannot be recovered later from the tax authority), transportation, storage and other costs directly attributable to the acquisition of the inventory. Commercial discounts, rebates and other similar items are deducted in order to determine the acquisition cost.

(A) Net realizable value: The estimated sale price during the normal course of operations minus the estimated costs of finalizing production and those necessary to carry out the sale.

2.11 Property, plant and equipment

Recognition

Property, plant and equipment include goods used by the Company in the provision of services and for administrative use in the activities that support business management. They are measured at acquisition cost, minus accumulated depreciation and losses for impairment of value.

The acquisition cost includes costs directly attributable to the acquisition of the asset and any other cost directly attributable to ensuring that the asset is ready to operate, including the costs of disassembling and removing the items and restoring the area where they are located. After the acquisition, only expenses incurred that increase the useful life of the good or its economic or productive capacity shall be capitalized.

The costs for loans which are directly attributable to the acquisition, construction or production of a component of Property, plant and equipment form part of the cost of said assets. Other costs for loans are recognized as expenses during the period in which they are accrued.

The significant components or parts of a property, plant and equipment item that have different useful lives, when it is probable that future economic benefits associated with asset's elements will be perceived by the Company and whose cost can be reliably determined, are recorded as separate items within the Property, plant and equipment book.

Subsequent costs

The costs incurred for major maintenance are recognized as Property, plant, and equipment when these meet the requirements defined in IAS 16. These assets are amortized linearly with an effect on income, in the period remaining until the next scheduled major maintenance. Expenses derived from the periodic maintenance of property, plant and equipment assets are recorded with an effect on income in the period in which they are incurred.

The Company has determined residual values for the Property, plant and equipment assets based on the estimate of the recoverable value of the assets at the end of their useful life.

Depreciation and useful lives

Depreciation is recognized with an effect on income on a linear basis upon the useful lives, expressed in years, of each component of a property, plant and equipment item.

The useful life estimates and residual values are reviewed at least once a year. The following chart shows a description of the useful life estimates for the Property, plant and equipment categories:

		Minimum	Maximum
Plant and equipment	Years	1	20
IT equipment	Years	2	13
Fixed installations and accessories	Years	1	20
Motor vehicles	Years	2	10
Other Property, plant and equipment	Years	3	12

2.12 Intangible Assets

Recognition

This category presents the costs associated with the "Concession Contract for the Development, Maintenance and Exploitation of Berthing Facility Number One of the Port of Valparaíso" signed on November 12, 1999 by the Company and Empresa Portuaria Valparaíso. It is classified as an intangible asset in accordance with IFRIC 12, because the Company receives the right to charge the users of this public service.

The intangible is determined by the payment of the obligations established in the abovementioned Concession Contract, amount to be paid as an up-front payment (ThUS\$ 100,600 nominal value) and the payment of minimum rental (total of ThUS\$ 112,920 nominal value). Both were expressed as the present value at the date of the contract, using a proper discount rate. These payments are subject to readjustment based on the PPI (United States Producer Price Index). Obligations are presented in Other current and non-current financial liabilities.

Additionally, it includes intangible assets generated from infrastructure contributions which the Company has made in accordance with the construction contract. These contributions correspond to the infrastructure or offices constructed in the concession area, and according to the Concession Contract, Empresa Portuaria Valparaíso must reimburse the Company at the end of the concession, at its residual value (cost of construction approved by Empresa Portuaria Valparaíso, minus the accumulated amortization at the end of the concession).

Intangible assets have been recorded at the cost of construction, and the respective account receivable is initially recorded at present value using the appropriate discount rate, and at the close of each Financial Statement is recorded using the amortized cost method, at the closing of each Financial Statement.

This intangible asset has a finite useful life determined in accordance with the concession term stated in the referred contract whose original maturity date is December 31, 2019.

On December 27, 2017, through letter GDC/103/2017, Empresa Portuaria Valparaíso gave the final approval to the investment project "Extension site 3 and Reinforcement Site 4 and 5 of berthing front No. 1 of the Port of Valparaíso", granting the 10 additional years of exploitation of the concession, in accordance with the provisions of Section 2.4 and Annex VII of the Tender Conditions of the Concession Contract and the request made by TPS. This 10-year extension has consequently increased the useful life of the abovementioned asset.

In accordance with the provisions of section 12.1 letter G of letter a) of the Contract, Empresa Portuaria Valparaíso will proceed to carry out an audit, which, based on the pertinence, proportionality and compliance with the contractual procedures, allows to determine amounts of investment and period of useful lives of the work, which could generate that in the future they will have to change the calculation bases of the projects for these contributions, generating some variations in the current values of assets and amortization.

The intangible suffered an increase for the payment of the minimum annual amounts for the concept of canon (increase of ThUS \$ 57,000 nominal value), all of which were expressed at present value at the date of the authorization of the 10-year extension, using an appropriate discount rate.

Subsequent costs

ny other intangible asset shall be initially recognized as its acquisition or production cost and then valued at its lower costs, as applicable, its corresponding accumulated amortization and the losses for any impairment experienced.

Amortization and useful lives

The amortization is recognized with an effect on income based on the linear amortization method according to the estimated useful life of each of the intangible assets, from the date on which they are available for use.

The estimate useful lives and residual values (when applicable) shall be reviewed at least once a year.

The following chart shows a description of the useful lives estimates for intangible assets:

		Minimum	Maximum
Port concession	Years	-	30
IT programs	Years	1	5
Port infrastructure contributions	Years	1	30
Expansion of the Port Concession Contract	Years	-	10

2.13 Leases

Lease contracts that substantially transfer to the Company all risks and benefits inherent to the property of leased assets are classified and valued as financial leases or are otherwise recorded as operating leases.

At the beginning of the financial lease term, an asset and a liability are recognized as the fair value of the leased asset or as the actual value of the minimum lease payments, whichever is the lowest. The minimum payments are divided among the financial expense and the reduction of the unpaid debt.

The operating lease payments are recognized linearly as expenses during the lease term.

Regarding IFRS 16 Leases for 2021, there are no contracts that have been affected by the application of the mentioned standard.

2.14 Impairment of assets

Financial assets

At the end of every year, it will be evaluated whether there is an objective evidence that suggests that one or more financial assets, measured by their depreciable amount, have suffered a loss of value. If that's the case, the appropriate value adjustment must be recorded.

If there is any sign of loss of value (impairment), an estimate will be made of the recoverable amount of those assets in order to determine, as is the case, the amount of the necessary write-off.

For establishing the value after the initial recognition, an entity will measure its financial assets, including those derivatives that are assets, as the fair value without deducting transactions expenses that may result from the sale or disposal by other means of the assets, except for the following financial assets:

- Loans or accounts receivable; these will be amortized through the effective interest rate method;
- Investments held to maturity; the amortized cost will be measured through the effective interest rate method;
- Investments in equity instruments that do not have the price quoted in an active market, and of which the fair value cannot be reliably measured; and
- The derivative instruments connected to those unquoted equity instruments and which must be settled through their delivery; are measured at cost.

For trade accounts receivable, the Company applies a simplified approach to calculate expected credit losses (ECL). Therefore, it does not monitor changes in credit risk, but recognizes a provision for losses based on ECL for life on each reporting date. The Company has established a model or matrix of provisions based on its historical experience of credit losses in recent years, adjusted for specific future factors for its debtors, industry and the economy. (See note 6).

Non-financial assets

At each reporting date, the Company evaluates whether there are any signs that an asset could be impaired. If such a sign exists, or when there is an annual requirement of proof of an asset's impairment, the Company makes an estimation of the asset's recoverable amount. The recoverable amount of an asset is the highest value between the fair value of an asset or cash generating unit minus the sales cost and its

use value and is determined for an individual asset unless the asset does not generate any cash flow that is largely independent of other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount. When evaluating the use value, the future estimated cash flows shall be discounted from its present value using the pre-tax discount rate that reflects the current market evaluations of the money's time value and the risks specific to the asset. To determine the fair value minus the sales costs, an appropriate valuation method shall be used.

Impairment losses from continuing operations are recognized in the Income Statement in the expense categories consistent with the function of the impaired asset, except for previously revalued properties where the value has been taken to equity.

For assets excluding goodwill, at each reporting date the Company evaluates whether there is any sign that a previously recognized impairment may have diminished or disappeared. If such a sign exists, the Company estimates the recoverable amount. A previous recognition of loss for impairment will be reversed only if there has been a change in the estimation used to determine the recoverable amount of the asset since the last loss for impairment recognition. If this is the case, the carrying amount of the asset will be increased to its recoverable amount. This increased amount may not exceed the carrying amount that would have been determined, net of depreciation, if a loss for impairment had not been recognized in previous years. Losses for impairment recognized in relation to goodwill are not reversed for later increases in its recoverable amount.

2.15 Provisions

A provision is recognized when there are legal or implicit obligations as the result of a past event, when it is probable that future economic benefits will be generate and the amount of the obligation can be reliably measured.

Provisions are reverted against income when there is a lower possibility that resources will need to be used to pay the obligation.

If the effect of the money over time is material, provisions are discounted using the current pre-tax rate that reflects, as applicable, the specific risks of the liability. The increase in the provision, due to the pass of time, is recognized as a finance cost.

2.16 Employee benefits

The actuarial variation of the employee severance payment benefits obligation for years of service is recognized directly in income. What corresponds to costs for current services, costs for interest and, the actuarial profits and losses are recognized with debit/credit to equity during the period in which these arise. Other short-term benefits, for example bonuses, etc., are recognized using the accrual method.

2.17 Income tax and Deferred taxes

The Income tax result is composed of current taxes and deferred taxes. The income tax result is recognized in the income for the year, except when related to items directly recognized in Equity.

The Company's current tax result comes from the application of the income tax rate on the taxable base for the period, calculated in accordance with the Income Tax Law (DL N°824).

The Company records deferred taxes for all temporary differences generated from the calculation of first category net income using the accounting and tax base of assets, liabilities and equity. Deferred tax assets and liabilities are recognized using the balance sheet method.

Deferred taxes are measured considering the tax rates that are expected to be applied on the temporary differences when they are reversed, based on the laws that have been approved or are about to be approved at the date of close of each Financial Statement.

2.18 Ordinary revenue and operating costs

Ordinary revenue and operating costs derived from the provision of port services are recognized in income considering the degree of completion of the service provision at the date of close, as long as the result of these can be reliably estimated.

When the results of the services provided cannot be reliably estimated, the revenue is recognized only when the expenses made can be recovered.

Ordinary revenue and operating costs derived from other services related to the port business are recognized in income on an accrued basis.

