Salmones Camanchaca

SUSTAINABILITY REPORT 2019

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

INDEX

A LETTER FROM OUR VICE PRESIDENT

Ricardo Garcia Holtz
Vice President

AT THE TIME OF WRITING, Chile and the world are facing the COVID 19 Pandemic and a more widespread, quick-hitting, and deeper recession than ever recorded. Many businesses are seeing their existence threatened as others struggle to survive or visualize structural changes. A few have grown in months as they had hoped to grow in years.

Against this backdrop of fear and uncertainty, some may wonder whether the need to adjust costs and prices is compatible with the quest for more sustainable production. Our answer at Camanchaca is clear: the responsibility for the physical and social environment is not a matter of cost but of will and conviction. Our hope for a better future lies in the strength of our commitment to sustainable aquaculture.

As additional factors, it is estimated that there are 700 million people in the world living in extreme poverty; nearly 8 million tons of plastic enter our oceans each year; the atmospheric temperature is on track to increase by 3.5°C by the end of this century; fertile land areas remain stagnant or are decreasing; and it will take us 257 years to close the economic gap between men and women at the current rate of progress.

Therefore, the timing and content of this 6th Sustainability Report takes on a special significance, as it expresses our position in the midst of a crisis. Environmental protection, social development, and economic development are harmonious, compatible, and inseparable objectives for human progress in the coming decades.

This report demonstrates that Salmones Camanchaca made important achievements in 2019 that make us optimistic about the future. In it we present our new Sustainability Model, which is the result of an in-depth analysis of both the priorities of our Company and our stakeholders as well as the major trends spanning our country, the world, and our business. To carry out this new Model, we simultaneously created the Department of Corporate Affairs, Sustainability, and Territorial Relations, which has the resources and talent necessary to lead its implementation and integration across all operations.

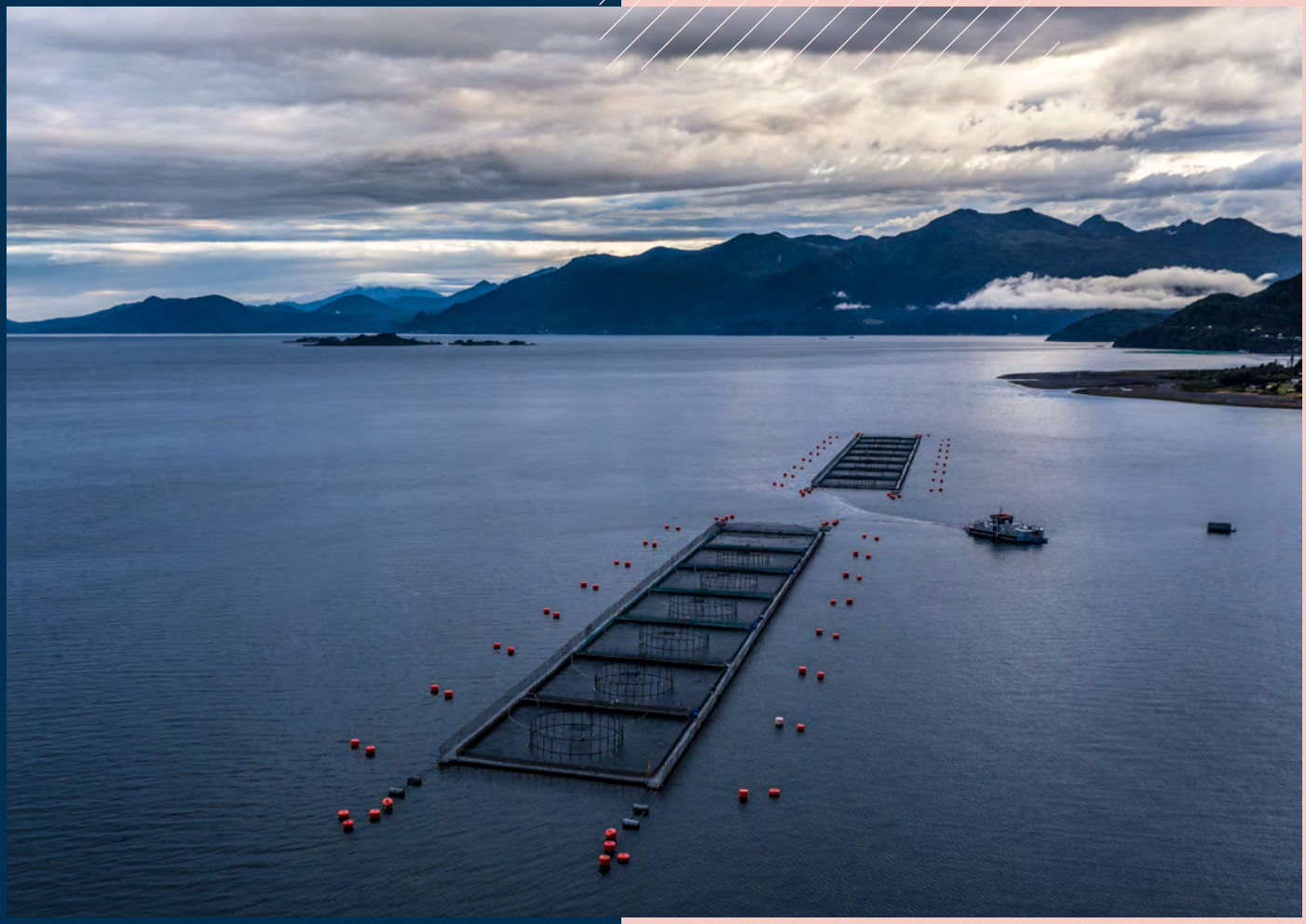
A benefit of having an updated sustainability model is that it allows us to organize our priorities into clear strategic pillars, giving direction for effective management and communication as well as promoting cultural change within the organization. At the same time, it enables us to identify concrete and ambitious commitments which contribute to mobilizing and aligning the will to achieve substantial progress on issues that we have identified as key to the future of our business.