2.19 Finance revenue and costs

In relation to finance costs, these are carried to expenses when they are incurred, and are found in the finance expense item presented in non-operating income. This classification does not include costs to finance the construction or development of assets requiring a substantial period to prepare the asset for use according to the operating conditions established by Management. Finance costs related to an asset are capitalized from the date on which the asset to be built is known. The amount of capitalized finance costs (before taxes) for the year is determined by applying the effective interest rate to the loans effective during the year in which the finance expenses are capitalized.

2.20 Derivative financial instruments

a) Financial assets at fair value with effect on income.

The financial assets as fair value with effect on income are financial assets held for negotiation. A finance asset is classified under this category if it is acquired primarily for the purpose of selling in the short term. Derivatives are also classified as acquired for negotiation unless they are designated as hedges. The assets in this category are classified as current assets.

Investments in negotiable securities are initially recorded at cost and then their value is updated based on their market value (fair value).

b) Derivative financial instruments

Derivatives are initially recognized at fair value on the date of the derivative contract and then they are valued again at their fair value. The method for recognizing the resulting loss or profit depends on whether the derivative has been classified as a hedge or not and, if so, the nature of the item it is hedging. The Company primarily uses cash flow hedges for highly probable expected cash flows.

The Company documents the relationship between the hedge instrument and hedged items at the beginning of the transaction, as well as its risk management objectives and the strategy for performing different hedge operations. The Company also documents its evaluation, both at the beginning and on a permanent basis, of whether the derivatives used in hedge transactions are highly effective for compensating the changes in fair value or in the cash flows of the hedged items.

The total fair value of hedge derivatives are classified as Other non-current assets or financial liabilities if the remaining expiration of the hedged item is greater than 12 months and as other current assets or financial liabilities if the remaining expiration of the hedged item is less than or equal to 12 months. Derivatives not recorded as hedges are classified as Other assets or financial liabilities.

The effective part of changes in the fair value of derivatives that are designated and classified as cash flow hedges are recognized in the Statement of other Comprehensive Income. The loss or profit related to the non-effective part is immediately recognized in the Statement of Consolidated Income within “other profits (losses)”.

When a hedge instrument expires or is sold, or when the hedge accounting requirements are not met, any accumulated profit or loss in the Statement of other Comprehensive Income up until that moment remains in other comprehensive income and is finally recognized in the Statement of Consolidated Income. When it is expected that the foreseen transaction will not occur, the accumulated profit or loss in the Statement of other Comprehensive Income is immediately carried to the Statement of Income under “Other profits (losses)”.

The Company evaluates the existence of implicit derivatives in financial and non-financial instrument contracts to determine if their characteristics and risks are closely related to the main contract. If not, they are recorded separately, recording the variations in fair value under income.

The interest rate risk management strategy attempts to fix cash flows generated from financing at a US\$ Libor 180 variable rate, through the implementation of a cash flow hedge, in which a hedge instrument (derivative instrument) is designated to compensate the exposure of the future cash flows (interest payments) that depend on the future or forward US\$ Libor 180 rates (estimated using the Libor zero coupon curves), hedging a foreseen future transaction whose execution is highly probable.

The interest rate risk management strategy was approved by the Board of Directors and carried out by the Company's management.

The detail of the Company's hedge strategy is presented below:

Interest flow hedge of a bank obligation at a variable rate

This hedge strategy is aimed at hedging financing at US\$ Libor 180, transforming that variable rate to a fixed rate during the entire life of the operation. Likewise, the derivatives were taken with the same debt characteristics at a US\$ Libor 180 rate, in order to avoid ineffectiveness on the hedges.

At the beginning of the hedge, the Company documented the hedge relationship (hedge instrument and hedged object), the hedge objectives, the risk management strategy and the effectiveness tests, recognizing the portions corresponding to the hedge in equity and in income.

The hedges must have a high degree of effectiveness from the beginning, and at any time during the period for which it is structured. Effectiveness is understood as the degree to which variations in the cash flows of the hedge instrument compensate the variations in cash flows of the hedged object attributable to the hedged risk.

The subsequent accounting of the Company's cash flow hedge is done by recording the hedged item at its amortized cost and the hedge instrument as fair value according to IFRS, the effective portion of the hedge instrument is carried to equity and the ineffective portion to income for the year.

It should be noted that upon expiration of the hedging strategies, the deferred income in equity is transferred to the income for the year.

The Company's hedging can only be interrupted in the following cases:

A position of the designated hedge instrument expires, and no situation or renewal has been foreseen, it is sold or liquidated, or it is exercised or closed.

The hedge no longer meets one of the necessary requirements in order to apply the special accounting of hedges. If there is any evidence that a foreseen future transaction to be hedged will not be carried out, the Company shall suspend the designation of the hedge.

c) Non-derivative financial instruments

c.1) Financial liabilities

c.1.1) Trade receivables and other accounts receivable

This item includes pending payment amount from commercial purchases and related expenses, which are registered as nominal value. These items are not subject to interest.

c.1.2) Loans that accrue interest

These loans are generally recorded as the cash received, net of costs incurred in the transaction. They shall be valued at amortized cost, using the effective interest rate method.

Finance expenses, including premiums payable in the liquidation or the reimbursement and direct costs of issue, shall be recorded according to the accrual criteria in income using the effective interest rate method and shall be added to the instrument carrying amount when not liquidated during the period in which they are generated.

2.21 Direct Statement of Cash Flows

The Statement of Cash Flows considers the cash movements occurred during each year, determined using the direct method, and considers:

- a) Cash flows as the entry and outflow of cash in banking accounts, highly liquid investments with a term of less than three months and low risk of alterations in their value.
- b) As operating activities, those that constitute the main source of ordinary income, as well as other activities not classified as investment or financing.
- c) As investing activities, the acquisitions, transfers or other types of disposals of non-current assets and other investments not included in cash and cash equivalent.
- d) As financing activities, those that produce changes in the size and composition of net equity and financial liabilities.

2.22 Classification of the current and non-current balances

In the Statement of Financial Position, the balances are classified based on their expiration, that is, current balances are those that expire within twelve months and non-current balances expire beyond that period.

2.23 New Standards, Improvements and changes in the International Financial Reporting Standards

The rules, interpretations and amendments to IFRS that entered into force as of the date of the Financial Statements, their nature and impacts are detailed below:

	Amendments	Date of mandatory application
IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023
IAS 8	Definition of Accounting Estimates	January 1, 2023
IAS 1	Disclosure of Accounting Policies	January 1, 2023
IAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	January 1, 2023

IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current and Non-current

In June 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for the classification of liabilities as current and non-current.

The amendments are effective for periods beginning on or after January 1, 2023. Entities must carefully consider whether there is any aspect of the amendments that suggests that the terms of their existing loan agreements should be renegotiated. In this context, it is important to emphasize that the amendments must be applied retrospectively.

The Company assessed the impact of this amendment, considering that there will be no impact on the financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a new definition of “accounting estimates”. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. In addition, they clarify how entities use measurement techniques and supplies to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate, due to a change in supplies or a change in a measurement technique are changes in accounting estimates, as long as they are not the result of a correction of errors from previous periods. The previous definition of a change in accounting estimate specified that changes in accounting estimates can be the result of new information or new developments. Therefore, such changes are not error corrections.

The amendment will be effective for annual periods commencing as of January 1, 2023.

The Company assessed the impact of this amendment, considering that there will be no impact on the financial statements.

IAS 1 Presentation of Financial Statements – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities make materiality judgements related to disclosure of accounting policies.

The objective of the amendments is to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement that entities disclose their “significant” accounting policies with the requirement to disclose “material” accounting policies
- Including guidance on how entities apply the concept of materiality in decision making regarding disclosure of accounting policies

When assessing the relative importance of the information on accounting policies, entities must consider both the size of the transaction and other events or conditions and their nature.

The amendment will be effective for annual periods beginning as of January 1, 2023. Early application of the amendments to IAS1 is allowed as long as this fact is disclosed.

The Company assessed the impact of this amendment, considering that there will be no impact on the financial statements.

IAS 12 Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 that narrowed the scope of the recognition exemption in IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The amendments clarify that when payments made to settle a liability are deductible for tax purposes, it is a matter of judgment (according to the applicable tax legislation) whether these deductions are attributable to the liability recognized in the financial statements (and interest expense) or the related asset (and interest expense) for tax purposes. This judgment is important to determine whether there are temporary differences upon initial recognition of assets and liabilities.

In addition, according to the amendments issued, the initial recognition exception does not apply to transactions that give rise to equal taxable and deductible temporary differences upon initial recognition. This exception only applies if the recognition of a lease asset and a lease liability (or a decommissioning liability and decommissioning asset component) do not give rise to equal taxable and deductible temporary differences. However, the resulting deferred tax assets and liabilities may not be equal (for example, if the entity is not eligible to tax deductions or if different tax rates apply to taxable and deductible temporary differences). In such cases, an entity would account for the difference between the deferred tax asset and the deferred tax liability in income.

The amendment will be effective for annual periods commencing on January 1, 2023.

The Company assessed the impact of this amendment, considering that there will be no impact on the financial statements.

3. Accounting changes

3.1 New standards, interpretations and amendments

The rules, interpretations and amendments to IFRS that entered into force as of the date of the Financial Statements, their nature and impacts are detailed below:

Amendments	Date of mandatory application
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	January 1, 2021
Interest Rate Benchmark Reform – Phase 2	

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2

In August 2020, the IASB issued the Interest Rate Benchmark Reform – Phase II that comprises amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Thus, the IASB finalizes its work to address the effects of the reform to interbank offered rates (IBORs) in financial reporting.

The amendments provide temporary exemptions that address the effects on financial reporting when interest rate benchmarks (IBORs) are replaced with alternative interest risk free rates.

The amendments are mandatory and early application is permitted. A hedge relationship must be resumed if the hedge relationship was solely discontinued because of the changes implemented by the interest rate benchmark reform and thus, it would have not been discontinued if Phase II of the project had been applied then. While amendments must be applied retrospectively, an entity is not required to restate prior periods.

The Company assessed the impact of the mentioned standard and considers that there will be no clear impact on the financial statements due to this standard, which will be verified when the rate change is correctly in force.

4. Cash and cash equivalent

Cash and cash equivalents are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Available cash	1	2
Balances in banks	14.463	8.599
Short-term deposits	9.003	4.158
Total cash and cash equivalents	23.467	12.759

Available cash and bank checking accounts are available resources and their fair value is equal to their carrying amount. The bank balances include bank accounts in Chilean pesos and U.S. dollars.

The short-term deposits are composed of investments in financial instruments held until their expiration that are not subject to any type of restriction and are reflected at the initial value in dollars, plus the portion of accrued interest at the date of close. The maximum term of these instruments does not exceed 90 days from the date of investment, and they are not subject to significant variations in their value.