As a roadmap, in 2019 we reaffirmed our commitment to certify the majority of our production under the ASC Standard by 2021, to halve antibiotic use by 2025, and to be carbon neutral in our scope 1 and 2 emissions by 2025 as well. These will be important steps in addressing the major global challenges we face.

In this scenario, Salmones Camanchaca has defined the organic and efficient growth of its production; the focused development of markets using the capacity and flexibility of our processing plants, and the growing sustainability of all operations as focal points of its value creation plan. As a result, we seek to consolidate our position as a profitable, sustainable, and resilient company that is capable of agilely meeting the economic, social, and environmental challenges of our time.

Our plans reinforce our commitment to the United Nations Sustainable Development Goals and to the leadership role that many companies have taken on to drive the development of a sustainable ocean economy. Our industry has a key role to play in the post-crisis economic recovery, not only by providing quality employment and strengthening the development of local suppliers, but above all by offering the world a healthy and sustainable food that is highly valued for its health benefits and immune system boosters.

These are times to hold the rudder steady and boost sustainability. It is time to collaborate and act responsibly to give our best. It is time to not lose sight of our *mission to feed the world from the ocean.*



SALMONES CAMANCHACA AT A GLANCE

Salmones Camanchaca Introduction

Salmones Camanchaca is a public corporation that has been listed on the Santiago and Oslo stock exchanges since February 2018. Compañía Pesquera Camanchaca S.A is our main shareholder, with a 70% interest after its IPO.

Our operations are vertically integrated with freshwater and seawater facilities, together with primary and value-added processing plants.

Additionally, we have commercial offices in various markets around the world to ensure a continuous, stable supply for our customers.

IDENTIFICATION

BUSINESS NAME
Salmones Camanchaca S.A

ADDRESS
Avenida El Golf Nº99, Floor 10, Las Condes, Santiago, Región Metropolitana, Postal code 7550000.

UNIQUE TAX NUMBER
76.065.596-1

TYPE OF ENTITY
Sociedad Anónima

SECURITIES REGISTRATION
1150

CONTACT E-MAIL
inversionistas@camanchaca.cl

WEBSITE
www.salmonescamanchaca.cl

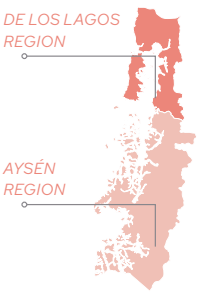
TELEPHONE
(56-2) 28732900

MNEMONICS
Santiago Stock Exchange: SALMOCAM
Oslo Stock Exchange: SALMÓN

OUR OPERATION

5 FRESHWATER SITES

(including both open–flow and recirculation) on a total of 37 hectares.



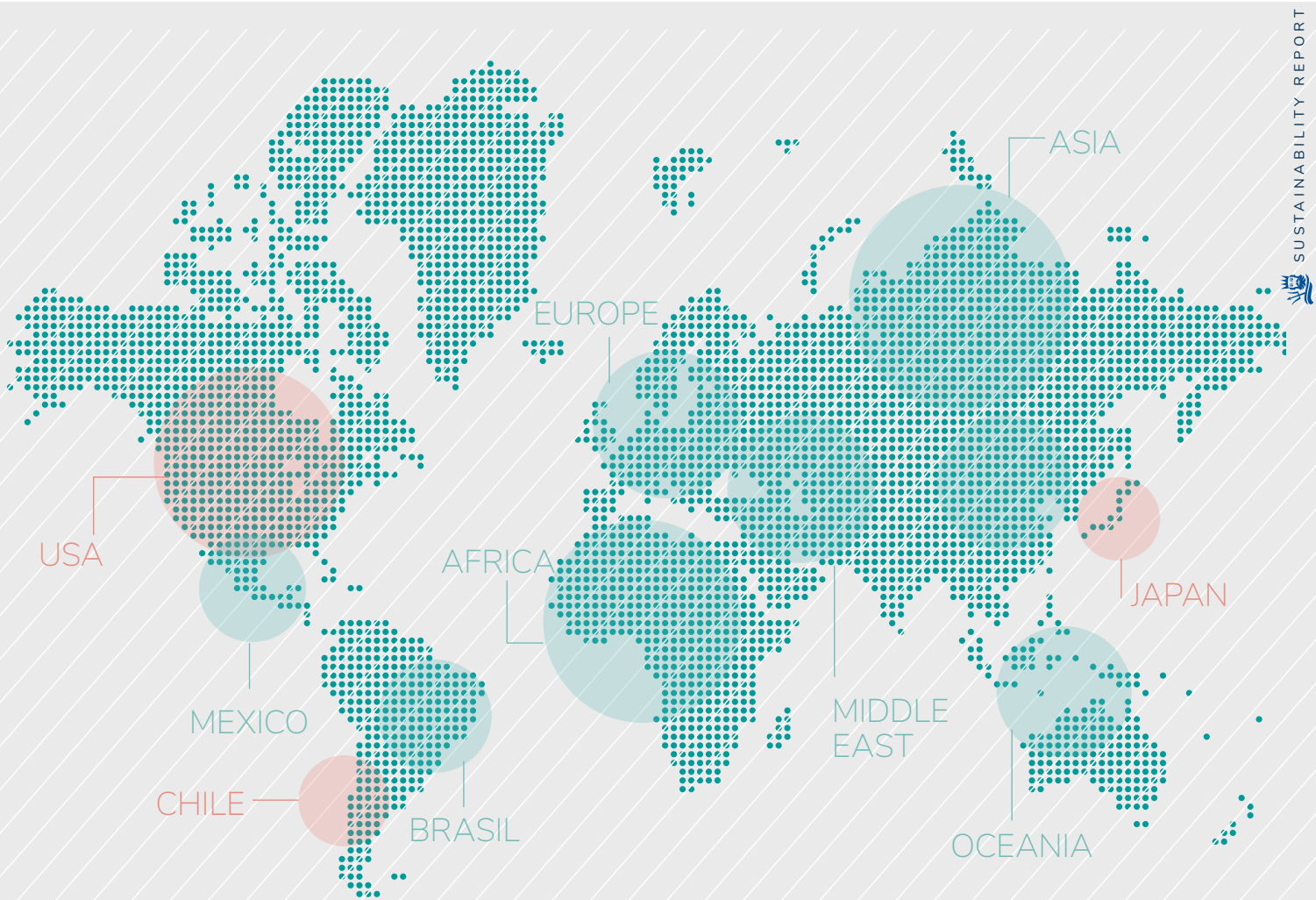
74 AQUACULTURE CONCESSIONS

Located in the Los Lagos and Aysén regions on a total of 1,045 hectares

2 PRIMARY PROCESSING PLANTS

1 VALUE-ADDED PLANT

Commercial offices in Chile, U.S., and Japan, in addition to commercial representation agencies in Russia, Oceania, Europe, Middle East, Africa, and Latin America (mainly Mexico and Brazil).



OUR BRANDS

Pier 33 Gourmet · Fiordo · New World Currents · Salmones Camanchaca

PAGES 10-11

VALUE CHAIN

1 FRESHWATER PRODUCTION CYCLE

1. 1. ATLANTIC SALMON

36 MONTHS | 12 MONTHS | 6 MONTHS | 7 MONTHS | 4 MONTHS | 5 MONTHS

Polcura Hatchery - Genetic Enhancement Program (GEP) (36 months)

In this program, we study and cross the Atlantic Salmon families with the Fanad and Lochy strains. This enhances fish resistance to parasites and disease in addition to achieving better and faster growth.

Río del Este Hatchery–Breeders (12 months)

The breeders obtained through the GEP participate in the fertilization process at this hatchery. When the eggs are in their final stage of development (eyed eggs), we transport them to the Rio Petrohué Hatchery.

Río Petrohué Hatchery (6 to 7 months)

Here, the eyed eggs are incubated in ideal conditions until the fry hatch. Upon reaching 30 to 40 g, they go to the Smolt Production Unit (SPU), which is the final step in freshwater development.

Petrohué Hatchery - Smolt Production Unit (SPU) (4 to 5 months)

Our largest fish (130 g or more) are farmed at our SPU. This controls the most critical process that the fish undergo in fresh water, which is the acclimation to sea water or "smoltification".

1.2. OTHER SPECIES

8 MONTHS | 9 MONTHS | 6 MONTHS | 7 MONTHS

Río de la Plata Hatchery (8 to 9 months)

In this hatchery, we develop the production of Coho Salmon until the alevin stage, at which point they continue their growth at the Playa Maqui lake site.

Playa Maqui–Frutillar (6 to 7 months)

In this site, we produce 1.4 million smolts from the Coho species in order to supply the stock of four Company sites.

2 SEAWATER GROW-OUT PRODUCTION CYCLE

12-18 MONTHS | 6 A 10 MONTHS

Grow-out in the Los Lagos and Aysén regions (12 to 18 months for Atlantic Salmon and 6 to 10 months for Coho Salmon)

In 2019, we stocked 10.6 million Atlantic Salmon and 1.4 Coho Salmon in Company seawater sites. When they reach the correct size, they are harvested and brought to our processing plants.

3 HARVEST

Wellboats

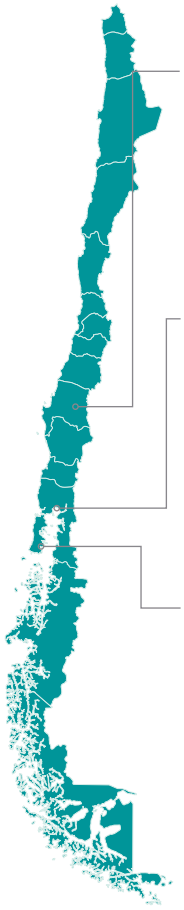
Our company uses third-party boats to transport the harvest from its sites to our San José plant in Calbuco or Surprocesos in Quellón. We have our own wellboat as well.

SALES

At Salmones Camanchaca we have a sales team that serves customers and operates directly from Chile or through agreements or commercial representation agencies in North America, Mexico, Europe, Japan, and China.

4 PROCESSING

The Company has three processing plants:



Value-Added Plant (Tomé, Biobío Region)

Here, we carry out the value-added process for all fish that are not marketed as fresh whole. Its processing capacity is 240 daily tons. During peak production months in 2019, we processed 7,000 tons WFE due to high demand and the addition of other facilities.

San José Plant (Calbuco, Los Lagos Region)

Here, we carry out the primary processing (slaughtering and gutting) of fish from the Los Lagos Region. This plant is capable of processing 85 thousand specimens per day, which allows it to handle our own production as well as that of several clients, exporting directly to Brazil, Argentina, China, and Japan.

Surproceso (Quellón, Los Lagos Region)

The Company has a one-third ownership stake in this plant, which processes fish originating from the Aysén Region. It has the capacity to process 140,000 specimens per day, which also enables it to provide services to other companies.

KEY FIGURES

FINANCIAL CAPITALIZATION RECORD

We had record sales of US$ 339 MILLION in 2019, which allowed an EBITDA of US$ 80.8 million.