The type of currency is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Cash and cash equivalents in Ch\$	2.978	1.111
Cash and cash equivalents in US\$	20.489	11.648
Total cash and cash equivalents	23.467	12.759

5. Other non-financial assets

Other non-financial assets are detailed as follows:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Prepaid insurance payments	2.382	-	2.382	2.109	-	2.109
Other prepayments (1)	456	80	536	444	355	799
Total	2.838	80	2.918	2.553	355	2.908

(1) Other advance payments include annual maintenance of licenses and other small expenses in both portions, current and non-current.

6. Trade receivables and other accounts receivable

Trade receivables and other accounts receivable are detailed as follows:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total MUS\$
Trade receivables (1)	7.515	-	7.515	9.004	-	9.004
Other accounts receivable (2)	437	-	437	758	-	758
Bad debts estimation	(38)	-	(38)	(131)	-	(131)
Total accounts receivable	7.914	-	7.914	9.631	-	9.631

(1) It corresponds to current accounts receivable from clients for port services provided.

(2) It corresponds mainly to advances to employees.

The billing policies applied by the Company are in cash or credit with a maximum of 30 days for clients that have guarantees for payment fulfillment or trade agreements.

The aging of the gross trade receivables and other accounts receivable is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Receivables - not overdue	7.514	6.363
Receivables - 31 to 90 overdue	400	3.241
Receivables - 91 to 365 overdue	-	27
Total	7.914	9.631

The activity experienced by the impairment of trade receivables and other accounts receivable is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Balance at the beginning of the year	131	15
Increases (reversals) of provisions	38	198
Write-offs	(100)	(118)
Exchange rate effect	(31)	36
Balance at the end of the year	38	131

For trade accounts receivable, the Company applies a simplified approach to calculate expected credit losses (ECL). Therefore, it does not monitor changes in credit risk, but recognizes a provision for losses based on ECL for life on each reporting date. The Company has established a model or matrix of provisions based on its historical experience of credit losses in recent years, adjusted for specific future factors for its debtors, industry and the economy. (See note 6).

7. Related party disclosures

A summary of the accounts receivable from related parties' balances is provided in the following chart:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total MUS\$
Accounts receivable	497	-	497	133	-	133
Accounts payable	(9.073)	-	(9.073)	(2.441)	-	(2.441)
Accounts receivable (payable) net	(8.576)	-	(8.573)	(2.308)	-	(2.308)

All current pending balances with related parties are valued under conditions of mutual independence and shall be paid within twelve months after the date of the balance. These balances are not subject to interest and are controlled in U.S. dollars and in Chilean pesos.

The balances pending at the close of the year are not guaranteed, do not accrue interest and are liquidated in cash. There have been no guarantees provided or received for accounts receivables or payable with related parties. For the years included in the present Financial Statements, the Company has recorded no impairment of accounts receivables related to amounts owed by related parties. This evaluation is performed every financial year through the examination of the financial position of the related party in the market in which it operates. Receivable and payable balances are less than a year old.

a) Accounts receivable with related parties are detailed as follows:

RUT	Company	Country of Origin	Nature of the Relationship	Currency	12-31-2021		12-31-2020	
					Current ThUS\$	Non-Current ThUS\$	Current ThUS\$	Non-Current ThUS\$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common Shareholder	Dollars	274	-	12	-
96500950-7	Sitrans, Servicios integrados de transportes Ltda.	Chile	Common Shareholder	Pesos	3	-	8	-
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common Shareholder	Dollars	-	-	36	-
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common Shareholder	Pesos	39	-	6	-
76317650-9	Agencia Marítima Kenrick Ltda.	Chile	Common Shareholder	Dollars	-	-	5	-
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common Shareholder	Pesos	-	-	12	-
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common Shareholder	Pesos	-	-	1	-
76899452-8	Evergreen Shipping Agency SpA	Chile	Common Shareholder	Dollars	181	-	53	-
	Total				497	-	133	-

There are no guarantees for these amounts and none of them is considered as doubtful debt. For 2021 the amounts presented are with rebate discounted.

b) Accounts payable with related parties are detailed as follows

RUT	Company	Country of Origin	Nature of the Relationship	Currency	12-31-2021		12-31-2020	
					Current ThUS\$	Non-Current ThUS\$	Current ThUS\$	Non-Current ThUS\$
96500950-7	Sitrans, Servicios integrados de transportes Ltda.	Chile	Common shareholder	Pesos	118	-	207	-
88056400-5	Servicios Marítimos y transportes Ltda.	Chile	Common shareholder	Pesos	2.430	-	1.444	-
76079857-6	Asesorías Ultramar Limitada	Chile	Common shareholder	Pesos	3	-	-	-
76237330-0	Neltume Ports S.A. (1)	Chile	Parent	Dólares	1.366	-	617	-
59236520-0	Contug Terminals S.A. (2)	Suiza	Shareholder	Dolares	576	-	78	-
96707720-8	Mediterranean Shipping Co. (Chile) S.A.	Chile	Common shareholder	Dollars	4.556	-	11	-
76197328-2	Terminal Puerto Coquimbo S.A.	Chile	Common shareholder	Dollars	-	-	82	-
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common shareholder	Pesos	2	-	-	-
96712570-9	Ulog Soluciones Logísticas Integral Ltda.	Chile	Common shareholder	Pesos	22	-	-	-
77938830-1	Sitrans, Almacenes Extraportuarios Ltda.	Chile	Common shareholder	Pesos	-	-	2	-
Total					9.073	-	2.441	-

(1) Includes a provisional dividend accrued of ThUS\$ 863.

(2) Includes a provisional dividend accrued of ThUS\$ 576.

c) Transactions with related parties:

Transactions between related parties consist primarily of the buying and selling of port services. The payment conditions in the case of sales are within 30 days and in dollars, and for purchases within 30 days with no interest. Buying and selling with related parties are performed at normal market prices.

For the year ended December 31, 2021

RUT	Company	Country of origin	Nature of the relationship	Transaction	Amount	Credit (debit) to income
					ThUS\$	ThUS\$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common shareholder	Sales of operational services (Third Party Rep.)	2.500	2.500
				Purchase of operational services	14	(14)
88056400-5	Servicios Marítimos y Transportes Ltda.	Chile	Common shareholder	Purchase of operational services	13.010	(13.010)
					7	7
96500950-7	Sitrans, Servicios Integrados de transportes Ltda.	Chile	Common shareholder	Sales of operational services	57	57
				Purchase of operational services	1.098	(1.098)
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Sales of operational services (Related Rep.)	26.984	26.984
				Purchase of operative services	8	(8)
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common shareholder	Purchase of operative services	24	(24)
76899452-8	Evergreen Shipping Agency SpA	Chile	Common shareholder	Sales of operative services	175	175
76172595-5	Medlog Chile S.A.	Chile	Common shareholder	Sales of operative services	9	9
76237330-0	Neltume Ports S.A.	Chile	Common shareholder	Purchase of operative services	500	(500)
76146282-2	Navegaciones Del Pacifico Agencia Marítima Ltda	Chile	Common shareholder	Sales of operative services	1	1
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common shareholder	Purchase of operative services	19	(19)

All transactions presented net of value added tax.

For the year ended December 31, 2020

RUT	Company	Country of origin	Nature of the relationship	Transaction	Amount	Credit (debit) to income
					ThUS\$	ThUS\$
80992000-3	Ultramar Agencia Marítima Ltda.	Chile	Common shareholder	Sales of operational services (Third Party Rep.)	1.612	1.612
				Purchase of operational services	3	(3)
88056400-5	Servicios Marítimos Y Transportes Ltda.	Chile	Common shareholder	Purchase of operational services	9.111	(9.111)
96500950-7	Sitrans, Servicios Integrados de transportes Ltda.	Chile	Common shareholder	Sales of operational services	28	28
				Purchase of operational services	1.134	(1.134)
96898290-7	Servicios Ultramar Ltda.	Chile	Common shareholder	Purchase of operational services	14	(14)
96707720-8	Mediterranean Shipping Company (Chile) S.A.	Chile	Common shareholder	Sales of operational services (Related Rep.)	20.257	20.257
				Purchase of operational services	12	(12)
77938830-1	Sitrans almacenes Extraportuarios Ltda.	Chile	Common shareholder	Sales of operational services	238	238
				Purchase of operational services	15	(15)
76899452-8	Evergreen Shipping Agency SpA	Chile	Common shareholder	Sales of operational services (Related Rep.)	1.447	1.447
				Operational purchase	1.313	(1.313)
76172595-5	Medlog Chile S.A.	Chile	Common shareholder	Sales of operational services	13	13
76237330-0	Neltume Ports S.A.	Chile	Common shareholder	Purchase of operational services	500	(500)
76146282-2	Navegaciones Del Pacifico Agencia Marítima Ltda	Chile	Common shareholder	Sales of operational services	3	3
96712570-9	Ulog Soluciones Logísticas Integrales Limitada	Chile	Common shareholder	Sales of operational services	11	11
76317650-9	Agencia Marítima Kenrick Ltda.	Chile	Common shareholder	Sales of operational services	19	19
78558840-1	Remolcadores Ultratug Ltda.	Chile	Common shareholder	Sales of operational services	39	39

All transactions presented net of value added tax.

d) Board of Directors and key directive staff

As of December 31, 2021 and 2020, the Board is conformed by 6 members, whose do not receive any salaries for their labor, as agreed in the Board Committee:

12-31-2021

Name	Position
Pablo Ihnen de la Fuente	Chairman of the Board
Richard von Appen Lahres	Director
Pier-Paolo Fernando Zaccarelli Fasce	Director
Alejandra Mehech Castellón	Director
Gregory Gottlieb	Director
Antonio Jose de Mattos Patricio Junior	Director

12-31-2020

Name	Position
Richard von Appen Lahres	Chairman of the Board
Pablo Ihnen de la Fuente	Director
Pier-Paolo Fernando Zaccarelli Fasce	Director
Alejandra Mehech Castellón	Director
Gregory Gottlieb	Director
Antonio Jose de Mattos Patricio Junior	Director

Terminal Pacífico Sur Valparaíso S.A. considers its key staff as those who fill positions of authority and accountability for the organisation, and control and planning of the Company's activities. The following executives are considered in this area:

12-31-2021

Name	Position
Oliver Weinreich R.	Managing Director
Roberto Guerra C.	Admin and Finance Manager
Rodrigo Cabrera E. (1)	People Deputy manager
Andrés Repetto B.	Operations Manager
Raul Guzman. (1)	Commercial Deputy manager
Ivan Ianiszewski. (1)	IT and Engineering Deputy manager
Laura Chiuminatto F. (1)	Sustainability Deputy manager

(1) Deputy managers depending directly from the General Manager.

12-31-2020

Nombre	Position
Oliver Weinreich R.	Managing Director
Maria Loreto Giacaman V.	Admin and Finance Manager
Rodrigo Cabrera E. (1)	People Deputy manager
Andres Repetto/Gabriel Tumani K. (2)	Operations Manager
Camilo Jobet W. (1)	Commercial Deputy manager
Mariela Morales A. (1)	IT Deputy manager
Laura Chiuminatto F. (1)	HSE Deputy manager

(1) Deputy managers depending directly from the General Manager.

(2) Gabriel Tumani was until February 2020.

These professionals received salaries and other benefits during the year ended December 31, 2021 and 2020 that amounted to ThUS\$ 1,025 and ThUS\$ 1,120, respectively.

At the end of the year, there are no payments for termination benefits to key managerial staff, and there are also no guarantees.

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Salaries and wages	576	680
Accrual of expenses for employee benefits	11	31
Participation in profits and bonuses	154	149
Other employee expenses	284	260
Total expenses of the directive staff	1.025	1.120

There are no post-employment benefits, payments based on shares or any other long-term benefits.

8. Inventory

The inventory balance is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Spare parts for operations	2.089	2.059
Other	192	134
Total	2.281	2.193

At the date of closing of the Financial Statements, it has not been necessary to generate an allowance for the obsolescence of inventory.

There is no inventory that has been committed to guarantee liabilities at the date of closing of the Financial Statements.

The consumption of inventory during 2021 was ThUS\$ 1,129 (ThUS\$ 1,021 in 2020).

9. Current tax assets/liabilities

The net balance of the current income tax payable account is detailed as follows

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Current income tax	-	-
Provisional monthly payments	-	-
Credits for training expenses (Sence)	(65)	(174)
Other credits to income tax	(66)	(100)
Net liability (asset) for current income tax	(131)	(274)

10. Other financial assets

These are detailed as follows:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Accounts receivable from						
Empresa Portuaria Valparaíso (1)	-	15.633	15.633	-	15.270	15.270
Loans to employees (2)	-	444	444	-	735	735
Total accounts receivable	-	16.077	16.077	-	16.005	16.005

(1) Non-current accounts receivable from Empresa Portuaria Valparaíso correspond to the right of the Company to receive at the end of the Concession Contract an amount in cash equivalent to the residual value of the contributions in infrastructure built under the Valparaíso Port Terminal 1 Concession Contract. This account receivable was initially valued at the present value of the account at the end of the concession term (extended term 12-31-2029) using a BCP or BCU discount rate, as appropriate, of 4.51% and 1.78%. Implicit interest derived from this account receivable is recorded in income on an accrual basis.

(2) Corresponds mainly to the long-term portion of loans associated to the collective agreement signed in 2020

11. Intangible assets other than goodwill

a) Intangibles by type of asset are detailed as follows:

Intangible assets	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Types of Intangible asset, Net		
Port concessions contracts, net	39.858	44.840
Port infrastructure contributions, net	32.110	35.173
IT programs, Net	572	761
Total Intangible assets, Net	72.540	80.774
Types of Intangible assets, Gross		
Port concessions contracts, Gross	197.564	197.564
Port infrastructure contributions, Gross	54.195	54.195
IT programs, Gross	10.835	10.812
Total Intangible assets, Gross	262.594	262.571
Types of Accumulated Amortization and Impairment of Value, Intangible assets		
Type of Accumulated Amortization and Impairment of Value, Port concessions contracts	157.706	152.724
Type of Accumulated Amortization and Impairment of Value, Port infrastructure contributions	22.085	19.022
Type of Accumulated Amortization and Impairment of Value, IT programs	10.263	10.051
Total Accumulated Amortization and Impairment of Value, Intangible assets	190.054	181.797

b) Reconciliation of changes in intangible assets by type for the years 2021 and 2020:

2021	Port Concession Contracts, net ThUS\$	Port Infrastructure Contributions, net ThUS\$	IT Programs, net ThUS\$	Identifiable Intangible assets, net ThUS\$
Beginning balance, net value 1-1-2021	44.840	35.173	761	80.774
Additions	-	-	23	23
Amortization	(4.982)	(3.063)	(212)	(8.257)
Other	-	-	-	-
Changes, Total	(4.982)	(3.063)	(189)	(8.234)
Ending balance, net value 12-31-2021	39.858	32.110	572	72.540

2020	Port Concession Contracts, net ThUS\$	Port Infrastructure Contributions, net ThUS\$	IT Programs, net ThUS\$	Identifiable Intangible assets, net ThUS\$
Beginning balance, net value 1-1-2020	49.822	38.236	886	88.944
Additions	-	-	709	709
Amortization	(4.982)	(3.063)	(834)	(8.879)
Other	-	-	-	-
Changes, Total	(4.982)	(3.063)	(125)	(8.170)
Ending balance, net value 12-31-2020	44.840	35.173	761	80.774

In 2021 and 2020, the amortization recognized in sales cost was ThUS\$ 8,257 and ThUS\$ 8,879, respectively.

12. Property, plant and equipment

a) The types of assets included in Property, plant and equipment are detailed as follows:

Property, Plant and Equipment	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Type of Property, Plant and Equipment, Net		
Plant and Equipment, Net	48.050	54.799
IT Equipment, Net	202	109
Fixed Installations and Accessories, Net	2.784	3.245
Motor Vehicles, Net	63	81
Others Property, Plant and Equipment, Net	1.618	1.020
Net Total	52.717	59.254
Type of Property, Plant and Equipment, Gross		
Plant and Equipment, Gross	119.080	119.608
IT Equipment, Gross	3.857	3.610
Fixed Installations and Accessories, Gross	10.850	10.818
Motor Vehicles, Gross	365	394
Others Property, Plant and Equipment, Gross	3.690	3.016
Gross Total	137.842	137.446
Type of Accumulated Depreciation and Impairment of Value, Property, Plant and Equipment		
Accumulated Depreciation and Impairment of Value, Plant and Equipment	71.030	64.809
Accumulated Depreciation and Impairment of Value, IT Equipment	3.655	3.501
Accumulated Depreciation and Impairment of Value, Fixed Installations and Accessories	8.066	7.573
Accumulated Depreciation and Impairment of Value, Motor Vehicles	302	313
Accumulated Depreciation and Impairment of Value, Others	2.072	1.996
Total	85.125	78.192

b) Reconciliation of changes in Property, plant and equipment:

2021	Plant and Equipment, net ThUS\$	IT equipment, net ThUS\$	Fixed installations and accessories, net ThUS\$	Motor vehicles, net ThUS\$	Other Property plant and equipment, net ThUS\$	Identifiable non-current assets, net ThUS\$
Beginning balance (net value) 1-1-2021	54.799	109	3.245	81	1.020	59.254
Additions	101	257	32	14	676	1.080
Additions due to transfer	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Depreciation	(6.766)	(164)	(493)	(27)	(78)	(7.528)
Other	(84)	-	-	(5)	.	(89)
Changes, Total	(6.749)	93	(461)	(18)	598	(6.537)
Ending balance (net value) 12-31-2021	48.050	202	2.784	63	1.618	52.717

The total depreciation for the year was ThUS\$ 7,528 and is classified under Administrative Expenses in the amount of ThUS\$ 162 and Sales costs in the amount of ThUS\$ 7,366 in the Statement of Income.

2020	Plant and Equipment, net ThUS\$	IT equipment, net ThUS\$	Fixed installations and accessories, net ThUS\$	Motor vehicles, net ThUS\$	Other Property plant and equipment, net ThUS\$	Identifiable non-current assets, net ThUS\$
Beginning balance (net value) 1-1-2020	61.150	276	3.209	109	2.002	66.746
Additions	494	68	530	13	55	1.160
Additions due to transfer	-	-	-	-	-	-
Disposal	(1)	-	-	-	-	(1)
Depreciation	(6.753)	(235)	(494)	(41)	(70)	(7.593)
Other	(91)	-	-	-	(967)	(1.058)
Changes, Total	(6.351)	(167)	36	(28)	(982)	(7.492)
Ending balance (net value) 12-31-2020	54.799	109	3.245	81	1.020	59.254

The total depreciation for the year was ThUS\$ 7,593 and is classified under Administrative Expenses in the amount of ThUS\$ 153 and Sales costs in the amount of ThUS\$ 7,440 in the Statement of Income.

c) Guarantees

As of December 31, 2021, and 2020, all Property, plant and equipment assets are in a pledge to guarantee the Company's bank loans (see Note 25).

d) Impairment

There are no other indicators of impairment of the values of the assets with long useful lives.

13. Other current and non-current financial liabilities

The balance of current and non-current financial liabilities is detailed as follows:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Loans that accrue interest (a)	10.455	51.620	62.075	10.476	61.944	72.420
Obligation minimum Concession fees (b)	9.049	32.578	41.627	9.385	36.490	45.875
Derivative contracts (c)	924	315	1.239	1.337	2.622	3.959
Total	20.428	84.513	104.941	21.198	101.056	122.254

a) Loans that accrue interest

The financial debt by type of loan is detailed as follows:

	12-31-2021			12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Bank Loans	10.324	51.620	61.944	10.324	61.944	72.268
Other Obligations	131	-	131	152	-	152
Total	10.455	51.620	62.075	10.476	61.944	72.420

On December 31, 2019, the Company refinanced its loan, with Scotiabank as the only creditor. Its main conditions are detailed as follows:

Tax No.	Financial institution	Country	Currency	Interest rate	Effective interest rate	Maturity date	Amount ThUS\$	Amortization
97.018.000-1	Scotiabank	Chile	US\$	Libor (US\$) 180 + Spread 1.92%	3.26%	Dec 15, 2026	61.944	Semiannual as of June 15, 2022
97.018.000-1	Scotiabank	Chile	US\$	Libor (US\$) 180 + Spread 1.92%	3.26%	Dec 15, 2026	131	Semiannual interest as of June 15, 2022

The payments of capital to be made during the next few years are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Up to 90 days	-	-
From 90 days to 1 year	10.455	10.476
From 1 year to 3 years	30.972	30.972
From 3 years to 5 years	20.648	20.648
Over 5 years	-	10.324
Total bank loans (gross)	62.075	72.420

The Company has a six-monthly payment schedule, with expiration dates on June 15 and December 15 of each year, for the payment of the principal and the same date for the payment of interest. The next payment of principal and interest is June 15, 2022.

The loan establishes certain prohibitions and obligations “of things not to do”. By the end of each year, there are no non-compliances, with the exception of a covenant that is not in compliance as of December 31, 2018, which was informed and approved in a timely manner.

Covenants	Condition	Real	
		2021	2020
1. Financial debt / Equity	< 3.3	1.36	1.69
2. (Ebitda – Dividend)/(Finance cost + Debt Amortization)	>=1.1	1.37	-

The Company has hedged the interest rates for this loan. The description of the derivative contracts is presented in the present note, letter c).