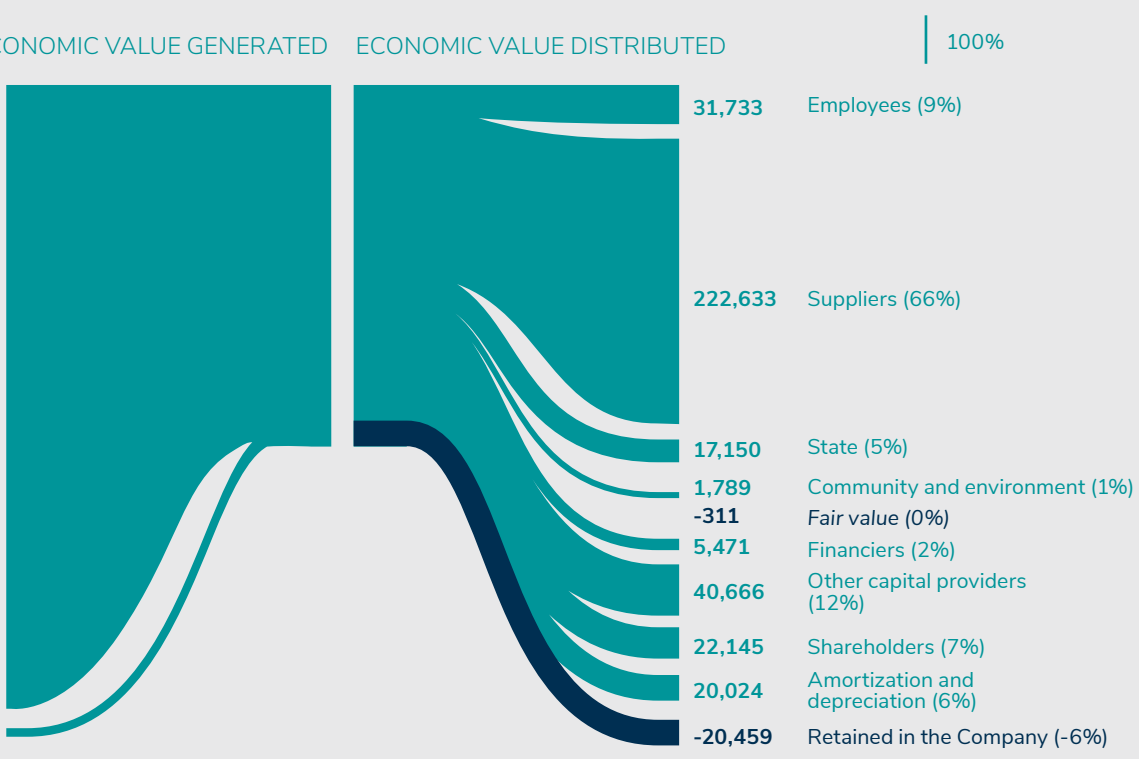
SALMON SALES

In 2019, we sold a total of 55,411 TONS OF ATLANTIC AND COHO SALMON.

LOCAL TAXES

WE PAID MMUS$ 7.5 IN LOCAL TAXES IN 2019

ECONOMIC VALUE GENERATED AND DISTRIBUTED



PRODUCTION

In 2019, we achieved a historic production of **58,033 tons WFE, 100%** of which were **BAP certified (Best Aquaculture Practice)** and **9,281 tons were ASC certified (Aquaculture Stewardship Council).**

In 2019, the mortality (Rolling 12-month) of our **Atlantic Salmon** was **4.8%**, while Coho Salmon was **8.2%**

The economic conversion rate of our Company **(FCRe)** was: **1.27 for Atlantic Salmon** and **1.22 for Coho Salmon.**

98% of our biomass was vaccinated with the **Livac vaccine, which is used to prevent** the spread of **Piscirickettsia salmonis,** the main infection that affects farmed salmon in Chile.

SUPPLIERS

In 2019, **66% of our invoices** were paid in **30 days or less.**

STAFF

1,569 employees (year average).
76% men **/ 24%** women.
39% of our **executive positions** are held by **women.**
97% Chilean **/3%** other nationalities.
14 senior management **/ 306** administrative staff **/ 1.249** operational staff.
We carried out **29,796 hours of training for our employees in 2019,** with an **investment** of more than **$71 million.**
Our Company's starting salary in 2019 was **171% higher than the country's minimum salary.**

COMMUNITIES

We held **93 community outreach activities in 2019** (plant visits, roundtable discussions, beach cleanups, among others).
We made **349 contributions to the territory, including social investments, donations, and sponsorships,** with a TOTAL INVESTMENT OF $138,172,209.

Social investment	Donations	Sponsorships and Patronages
$69,962,608	$45,889,532	$22,320,069

ECOSYSTEMS

0 **fish escape events**

0 **interactions with wildlife**

82% of the residues that we generated were **reused or recycled.**

We recycled 608 tons of waste in 2019, 65% more than we recycled in 2018.

AWARDS AND MILESTONES

NEW MODEL AND SUSTAINABILITY MANAGEMENT

This important step in sensitive matters for the industry considers five lines of action: healthy and nutritious food, healthy ecosystems, prosperous communities, meaningful employment, and profitable and responsible business. **To lead the Sustainability Model, our Company created two new management positions in July 2019, based in Puerto Montt: Technical and Sustainability Manager and Head of Corporate Affairs and Territorial Relations.**

AGREEMENT WITH THE ENSENADA COMMUNITY

We signed an agreement with the Ensenada community in November 2019 in order to safeguard the water quality of Petrohué River. This formed a roundtable discussion that will define the actions and commitments of both parties to protect the environmental conditions of the river.

2018 SUSTAINABILITY REPORT

We presented our Sustainability Report to the public for the first time. Authorities and residents of the Los Lagos communities in which we operate were in attendance.

CARBON NEUTRAL BY 2025

We are the first Chilean salmon farming company to commit to reducing its scope 1 and 2 net emissions to zero, according to the Greenhouse Gas Protocol (GHG Protocol).

INNOVATIONS IN FISH HEALTH

At Salmones Camanchaca, we have implemented new methods for parasite control that are more effective and environmentally friendly, such as hydrogen peroxide baths, freshwater treatments prior to sea transportation, and non-pharmacological methods from Norway.

FIRST HARVEST OF COHO SALMON

We recorded the first harvests of Coho Salmon during the third quarter after having obtained the permits to stock 1.4 million smolts of this species in 2018. **At the end of 2019, 4.3 thousand tons WFE of Coho Salmon were harvested with excellent production results, equivalent to 7.4% of our Company's annual harvests.**

FIRST *CAPITAL MARKETS DAY* IN OSLO

Salmones Camanchaca celebrated its first Capital Markets Day in Oslo, Norway, making us the first company with Chilean capital to participate in such an activity in that country. Our executives showcased "The Chilean Opportunity" to investors by presenting on the Company's strategy, operations, sustainability, and finances.