There are no financing costs capitalized in 2021 and 2020.

b) Minimum annual concession fee obligation:

The balance of current and non-current financial liabilities regarding the minimum annual concession fee is shown below:

	12-31-2021		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Financing concession contract	9.049	32.578	41.627
Total annual minimum concession fee	9.049	32.578	41.627

	12-31-2020		
	Current ThUS\$	Non-current ThUS\$	Total ThUS\$
Financing concession contract	9.385	36.490	45.875
Total annual minimum concession fee	9.385	36.490	45.875

The financing of the Concession Contract is an implicit financing held by Terminal Pacifico Sur Valparaíso S.A. with Empresa Portuaria Valparaíso (EPV), (see Note 22), and it corresponds to the minimum amount of fixed annual fees in dollars in the Concession Contract for each contractual year. This obligation has been initially recorded at present value using an interest rate of 6.59%, which was defined at the beginning of the Concession. After the initial valuation, this obligation is valued at amortized cost using the effective interest rate. The amortizations of capital are annual and divided quarterly.

After receiving the final approval of investment project called “Site 3 Extension and Sites 4 and 5 Reinforcement of Berth Location No. 1 in the Port of Valparaíso” from Empresa Portuaria Valparaíso (EPV), the Company recalculated the minimum annual payments in dollars established in the concession contract per each contractual year until the new maturity date, that is, December 31, 2029 with a new interest rate of 4.39% (Wacc). This triggered a new obligation value and its was valued at amortized cost using this new interest rate (Wacc).

The minimum payments to be made during the next few years are detailed as follows:

	12-31-2021			12-31-2020		
	Minimum future payments	Interest	Current value of minimum future payments	Minimum future payments	Interest	Current value of minimum future payments
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Up to 90 days	4.774	420	4.354	5.110	463	4.647
From 91 days to 1 year	4.275	1.194	3.081	4.275	1.325	2.950
From 1 year to 3 years	17.100	3.714	13.386	17.100	4.286	12.814
From 3 years to 5 years	17.100	1.841	15.259	17.100	2.493	14.607
Over 5 years	5.700	153	5.547	11.400	543	10.857
Total minimum lease fees	48.949	7.322	41.627	54.985	9.110	45.875

c) Derivative contracts:

The following chart shows the fair value of the hedge contracts:

	12-31-2021		12-31-2020	
	Assets ThUS\$	Liabilities ThUS\$	Assets ThUS\$	Liabilities ThUS\$
Current Interest Rate Swap				
Current Exchange Rate Forward	-	-	-	-
Non-current Interest Rate Swap	-	1.239	-	3.959
Total hedge liability	-	1.239	-	3.959

The Company has different derivative instruments that meet the hedge accounting criteria established by IFRS 9, to cover the risk associated with the current interest rate of the loan. Four Swap hedges of interest rates have been taken on different occasions interest or IRS. First the year 2015, then two during the year 2018 and finally one during the year 2019. The latter is valid until 2026.

The effects and variations in other hedge reserves within hedge equity are shown below:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Beginning balance Other hedge reserves	(2.891)	(1.074)
Beginning balance adjustment	-	442
Changes in fair value	1.985	(2.259)
Ending balance Other hedge reserves	(906)	(2.891)

The following chart shows the characteristics of the existing derivatives, and the fair value relationship at the date of each close:

Derivate	Item Covered	Agreement Date	Expiration Date	Currency	Amount	12-31-2021 Fair Value ThUS\$	12-31-2020 Fair Value ThUS\$
FSIRS	Libor Rate – Scotiabank Loan	01-18-2018	15-06-2023	Dollar	18.471	(599)	(1.611)
FSIRS	Libor Rate – Scotiabank Loan	01-18-2018	15-06-2023	Dollar	20.000	(170)	(457)
FSIRS	Libor Rate – Scotiabank Loan	12-16-2019	15-06-2026	Dollar	8.239	(470)	(1.891)
Total						(1.239)	(3.959)

The estimated probable flows payable for compensation in the interest rate swap and forward are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Up to 90 days	-	-
From 91 days to 1 year	(925)	(1.338)
From 1 year to 3 years	(328)	(1.857)
From 3 years to 5 years	14	(764)
Total	(1.239)	(3.959)

14. Trade payables and other accounts payable

Trade payables and other current accounts payable balance are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Trade payables	5.033	4.817
Other accounts payable	1.678	1.328
Total	6.711	6.145

Other accounts payable are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Withholdings	549	619
Miscellaneous payables (Monthly tax and others)	1.129	709
Total	1.678	1.328

15. Deferred taxes and income tax

Deferred taxes

Deferred taxes correspond to the amount of income taxes that the Company will have to pay (liabilities) or recover (assets) in future years, in relation to temporary differences between the tax base and the accounting carrying amount of certain assets and liabilities.

a) Deferred taxes are detailed as follows:

12-31-2021 Types of temporary differences	Deferred tax asset ThUS\$	Deferred tax liability ThUS\$	Net ThUS\$
Intangible assets	-	(9.251)	(9.251)
Termination benefits	1.105	-	1.105
Depreciation of Property, plant and equipment	-	(5.783)	(5.783)
Tax losses (1)	5.392	-	5.392
Other Concession Assets (2)	851	-	851
Others	218	(840)	(622)
Total	7.566	(15.874)	(8.308)

(1) The Company has estimated the recovery of its tax losses considering estimations of the future evolution of its business and the generation of future taxable profits that allow the recovery of this asset.

(2) Corresponds to the difference in the extension project included as infrastructure contribution.

12-31-2020	Deferred tax asset	Deferred tax liability	Net
Types of temporary differences	ThUS\$	ThUS\$	ThUS\$
Intangible assets	-	(10.722)	(10.722)
Termination benefits	1.219	-	1.219
Depreciation of Property, plant and equipment	-	(4.130)	(4.130)
Tax losses (1)	5.980	-	5.980
Other Concession Assets (2)	1.702	-	1.702
Others	294	(113)	181
Total	9.195	(14.965)	(5.770)

(1) The Company has estimated the recovery of its tax losses considering estimations of the future evolution of its business and the generation of future taxable profits that allow the recovery of this asset.

(2) Corresponds to the difference in the extension project included as infrastructure contribution.

b) The activity in deferred tax liabilities recognized during the year is detailed as follows:

Types of temporary differences	Balance as of 1-1-2021	Effect on income	Effect on equity	Balance as of 12-31-2021
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Intangible assets	(10.722)	1.472	-	(9.250)
Termination benefits	1.219	(89)	(25)	1.105
Vacation accrual	117	35	-	152
Impairment of receivables	35	(25)	-	10
Tax losses	5.980	(588)	-	5.392
Depreciation of fixed assets	(4.130)	(1.653)	-	(5.783)
Deferred expenses	(113)	11	-	(102)
Control of written-off accounts	24	(24)	-	-
Derivative swap rate	-	-	(734)	(734)
Other Concession Assets (1)	1.702	(851)	-	851
Other	118	(67)	-	51
Total	(5,770)	(1,779)	(759)	(8.308)

(1) Corresponds to the difference in the extension project included as infrastructure contribution.

Types of temporary differences	Balance as of 1-1-2020 ThUS\$	Effect on income ThUS\$	Effect on equity ThUS\$	Balance as of 12-31-2020 ThUS\$
Intangible assets	(11.613)	891	-	(10.722)
Termination benefits	1.120	131	(32)	1.219
Vacation accrual	98	19	-	117
Impairment of receivables	4	31	-	35
Tax losses	3.487	1.658	-	.5.145
Depreciation of fixed assets	(1.984)	(2.146)	-	(4.130)
Deferred expenses	(93)	(20)	-	(113)
Control of written-off accounts	24	-	-	24
Derivative swap rate	-	-	835	835
Other Concession Assets (1)	2.553	(851)	-	1.702
Other	64	54	-	118
Total	(6.340)	(233)	803	(5,770)

(1) Corresponds to the difference in the extension project included as infrastructure contribution.

c) Reconciliation of income tax rate

The following chart shows the reconciliation between the income tax resulting from the application of the current general tax rate to pre-tax profits in the Statement of Comprehensive Income and the Income tax expense recorded in the Statement of Income

	12-31-2021 ThUS\$		12-31-2020 ThUS\$	
Pre-tax profits		6.591		931
Income tax expense		(1.785)		(283)
Net profit		4.806		648
Reconciliation of the effective tax rate:				
Tax expenses using legal base	27%	(1.780)	27%	(251)
Previous year tax expense	0.08%	(5)	1.65%	(15)
Tax effect of rejected expenses	-	-	3.58%	(33)
Permanent difference				
Other variations for legal taxes	-	-	(1.82%)	16
Tax expenses using the effective rate	27.08%	(1.785)	30.32%	(283)

d) Income tax expense is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Current income tax expense (1)	(5)	(50)
Effect of deferred taxes (2)	(1.780)	(233)
Loss due to income tax	(1.785)	(283)

16. Termination benefits

a) Employee termination benefits

As of December 31, 2021, and 2020, the entity's responsibility to all of its employees is determined using the criteria established in IAS 19.

The obligation of employee termination benefits for years of service represents the benefit to be paid to all of the Company's employees upon termination of the concession.

The actuarial valuation is based on the following assumptions:

	12-31-2021	12-31-2020
Nominal discount rate (1)	5,62%	2,65%
Turnover rate based on company's needs (2)	5,57%	5,40%
Future salary increases (3)	6,83%	0,80%
Use of mortality chart	RV-2014	RV-2014
Retirement age for Men	65	65
Retirement age for Women	60	60

- (1) Corresponds to risk-free discount rate in Chile
 (2) Corresponds to internal employee turnover rate
 (3) Corresponds to nominal salary increase rate

The assumptions regarding future mobility are based on public statistics charts.

The changes in the value of the obligation are shown below:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Beginning balance as of January 1	4.514	4.146
Current cost of the service	172	198
Finance cost	213	67
Actuarial profit/loss	182	54
Benefits paid by the plan	(274)	(171)
Foreign currency translation	(715)	220
Ending balance as of December 31	4.092	4.514

The effect carried to income during 2021 is ThUS\$ (330) and ThUS\$ (94) in 2020.

b) Employee expenses are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Salaries and wages	7.074	6.823
Expenses for employee benefits obligation	1.208	1.577
Participation in profits and bonuses	1.093	2.725
Other employee expenses	1.893	815
Total employee expenses	11.268	11.940

- (1) Corresponds mainly to expenses associated to insurance, training and other things

17. Equity and reserves

a) Capital subscribed, paid and number of shares.

As of December 31, 2021, and 2020, the authorized corporate capital equals ThUS\$ 67,000, and is represented by 3,333 shares. All shares have been fully paid.

Series	No. shares subscribed	No. shares paid	No. shares with voting rights
Single	3.333	3.333	3.333

These shares have no nominal value and the Company has none of its own shares in its portfolio.

b) Others reserves

This equity category shows the effective portion of the cumulative effect (net of deferred taxes) of the fair value of hedge instruments and actuarial profit or loss associated with termination benefits. In addition, the category Other Reserves includes the amount distributed as interim dividends over the income of 2016 and retained earnings of the Company as of the agreement date.

Pursuant to article 56 of Law No. 18046 on Corporations, the Ordinary Shareholders Meeting is charged with the responsibility of reviewing the position of the Company and the reports of the account inspectors or external auditors, as appropriate, and approving or rejecting the Annual Report, Balance Sheet, Financial Statements and demonstrations presented by the administrators or liquidators of the Company. Then, the account "Other Reserves" has been recorded as approved at Meeting of shareholders held in 2017 for ThUS\$ 24,385 pending the decision of the Ordinary Shareholders Meeting regarding the intended use of the income for the year ended December 31, 2017.

c) Dividends

According to the by-laws, the Company will distribute at least 30% of profits for the year unless all voting shares agree otherwise. Due a lossest during year 2018, there was no provision considered.

On December 17, 2020, an essential event was presented due to an eventual dividend payment of US\$ 600.060006 per share, which was paid to the shareholders on December 28, 2020, with a charge to retained earnings.

On November 11, 2021, an essential event was presented due to an eventual dividend payment of US\$ 900.090009 per share, which was paid to the shareholders on November 19, 2021, with a charge to retained earnings.

In accordance with the Company's bylaws and the Stock Companies Law, 30% of profit for the year was accrued as interim dividends.

d) Capital management

The Company's objective in terms of capital management is to maintain an adequate level of capitalization, which will allow it access to financial markets for the development of its medium and long-term objectives, optimizing the return to its shareholders and maintaining a solid financial position.

18. Ordinary revenue

The ordinary revenue is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Wharfage services for cargo	5.660	5.332
Wharfage services for ships	5.576	4.555
Transfer services	40.433	36.721
Yard services	23.258	19.286
Others	204	143
Total Ordinary Revenue	75.131	66.037

19. Sales costs

The sales cost is detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Concession costs (1)	(12.677)	(14.022)
Fixed costs	(12.666)	(12.589)
Depreciation of fixed asset (See Note 12)	(7.366)	(7.440)
Variable costs (2)	(25.414)	(18.770)
Total sales costs	(58.123)	(52.821)

(1) Includes the amortization amounts indicated in Note 11

(2) Variable costs are mainly associated to the container and general cargo loading and unloading services provided to ships.

20. Administrative expenses and by function

a) Administrative expenses are detailed as follows:

Administrative expenses	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Employee salary expenses	(2.869)	(4.110)
External and advisory services expenses	(2.453)	(2.578)
Communications expenses	(24)	(21)
Travel expenses	(11)	(6)
Overhead expenses	(688)	(546)
Depreciations (See Note 12)	(162)	(153)
Other administrative expenses	(293)	(450)
Total administrative expenses	(6.500)	(7.864)

21. Finance Costs

Finance costs are detailed as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Finance interest and interest rate swap	2.851	3.236
Interest for Concession Contract financing	1.788	1.955
Bank guarantee letters	32	37
Employee benefits (See note 16)	213	67
Total finance costs	4.884	5.295

22. Service concession contract

Grantor : Empresa Portuaria Valparaíso (EPV)

Concessionaire: Terminal Pacífico Sur Valparaíso S.A. (TPS)

The Concession Contract of Berth No.1 of the port of Valparaíso was executed with Empresa Portuaria Valparaíso on November 12, 1999.

The Company is awarded by means of this contract the exclusive concession to develop, maintain and exploit Valparaíso Port Berth Location No. 1, including the right to charge users basic fees for basic services and special fees for special services provided in the concession area.

Under the terms of this contract, TPS is required to pay Empresa Portuaria Valparaíso the following:

- (a) Initial payment amounting to ThUS\$ 25,100, which was made to Empresa Portuaria Valparaíso on December 31, 1999;
- (b) Additional Payment amounting to ThUS\$ 75,500, which was made to Empresa Portuaria Valparaíso in 5 annual instalments of ThUS\$ 15,100 each, beginning in 2001;
- (c) The annual fee during the first contract year corresponded to a fixed amount of ThUS\$ 4,620, which was paid in four quarterly instalments of ThUS\$ 1,155 each. The annual fee from the second contract year and each subsequent year of the contract corresponds to an annual amount that needs to be determined on the basis of the cargo transferred during the prior contract year; however, it may not be less than ThUS\$ 5,700 each year.

The payments mentioned in letter c) must be adjusted according to the Producer Price Index (PPI) of the United States of America for finished goods (adjustment is not seasonal), determined by the United States Bureau of Statistics. This annual fee must be paid in US dollars or the equivalent in Chilean pesos according to the observed exchange rate informed by the Chilean Central Bank on the date of payment, in four equal quarterly instalments.

The original term of the concession is 20 years from the delivery date of the berthing front, occurred on January 1, 2000. The Concessionaire had the option to extend the term for a period of 10 additional years if the execution and operation phases of the construction project set forth in Annex VII of the Concession Contract are complete before the 19th contract year begins and has complied with some terms and conditions stated in the contract. The 10 additional years extension were ratified by the Empresa Portuaria Valparaíso at the time of granting the final approval to the respective project.

As of December 31, 2021 and in conformity with section 12.1, letter G of letter a) of the Concession Contract, Empresa Portuaria Valparaíso and Terminal Pacífico Sur Valparaíso S.A. are still reviewing the effective cost of that project, in order to determine the residual value that must be restored to Terminal Pacífico Sur Valparaíso S.A. at the end of the concession.

At the concession termination date, the berthing front and all the infrastructure contributions must be presented in good operating conditions, except for any wear and tear due to normal use.

The Company has fully complied with all aspects of its obligations arising from the Concession Contract as of the period ended December 31, 2021.

23. Financial instruments and risk management

23.1 Hierarchy of valuation

Under IFRS 7, there is a hierarchy for the determination of the value of a financial instrument. This hierarchy prioritizes price quotes available in active markets. In the absence of an active market, the fair value is estimated according to observations of transactions in the market of similar instruments. If no such transactions exist, then valuation techniques are used. Finally, if none of the above apply, the fair value of the financial instrument is close to its amortized cost minus impairment.

23.2 Guarantees granted and received

At the date of this report, Terminal Pacífico Sur Valparaíso S.A. has granted the following direct guarantees and received the following guarantees from third parties:

23.2.1 Direct Guarantees

Guarantee creditor	Debtor		Affected assets Original currency	Pending balances		Guarantee liberation	
	Name			31-12-2021	31-12-2020	2021	2022 & following
Scotiabank	Empresa Portuaria Valparaíso		US\$	3,348,831.97	3,684,991.93	3,684,991.93	3,348,831.97
Scotiabank	Empresa Portuaria Valparaíso		US\$	3,348,831.97	3,684,991.93	3,684,991.93	3,348,831.97
Scotiabank	Empresa Portuaria Valparaíso		US\$	3,348,831.97	3,684,991.93	3,684,991.93	3,348,831.97
Scotiabank	Empresa Portuaria Valparaíso		US\$	3,348,831.97	3,684,991.93	3,684,991.93	3,348,831.97
Banco Itaú	Servicio Nacional de Aduana		UF	18,000.00	18,000.00	18,000.00	18,000.00
Banco Itaú	Inspección del Trabajo de Valparaíso		UF	11,627.00	13,354.00	13,354.00	11,627.00
Banco Itaú	Empresa Portuaria Valparaíso		UF	134.00	134.00	134.00	134.00
Banco Itaú	Empresa Portuaria Valparaíso		UF	57.60	57.60	57.60	57.60
Banco Itaú	Empresa Portuaria Valparaíso		UF	53.66	53.66	53.66	53.66
Banco Itaú	Zeal Concesionaria S.A.		UF	100.00	100.00	100.00	100.00
Banco Itaú	Fisco		USD	0.00	5,000.00	0.00	0.00
Scotiabank	Subsecretaria Energía		Ch\$	23,877,430.00	0.00	0.00	23,877,430.00

Likewise, by virtue of the long-term credit line contract signed by the Company and Scotiabank, Terminal Pacífico Sur Valparaíso S.A. constituted in favor of that institutions a special pledge on the port concession that involves the right to the port concession belonging to the Company, all tangible assets of the Company of over ThUS\$ 50 and all revenue that corresponds to the Company as a result of the exploitation of the Concession Contract.

23.2.2 Guarantees obtained from third parties

At the date of this report, Terminal Pacífico Sur Valparaíso S.A. has received guarantees from some of its clients for services provided to guarantee the payment of invoices according to the 5+ day credit conditions.

Third parties guarantees	Currency Of Origin	Amount	
		12-31-2021 ThUS\$	12-31-2021 ThUS\$
Securitis in guarantees for sales	CLP	36.590	60.624
	USD	1.461,20	20.000

23.3 Implicit derivatives in host contracts

At the date of the report, Terminal Pacífico Sur Valparaíso S.A. has not constituted positions with implicit derivatives in host contracts.

23.4 Non-compliance with financial liabilities

At the date of the report, Terminal Pacífico Sur Valparaíso S.A. has not incurred in any non-compliance in terms of financial liabilities.

23.5 Presentation of exposure to financial risks

The Management uses the term “risk” to refer to situations in which it is exposed to propositions show elements of uncertainty, classifying these according to the sources of uncertainty and the associated video transmission mechanisms. Specifically, the Management uses the term “financial risk” to refer to financial uncertainty, in different time limits, generated by the operations of Terminal Pacífico Sur Valparaíso S.A.

23.6 Exposure to credit risk

The Management uses the concept “credit risk” to refer to financial uncertainty, in different time limits, related to the compliance of obligations assumed by counterparties, upon exercise of contractual rights to receive cash or other financial assets.

Regarding “trade receivables and other accounts receivable”, the counterparties are primarily customs agents, cargo agents and transportation companies with high solvency. The risk is managed by each business unit subject to the policy, procedures and controls established by Terminal Pacífico Sur Valparaíso S.A., in relation to the credit risk management of clients. The credit limits are established for all clients based on internal policies, which are evaluated periodically. Similarly, trade receivables are regularly monitored, and the impairment is analyzed individually on each reporting date for all relevant clients. The maximum exposure to credit risk at the date of this report is the current value of “trade receivables and other accounts payable”.

Regarding “financial assets at fair value”, these are executed with local and foreign entities with national and international rating equal to or greater than A- according to S&P and within the credit limits assigned by the counterparty. The credit limits for each counterparty are reviewed by the Board of Directors once a year and can be updated during the year subject to the approval of the financial committee. The limits are established in order to minimize the concentration of risks, and therefore mitigate the losses due to potential default by the counterparties.