PROPYME SEAL RENEWAL

We renewed our Pro Pyme seal in 2019, which certifies that we fulfill our commitment to pay our invoices to our Pyme suppliers in less than 30 days.

HISTORIC PRODUCTION VOLUME OF ATLANTIC SALMON

At Salmones Camanchaca, we achieved a historic harvest of Atlantic Salmon during the fourth quarter of 2019, with 24.1 thousand tons WFE and an average weight of 5.6 kilos for Atlantic Salmon, totaling 53.7 thousand tons WFE for the year.

PIONEERS IN THE AIR EXPORT OF SALMON FROM REGIONS OF CHILE

Salmones Camanchaca broke ground in May by exporting fresh salmon from El Tepual Airport, Puerto Montt, to China. In addition to the Santiago airport, we make shipments from Concepción, Puerto Montt, and Temuco.

SUSTAINABILITY CONTEXT

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

SUSTAINABILITY CONTEXT

"We will not be spectators to the challenges facing our planet"

We started to review our sustainability strategy at the beginning of 2019, taking into account the major trends and challenges facing the planet.

Climate change, growing concern and awareness of caring for the oceans, and natural resource scarcity, among other factors, have led us to review our priorities in terms of sustainability. This will establish a road map allowing us to prioritize our efforts, align the organization, and establish commitments, both medium and long term, that have real impacts on our business, the environment, and our stakeholders.

INFLUENTIAL TRENDS FOR OUR BUSINESS

Climate Change

Care for oceans and ecosystems in general

Healthy and conscious eating habits

Natural resource scarcity

Human Rights

Crisis of trust

Digital transformation

Social tsunami

SUSTAINABILITY MODEL

The relevance that sustainability has acquired as a strategic pillar in business development makes it necessary to review our priorities, objectives, and strategies. These must take local and global scenarios into account together with their major trends that influence the decisions of our various stakeholders, including the public policies and regulations that affect us and the decisions of those who buy our products. It is in this context that we conducted an in-depth review of our priorities and strategies in 2019, which led to the sustainability model that forms the basis of this report.

Principles for the development of a sustainable ocean economy

At Salmones Camanchaca, we adhere to the nine principles of the UN Global Compact Action Platform for Sustainable Ocean Business, which provide a conceptual, political, and regulatory framework for the development of a sustainable ocean economy. These principles are aligned with the UN Sustainable Development Goals, in particular SDG 14 "Life Below Water."

1. Evaluate the impact of our activities on the ocean and incorporate it into our strategies and policies.

2. Consider sustainable business opportunities that promote the protection, restoration, and health of the ocean.

3. Take action to prevent ocean pollution, reduce GHGs, and work towards a circular economy.

4. Plan and manage the use of marine space and resources and the impact on them, seeking long-term sustainability and a precautionary approach when marine areas and vulnerable communities can be affected.

5. Responsibly engage with regulators and supervisors on legal and regulatory matters as well as other policies.

6. Promote and adhere to the development of best practices, as recognized in the market for contributing to a healthy and productive ocean.

7. Respect human, labor, and indigenous rights in the Company's activities, including the exercise of due diligence in supply chains and a timely, transparent, and inclusive relationship that addresses the identified impacts.

8. Whenever appropriate, share data to support scientific research that is relevant to the ocean.

9. Be transparent in regard to ocean-related activities and their impacts and report them in line with international reporting standards.

OUR SUSTAINABILITY PILLARS AND GOALS IN THIS AREA

Based on this analysis, the material topics to be managed by Salmones Camanchaca were identified, prioritized, and then grouped into five strategic pillars, which form the basis of the new sustainability model.

SUSTAINABILITY PILLARS PERFORMANCE MATRIX

PROFITABLE AND RESPONSIBLE BUSINESS

Profitable and resilient business committed to creating value for all our stakeholders.

HEALTHY ECOSYSTEMS

Conserve the structure and function of the terrestrial and aquatic ecosystems that host our activity.

MEANINGFUL EMPLOYMENT

Committed and impact conscious team.

PROSPEROUS COMMUNITIES

Communities integrated harmoniously with the territory and its residents.

HEALTHY AND NUTRITIOUS FOOD

Quality, nutritious, healthy, and sustainable product with responsible fish welfare.

Salmones Camanchaca's sustainability model--approved by the company's board in October 2019--aims to (i) provide a broad conceptual framework that allows us to comprehensively address the environmental and social challenges that our business faces today and in the future; (ii) conceptually structure our sustainability priorities and objectives into clear strategic pillars that allow effective management and communication; (iii) generate cultural change in our employees so that sustainability is the key element that guides their actions and adherence to defined policies.

In order to strengthen our commitment to sustainability, in 2019 we created the Technical and Sustainability Management and a local relationship team based in Puerto Montt. The new structure aims to lead these issues from within the organization.