23.7 Characterization and concentration of counterparties

The exposure to credit risk corresponds to the risk that operations are concentrate on any client. Terminal Pacífico Sur Valparaíso S.A. is not exposed to this risk.

23.8 Exposure to liquidity risk

Management uses the term “liquidity risk”, to refer to financial uncertainty, in different time limits, related to the entity’s capacity to respond to net cash requirements that support its operations, under both normal and exceptional operating conditions. Terminal Pacifico Sur Valparaíso S.A. permanently evaluates the concentration of risk regarding debt refinancing.

23.9 Characterization and expiration profile

Value in thousands			31-12-2021							
Group	Type	At amortized cost – carrying amount	Maturity profile							
			0 to 15 días	16 to 30 días	31 to 60 días	61 to 90 días	91 to 180 días	181 to 360 días	1 to 2 years	2 + years
Financial liabilities at amortized cost		87,832	8,030	4,697		4,559	11,899	17,351	10,324	30,972
Obligations with financial institutions		62,075					10,455	10,324	10,324	30,972
Accounts payable to related parties		9,070	2,577	500		4,554	1,439			
Trade and other accounts payable		6,796	5,453	6		5	5	1,327		
Miscellaneous payables		9,049		3,349				5,700		
Other miscellaneous accounts payable		842		842						
Hedge financial assets and liabilities		1,239					564	360	290	25
Derivatives		1,239					564	360	290	25

23.10 Exposure to market risk

The Management uses the term “market risk” to refer to financial uncertainty, in different time limits, related to the future evolution of market variables relevant to the financial yield of a financial instrument or group of them.

The financial instruments exposed to market risk are primarily bank loans and obligations, term deposits and mutual funds, accounts payable and receivable and derivative financial instruments.

23.11 Exposure to exchange rate risk

A primary risk factor is the exposure to currencies other than the functional currency, in this case the U.S. dollar. When risk factors are similar, these are typically classified into three categories, according to their transmission mechanism:

- a. Transmission by transaction, which refers to the translatability of cash flows to their equivalent in functional currency and vice versa.
- b. Transmission by translation, which refers to the consolidation of Financial Statements of subsidiaries denominated in currencies other than the function currency of the Parent Company, and.
- c. Transmission by economic value, which refers to the translatability at its equivalent in functional currency of the present value of future cash flows denominated in foreign currencies.

It is company policy that financial risk management activities shall primarily concentrate on transmissions by transaction from a prospective point of view, using the sensitivity of the future value equivalent in functional currency of all open exposure as a means for monitoring.

23.12 Exposure to interest rate risks

The interest rate risk is the risk generated by changes in the fair value of cash flows in the financial instruments of the Statement of Financial Position, given variations in the market interest rates. For Terminal Pacífico Sur Valparaíso S.A., the LIBOR 180-day interest rate underlying its long-term bank debt has been identified as a risk factor.

The Company manages the interest rate risk through hedges with Interest Rate Swaps (IRS), with which the Company agrees to exchange semesterly an amount generated from the differences between a fixed rate and a variable rate calculated using the established notional. As such, this Interest Rate Swaps qualify as hedges according to effectiveness tests according to IFRS 9. The fair value of the hedging contracts will increase/decrease in accordance with the increase/decrease the LIBOR 180-day interest rate.

23.13 Mechanisms of financial risk management

In general terms, the Corporate Financial Risk Policy specifies the defined management guidelines in relation to all components of financial uncertainty that have been proven relevant to the operations of Terminal Pacífico Sur Valparaíso S.A., and it determines how the Company is organized for these purposes. Simultaneously, it defines the objective of the financial risk management activities as the permanent protection of the financial stability and sustainability of Terminal Pacífico Sur Valparaíso S.A., under both normal and exceptional conditions.

23.14 Strategy

The financial risk management strategy is aimed at protecting the stability and sustainability of Terminal Pacífico Sur Valparaíso S.A. in relation to all components of financial uncertainty or relevant events.

The financial risk management process is based on:

- a. Roles and responsibilities for all agents regarding the financial risk management activities;
- b. Methodologies and systems of generation and publication of information;
- c. Specification of overall and specific financial objectives for all operations of Terminal Pacífico Sur Valparaíso S.A.;
- d. Specification of financial risks identified and evaluated in relation to the operations of Terminal Pacífico Sur Valparaíso S.A.;

- e. Specification of levels of risk tolerance that Terminal Pacífico Sur Valparaíso S.A. is in the condition to financially support;
- f. Specification of overall and specific objectives for all decisions and/or activities in terms of financial risk management; and
- g. Mechanisms to evaluate the effectiveness of all decisions and/or activities in terms of financial risk management.

23.15 Main roles and responsibilities

The Board of Directors shall be responsible for:

- a. To understand the financial risks identified and evaluated in relation to Terminal Pacífico Sur Valparaíso S.A.
- b. To validate the financial risk management policy; and
- c. To Stay adequately informed by the Executive president of all events regarding financial risk management activities.

Management is responsible for the process of risk management, particularly the Finance and Administration and the Commercial Departments.

24. Contingent assets and liabilities

24.1 Contingent Liabilities

a) Direct guarantees:

As stipulated in section 14.1 of the Concession Contract, the Company has Contract Performance Bonds in favor of Empresa Portuaria Valparaíso (EPV), in the form of four bonds (Scotiabank No. 214954, No. 214955, No. 214956, and No. 214957) for an individual amount of ThUS\$ 3,349, maturing on April 30, 2022.

The Company holds Banco Itaú Performance Bond No. 4606138, in favor of “Servicio Nacional de Aduanas”, to guarantee full compliance with its obligations as warehouse, in the amount of UF 18,000, equivalent to ThUS\$ 660, maturing on March 31, 2022.

The Company holds Banco Itaú Performance Bond No. 4605795, in favor of “Inspección del Trabajo de Valparaíso” to guarantee full compliance of its payment of labor and social security obligations in the amount of UF 11,627, equivalent to ThUS\$ 427, maturing on March 31, 2022.

In accordance with the long-term line of credit contract signed by the Company with Scotiabank, the Company established a special pledge on the port concession in favor of that institution which involves the port concession rights held by the Company, all the Company’s movable tangible assets in excess of ThUS\$ 50 and all of the Company’s revenue arising from exploitation of the Concession Contract.

b) Lawsuits or other legal proceedings that affect the Company:

- National Economic Prosecution Investigation

Registry F135-2018. Investigation about compliance of vertical and horizontal limits and possible differences between Concession Contract and Dictum N°1045 of Preventive Central Committee.

Current Status: initiated on September 11th, 2017 and is still in investigation.

- National Economic Prosecution Investigation

Registry 2645-21 FNE. Investigation due to complaint regarding new TPS and STI cargo security tariff.

Status: The investigation began on March 24, 2021 and is still open to date.

- **Arbitration Case (Registry CAM 3323-2018), claimant, PMI Energy Services S.A., defendant Terminal Pacífico Sur Valparaíso S.A.**

Matter: damage compensation due to Contractual Liability. Current status: Finished due expiration of the jurisdiction period. The complaint is still pending. The demanded amount in the main claim is Ch\$ 636,167,674 plus readjustments and interests. For the counterclaim, the amount is still undetermined.

- **Lawsuit filed by former employee Viviana Vergara Cuello, Registry O-1578- 2020 filed before the Labor Court of Valparaíso (Our Ref.: 2020/177/FPC):**

Matter: This is a wrongful dismissal lawsuit filed by a TPS worker that was fired for lack of integrity and non-compliance with the obligations imposed in the contract, based on the fact that the worker had an application installed in her Company computer for the purpose of facilitating the Company's Internet services to third party usage. This application allowed the user to profit with the Company's Internet services.

Amount: The lawsuit is for a total of Ch\$ 13,893,849, of which Ch\$ 902,198 correspond to indemnity in lieu of advance notice, Ch\$ 7,217,584 to indemnity for years of service and Ch\$ 5,774,067 to an increase of 80% in the indemnity for years of service.

therefore, before the established hearing date we expect to arrive at an agreement.

Status: A trial hearing has been set for September 7, 2022, at 11:30 hours.

- **Lawsuit filed by Franco Eduardo Salamanca Cádiz against Servicios Marítimos y Transportes Ltda. (Ultraport Ltda.) and Terminal Pacifico Sur Valparaíso S.A. Registry O-722-2021 filed before the Court of First Instance of Valparaíso (Our Ref.: 2021/112/FPC).**

Matter: This is a wrongful dismissal and annulment of dismissal complaint, filed by a permanent port worker that was dismissed on April 12, 2021, due to Company needs. The worker claims that his dismissal was unjustified, and that in addition, the Company is not recognizing a prior period in which he had provided services in a continuous manner, from September 1, 2017 to January 11, 2019. The amount claimed is

Ch\$ 5,581,779, plus annulment of dismissal in the amount of Ch\$ 1,540,476. The claim was filed against Ultraport as direct employer and against TPS, as subcontractor. To date, all those lawsuits have been won, since there is a special legal regime for eventual port workers, which prevents successive contracts signed for shifts as an eventual port worker, from being considered to be an indefinite contract. Therefore, we believe that there are reasonable expectations that the complaint will be fully rejected, except for the 30% surcharge due to the application of company needs, although only for two years of service (Ch\$462,143). In any case, if there is a conviction, it would be Ultraport that would have to make the payment.

Status: On August 26, 2021, there was a preparatory hearing, and the trial hearing has been set for May 30, 2022 at 09:00 hours.

- **Executive Proceeding, obligation to provide, filed by TPS Valparaíso S.A., against Elemar Logística Soporte y Soluciones Limitada, before the 26th Civil Court of Santiago.**

Matter: Case Registry C-5013-2021, filed on May 26, 2021, claiming payment of Ch\$25,466,185 plus indexation as per the Consumer Price Index.

Status: Currently pending notification of executive complaint

- **Preparatory proceeding, notification of invoice, filed by TPS Valparaíso S.A., against De la Kush Spa.**

Matter: Case Registry C-2200-2021 filed before the 2nd Civil Court of Puerto Montt on July 5, 2021, requesting payment of the amount of Ch\$ 8,758,667, plus indexation as per the consumer Price Index.

Status :Currently pending search of the address of the respondent.

c) Long-term credit line contract.