GOALS FOR A SUSTAINABLE FUTURE

ASC
majority of production certified by 2021

Carbon neutral
by 2025

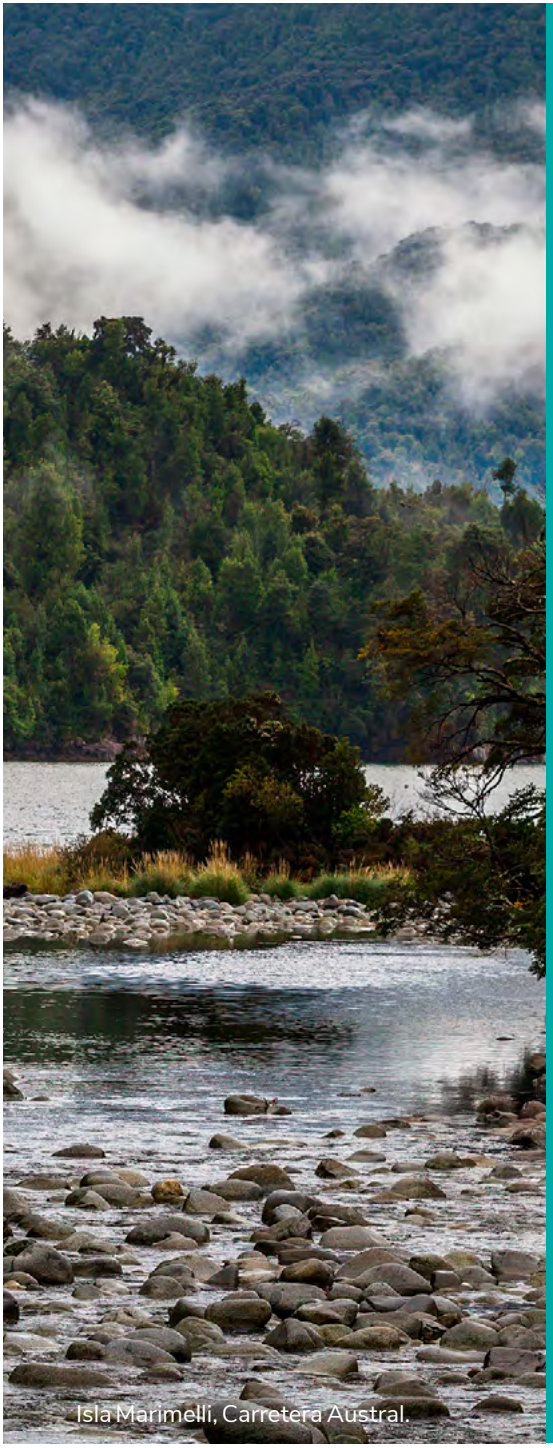
50% reduction
in the use of antibiotics by 2025

Communities
be more valued members of the community

CLIMATE CHANGE

Climate change represents a risk that must be adequately addressed by the salmon farming industry. Changes in sea temperature and rainfall, among other potential environmental changes, can affect fish farming conditions. To minimize this risk, we have implemented prevention and mitigation measures within our operations. Additionally--assuming our responsibility to contribute to the global effort to reduce GHG emissions--we have committed to become carbon neutral in our scope 1 and 2 emissions by 2025.

Risks derived from climate change	Prevention and mitigation strategies
• Increased sea temperature • Reduced rainfall • Reduced levels of dissolved oxygen in the water column • Extreme weather events	Geographic dispersion of our sea farm site locations. Our sites (and fish) are distributed in more than 10 different fjords and channels in the X and XI regions, which allows us to diversify the risk associated with environmental events well. Our in-house genetic development program, based on the exclusive Lochy strain of Salmones Camanchaca, has allowed us to develop fast-growing fish. This has led us to a trend of shortening cycles at sea, thus reducing the exposure time to eventual adverse environmental events. We use the best salmon diets available on the market, which we supplement with functional additives to improve the immunity of our fish and protect their health. Our seawater sites have automated oxygenation systems, which allow oxygen to be injected into the water column in case the levels drop below the appropriate threshold for fish. Our sites have a mitigation system to disperse potentially harmful algae blooms stemming from upwelling. We have contingency plans drawn up by highly trained professionals, which allow the company to respond promptly to events that may jeopardize the integrity of our employees and our fish. All our fish are vaccinated with the latest vaccine technology for the main diseases present in Chile. Our seawater sites have biomass insurance that covers mortality events due to exceptional environmental conditions.



Isla Marimelli, Carretera Austral.

1.

PROFITABLE AND RESPONSIBLE BUSINESS

Sustainable Development goals that we contribute to in this chapter

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

Profitable and resilient business committed to creating value for all our stakeholders.

We are a Chilean Company listed on the Santiago and Oslo stock exchanges, which commits us to continuously improving our processes and control mechanisms to promote practices of excellence in accountability and financial performance.

Our goal is to be a leading player in the market both in the quality of our salmon, a business that we have been developing since 1987, and in our constant concern for the environment and the communities in which we operate.

In this regard, we have adopted the 2030 Agenda for Sustainable Development (*) as a guide to help us identify the social, economic, and environmental impacts of our operations and, consequently, strengthen our reputation and relationships with different stakeholders.

(*) On September 25th, 2015, world leaders adopted a set of global goals that aim to eradicate poverty, protect the planet, and ensure that all people enjoy peace and prosperity as part of a new sustainable development agenda.

PERFORMANCE INDICATORS

SALES

US$ 339 MILLION

EBITDA

US$ 80.5 MILLION

TRAINED IN COMPLIANCE

85%

EBIT/NET ASSETS

21.50%

EBIT/KILOS WFE (ATLANTIC SALMON)

US$ 1.28

Mañihueico Salmon Site, Hualaihué.

CORPORATE GOVERNANCE, ETHICS, AND RISK MANAGEMENT

The composition of our Board of Directors is designed to contain the experience, skills, and diversity needed to achieve the Company's objectives, meet its main challenges, and serve the interests of all stakeholders. Additionally, the Board commits to act in a way where they receive no personal gain from their position.

Our Board of Directors is composed of seven members who are elected during the Ordinary Shareholders' Meeting or at an Extraordinary Shareholders' Meeting convened for this purpose. Their maximum term in office is two years and they may be re-elected. 2 independent directors joined the Board in 2019.

This body is supported by a Directors' Committee that permanently advises it on the fulfillment of its duties.

CORPORATION GOVERNANCE AND COMPLIANCE

As a company established in Chile, we at Salmones Camanchaca are subject to Chilean laws and regulations. Furthermore, due to our listing on the Oslo Stock Exchange, we must comply with Section 3-3b of the Norwegian Accounting Act and certain aspects of the Norwegian Securities Trading Act. We are also required to adhere to the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"), issued by the Norwegian Corporate Governance Board on October 17th, 2018, on a "comply or explain" basis. The Company's Bylaws also contain additional provisions on corporate governance.