On December 16, 2013, the Company signed a contract with Banco BBVA (now Scotiabank) and Banco Estado. After that date, this contract has had a series of modifications, the last one being signed on December 16, 2019. In this modification, a transfer and restructuring of the credit agreement is made, leaving Scotiabank as the sole creditor. Within the obligations of the contract it is established that:

- If this information is not available through the Financial Market Commission (CMF) website, its audited individual Financial Statements must periodically be provided to creditor, on the same date that this information must be presented by the Debtor to the Financial Market Commission.
- To provide each year a certificate issued by the debtor's general manager or his replacement, that certifies that, to the best knowledge and understanding of that executive, no cause of Non-Compliance or Non-Compliance has occurred;
- To inform the Creditor a writing way, as soon as possible, but no longer than five bank business days from when a Debtor's executive is aware of the occurrence of any Cause of Non-Compliance or Non-Compliance, etc.
- To provide to the creditor financial, accounting, economic and/or legal information and all other relevant information of the Debtor;
- To provide to the creditor, upon their request, any information necessary to apply regulations on individual credit limits established in number one of Article 84 of the General Law of Banks correctly;
- To inform the Bank of any statutory modifications of the Debtor;
- To establish and maintain an adequate accounting system based on IFRS;
- To maintain the effectiveness of contracts, rights, trademarks, licenses, authorizations, franchises, concessions and patents, related to the development of its activities.
- To preserve and maintain its existence, validity and legal structure, as well as its current lines of business;
- To fulfill all of its obligations by virtue of any act, contract or convention, whose non-fulfillment would or could mean, individually or as a whole, an Important Adverse Effect;
- To comply with legislation and current regulations that are applicable to the development of its activities;
- To pay on time its tax, social security and labor obligations and other legal obligations that are applicable, except for those discussed via the proper procedure and regarding which all corresponding provisions have been established, according to IFRS;
- To maintain all goods necessary for the execution of its business and operations in good conditions of conservation and maintenance, except for normal wear and tear. Specifically, the Debtor must hold insurance with adequate coverage to reasonably protect the Concession site and other assets, for amounts, terms, risks and with top-rate insurance companies in accordance with the Insurance Program;
- To ensure that all operations performed with Related Parties, whether directly or through other Related Parties, conform to similar conditions as those that normally prevail in the market;
- To use all resources from the Credits for the sole purposes referred to in the present Contract.
- To ensure that, at all times, its obligations under the Credit Documents, shall have the same payment preference and priority under law as its other current or future payment obligations, except for those obligations that take preference according to law;
- To meet all obligations by virtue of the present Contract and all other Credit Documents;
- To allow the Creditor' executives to inspect the property of the Debtor and the Concession along with the debtor's executives, etc.
- To allow and collaborate with the Independent Construction Engineer and Independent Equipment Engineer in the examination and inspection of its facilities;
- To keep assets insured for the amounts, terms, risks and with top-rate insurance companies, in compliance with the Insurance Programs;
- To Endorse the Insurance Policies within thirty days following the date of the present Contract;
- To comply with the terms and conditions of the Insurance Policies, especially the payment of premiums, installments and other payable amounts in relation to the mentioned policies and with the reporting obligations imposed therein;
- To present, with the frequency indicated by the Superintendency of Banks and Financial Institutions, or upon request by the Bank no less than once a year, and at the cost of the Debtor, an appraisal of physical assets provided in guarantee in favor of the Creditors, done by an expert appraiser designated by the Bank;

- To constitute a pledge on the assets that it acquires in the future and which have an individual value equal to or greater than one hundred thousand dollars;
- To ensure that the Guarantees remain fully valid and enforceable, in the first degree of preference, and to grant and subscribe all additional documents for these purposes;
- In the event that any Cause for Non-Compliance, or any Non-Compliance, may occur, to reimburse the Bank, or directly pay the reasonable and duly documented fees, costs and expenses of any advisor or consultant that the Bank deems necessary upon request by the Bank to prepare and submit a report on the revenue, operating system and maintenance of the Project, and any other technical and legal aspects relevant to the Project;
- To perform the Expansion Works, and the additional works that must be executed within the framework of the Economic Equilibrium of the Works, in compliance with the Concession Contract and the Expansion Works Budget.
- To obtain the final approval of the expansion works before the thirtieth of June of two thousand seventeen.
- To formally manifest to EPV interest in expanding the concession term by ten years, under the terms and conditions indicated in Appendix VII of the Concession Contract, before the thirtieth of June of two thousand seventeen.
- To comply with certain financial ratios, yearly measured on the debtor's Financial Statements.

d) Sanctions

During the years ended December 31, 2021 and 2020, the Company, or its Directors and Managers have not been subject to sanctions of any kind by the Commission for the Financial Market (previously called Superintendencia de Valores y Seguros) or any other administrative authority.

24.2 Guarantees obtained from third parties

As of December 31, 2021 and 2020, the Company received guarantees from some of its clients for the services provided, which consisted in guaranteeing the payment of invoices according to the credit conditions of 5 days and more, and for guarantees received for the purchase of equipment and other items.

As of December 31, 2021, the guarantee bills received from customers and held by Terminal Pacífico Sur Valparaíso S.A. amounted to ThUS\$ 77.

As of December 31, 2020, the guarantee bills received from customers and held Terminal Pacífico Sur Valparaíso S.A. amounted to ThUS\$ 81.

25. Foreign currency translation and monetary position in foreign currency

The differences for foreign currency translation during the years ended December 31, 2021 and 2020 for items in foreign currency (other than the U.S. dollar), were credited (debited) to the income for the year according as follows:

	12-31-2021 ThUS\$	12-31-2020 ThUS\$
Cash and cash equivalent	(66)	168
Trade receivables and other accounts receivable	(4)	-
Current taxes	(91)	43
Other current assets	10	(1)
Current Assets	(151)	210
Net trade receivables and other non-current accounts receivable	(200)	147
Non-current Assets	(200)	147
Total Assets	(351)	357
Trade payables and other current accounts payable		
Other current liabilities	132	31
Current Liabilities	132	31
Termination Benefits	715	(220)
Non-current Liabilities	715	(220)
Total Liabilities	847	(189)
Credit (debit) to income for foreign currency translation	496	168

The following chart shows the monetary position of items in foreign currency which are exposed to the variation of the exchange rate corresponding to the years ended December 31, 2021 and 2020.

Monetary Position		12-31-2021 ThUS\$	12-31-2020 ThUS\$
ASSETS			
Current			
Cash and cash equivalent	Pesos	2.978	1.110
Cash and cash equivalent	Dollars	20.489	11.649
Other current financial assets	Dollars	-	-
Other current non-financial assets	Pesos	259	299
Other current non-financial assets	Dollars	2.579	2.254
Net trade receivables and other accounts receivable	Pesos	1.241	1.842
Net trade receivables and other accounts receivable	Dollars	6.673	7.789
Accounts receivable from related parties	Pesos	43	32
Accounts receivable from related parties	Dollars	454	101
Inventory	Dollars	2.281	2.193
Current tax assets	Pesos	65	174
Current tax assets	Dollars	66	100
Total current assets other than assets or groups of assets held for sale or held for distribution to the owners.	Dollars	37.128	27.543
Non-current assets or groups of assets held for sale.		-	-
Total Current assets		37.128	27.543
Non-current			
Net trade payables and other accounts receivable	Dollars	16.077	16.005
Other non-current non-financial assets	Dollars	80	355
Net intangible assets other than goodwill	Dollars	72.540	80.774
Property, plant and equipment	Dollars	52.717	59.254
Total Non-current assets		141.414	156.388
Total Assets protected from exchange rate variation (dollar)		173.956	180.474
Total Assets protected from exchange rate variation (pesos)		4.586	3.457
Total Assets		178.542	183.931

Monetary Position		12-31-2021	12-31-2020
		ThUS\$	ThUS\$
LIABILITIES			
Current			
Other current financial liabilities	Dollars	20.428	21.198
Trade payables and other accounts payable	Pesos	3.124	4.023
Trade payables and other accounts payable	Dollars	3.587	2.122
Accounts payable to related parties	Pesos	2.577	1.746
Accounts payable to related parties	Dollars	6.496	695
Total Current liabilities		36.212	29.784
Non-current			
Other non-current financial liabilities	Dollars	84.513	101.056
Deferred tax liabilities	Dollars	8.308	5.770
Provision for employee benefits	Dollars	4.092	4.514
Other non-current provisions	Dollars	-	-
Total Non-current liabilities		96.913	111.340
Equity	Dollars	45.417	42.807
Total Liabilities protected from exchange rate variation (dollar)		172.841	178.162
Total Liabilities protected from exchange rate variation (pesos)		5.701	5.769
Total Liabilities		178.542	183.931

26. Environment

Expenses incurred during the year ended December 31, 2021 amount to ThUS\$ 69. (ThUS\$ 62 in 2020)

Company	Disbursement concept details	Cost/Expense	Supplier	MUS\$
TPS	Hazardous waste management plan	Cost	Alejandro Coronel (Infobox)	4
TPS	Hazardous waste management plan	Cost	Comercial Vicmar	45
TPS	Clean points	Cost	Umwel Chile	2
TPS	Carbon footprint and audit	Cost	ABS Quality Consulting	7
TPS	Emergency attention	Cost	Suatrans	7
TPS	Air quality monitoring	Cost	SGS Chile Ltda.	4
TPS	IMDG code	Cost	Cargas Peligrosas S.A.	0

27. Relevant facts

There are no relevant facts in the period.

28. Subsequent events

The present Financial Statements were approved and authorized for issue by the Board of Directors of the Company in the meeting held on February 4, 2022.

Between December 31, 2021, and the authorization date of the present Financial Statements, there have been no other events that could significantly affect the Financial Statements.

ENDORSEMENT OF THE INTEGRATED REPORT

The present Integrated Report, has been subscribe by the following members of the Company's Board of Directors, who certify the truthfulness of the information:



Pablo Ihnen de la Fuente
Chairman of the Board



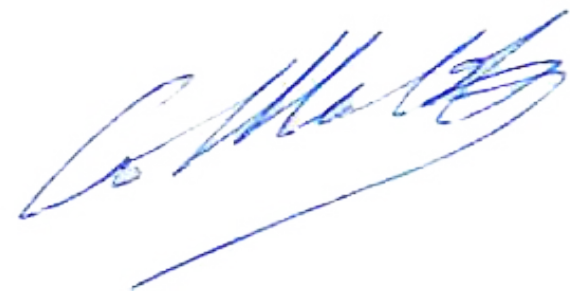
Richard von Appen Lahres
Board Member



Alejandra Mehech Castellón
Board Member



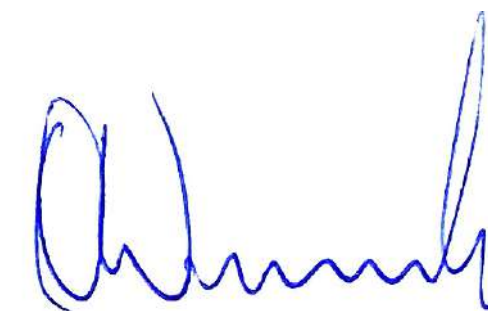
Pier-Paolo Zaccarelli Fasce
Board Member



Gregory Gottlieb
Board Member



Antonio José de Mattos Patricio Junior
Board Member



Oliver Weinreich Román
Managing Director

TPS 2021 INTEGRATED REPORT

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