OUR DIRECTORS

Jorge Fernández García
President
6.377.734-K

- Commercial Engineering, Universidad de Chile

Last reelection date
26-04-2019

Ricardo García Holtz
CEO
6.999.716-3

- Commercial Engineering, Pontificia Universidad Católica de Chile
- Master of Economics, University of California, Los Ángeles (UCLA),
- Master of Economics, Pontificia Universidad Católica de Chile

Last reelection date
6-04-2019

Francisco Cifuentes Correa
Director
4.333.851-K

- Law, Pontificia Universidad Católica de Chile

Last reelection date
26-04-2019

Felipe Sandoval Precht
Director
7.673.035-0

- Civil Engineering, Universidad de Chile

Last reelection date
26-04-2019

Tore Valderhaug (1)
Director
26.622.508-3

- Public Accountant Authorized by the State of Norway,
- Norwegian School of Economics & Company Administration (NHH)

Last reelection date
26-04-2019

(1) Members of the Directors' Committee

Rodrigo Errázuriz Ruiz-Tagle [1]
Director
5.618.098-2

- Civil Engineering, Pontificia Universidad Católica de Chile

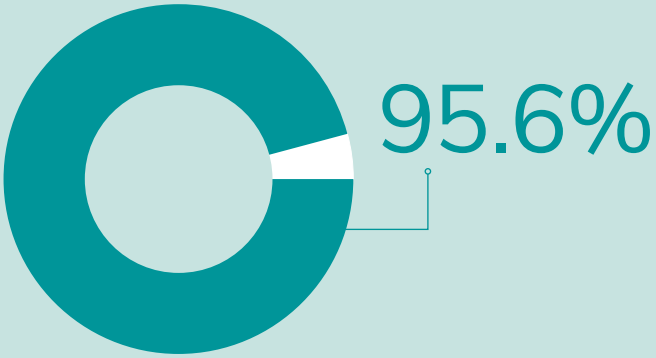
Last reelection date
26-04-2019

Joaquín Villarino Herrera [1]
Director
9.669.100-9

- Law, Pontificia Universidad Católica de Chile
- Doctor of Law, Universidad de Navarra, Spain

Last reelection date
26-04-2019

AVERAGE ATTENDANCE OF DIRECTORS AT ANNUAL MEETINGS (%):



ADDITION OF INDEPENDENT DIRECTORS

Two independent directors joined the Company in 2019, as regulated by the Financial Market Commission (CMF). Therefore, they have no other ties to the company beyond their position as director. Those elected were Joaquín Villarino Herrera and Rodrigo Errázuriz Ruiz-Tagle.

DUTIES OF THE BOARD OF DIRECTORS

The main duties of our Board of Directors are to define the objectives, strategy, and risk profiles for the Company's business activities. Its mission is to realize the agreements from the Shareholders' Meeting and to instruct the executives on their internal responsibilities and duties in accordance with these agreements. (more details can be found at *http://www.salmonescamanchaca.cl/inversionistas/*)

The board of directors of Salmones Camanchaca evaluates its performance and expertise every two years, as well as its composition and the way its members function as a group in relation to the objectives established for their work.

BOARD COMPENSATION

The compensation of the members of the board of directors of Salmones Camanchaca is agreed upon during the Shareholders' Meeting. In our case, it is not tied to the Company's performance and there are no stock options for Board members.

The information on the points that the directors' compensation is composed of and the fringe benefits granted to each member is detailed in our Annual Report. *(www.salmonescamanchaca.cl/inversionistas/)*

	Monthly Compensation (UF)	Additional Monthly Compensation for Serving on Committees (UF)
Jorge Fernández García	**225**	
Francisco Cifuentes Correa	**90**	
Ricardo García Holtz	**90**	
Héctor Felipe Sandoval	**90**	
Tore Valderhaug*	**90**	**26.67**
Joaquín Villarino Herrera	**67.5**	**26.67**
Rodrigo Errázuriz Ruiz–Tagle	**67.5**	**26.67**

* Board member Tore Valderhaug received an additional 160 UF for investor relation services abroad.

INFORMATION AND COMMUNICATION

We are committed to providing information that maintains the trust of our various stakeholders.

We also pledge to always provide timely and accurate information about the Company and its operations to our stakeholders, the authorities, the stock market (including the Santiago and Oslo Stock Exchanges), and the financial market in general.

The board of directors of Salmones Camanchaca evaluates its performance and expertise every two years.

Playa Maqui Salmon Site, Frutillar.

SENIOR EXECUTIVES

Manuel Arriagada Ossa
Chief Executive Officer

- Civil Industrial Engineering, Pontificia Universidad Católica de Chile.
- Executive Management Program, Stanford University, United States.

Held position since
11-04-2018

Rut: 12.149.818-9

Juan Carlos Ferrer Echavarri
Corporate Business Manager

- Civil Industrial Engineering, Pontificia Universidad Católica de Chile

Held position since
23-01-2012

Rut: 6.190.572-3

Daniel Bortnik Ventura
Chief Financial Officero

- Commercial Engineering, Pontificia Universidad Católica de Chile

Held position since
01-08-2011

Rut: 8.036.514-4

Rafael Le-Bert Ramírez
Corporate Legal Affairs Manager

- Law, Universidad de Chile
- Master of Law, Université de Franche-Comté, France.

Held position since
01-03-2013

Rut: 13.273.363-5

Marcelo Aguilera Contador
Corporate Audit and Internal Control Manager and Crime Prevention Officer

- Commercial Engineering, Universidad Gabriela Mistral

Held position since
01-05-2019

Rut: 13.047.621-K

Pablo Hernández Neira
Corporate Human Capital Manager

- Public Administration, Universidad de Chile
- Master of Human Resources Management, Universidad Adolfo Ibáñez

Held position since
01-04-2013

Rut: 10.350.784-7

Álvaro Poblete Smith

Regional Farming Manager

- Civil Industrial Engineering, Universidad de Chile

Held position since 01-10-2016

Rut: 7.656.660-7

Claudio Schmauk Céspedes

Finance and Administration Manager

- Civil Industrial Engineering, Universidad Católica de Chile

Held position since 01-01-2012

Rut: 7.656.660-7

Jorge Vergara Toledo

Regional Processing Manager

- Civil Industrial Engineering, Pontificia Universidad del Desarrollo

Held position since 01-04-2017

Rut: 13.951.783-0

Alfredo Tello Gildemeister

Technical and Sustainability Manager

- Biology/Natural Resource Management, Universidad Católica de Temuco
- PhD in Aquaculture, University of Stirling, United Kigdom

Held position since 01-11-2019

Rut: 9.909.582-2

Daniel Silva Troncoso

Commercial Manager

- Commercial Engineering, Universidad Diego Portales

Held position since 01-11-2017

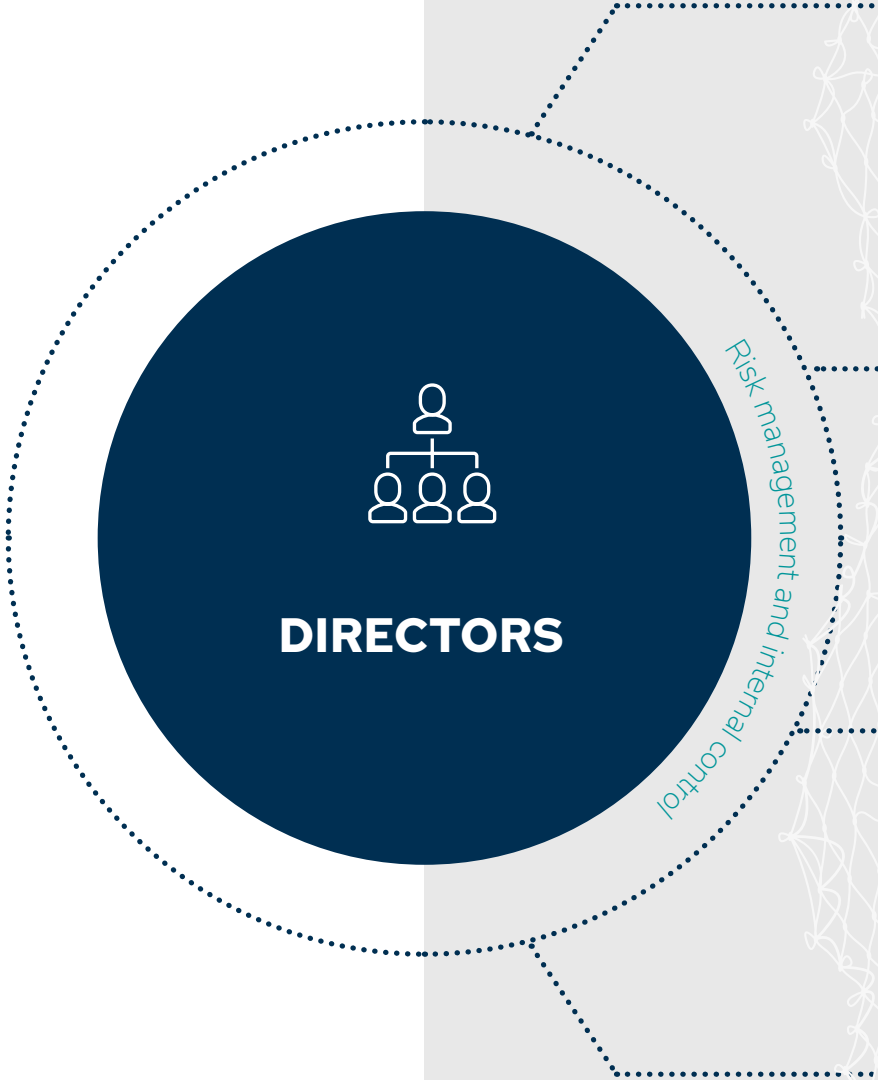
Rut: 13.940.977-9

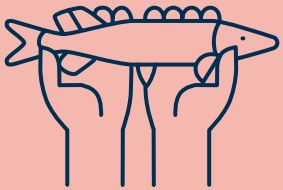
SUSTAINABILITY RISK MANAGEMENT

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors is responsible for ensuring that the Company has strong internal control systems and effective risk management to protect us from situations that could harm our reputation or financial standing.

This body is also responsible for annually reviewing the most relevant areas of risk exposure (whether they be commercial, operational, legal, and regulatory, among others), taking notice of any shortfalls or weaknesses in the Company's internal control.





PHYTOSANITARY RISK

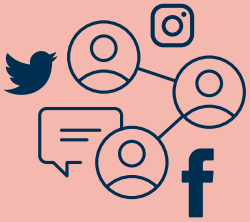
In order to minimize the risks of diseases or parasites, we have adopted strict control standards that are in line with local regulations and international standards.

ENVIRONMENTAL RISK

We use technology to constantly monitor the environmental variables that could affect our production and implement the necessary measures to mitigate their impacts. We also have the proper insurance coverage for these risks.

REGULATORY RISK

We are constantly monitoring the industry's strict regulatory structure in order to anticipate and adapt ourselves to any changes.



SOCIAL AND POLITICAL RISK

We constantly track the emergence of social and/or political risks which can affect our operations and the safety of our workforce and facilities. For this reason, we have created a new area in the company to establish relationships based on trust and transparency with the communities that receive us.

ETHICS, TRANSPARENCY, AND REGULATORY COMPLIANCE

ETHICS AND CONDUCT POLICIES

Ethical behavior by all employees when performing their duties is a key component of the culture and values at Salmones Camanchaca.

This compels us to be exceptionally demanding in this area and we promote that this behavior strictly complies with all standards, regulations, and laws. Employees must show respect for the dignity of people and our local communities as well as care for the environment.

In order to define these behavior guidelines, we have a Code of Conduct and Business Ethics that is applicable to all people working at the Company. It is available at: ***www.salmonescamanchaca.cl/inversionistas/.***

Punta Islotes Site, Chaitén.

ANTI-CORRUPTION POLICIES

Our Crime Prevention Model is based on the Company Code of Conduct and Business Ethics. It consists of a set of policies, procedures, controls, and actions that are aimed at preventing criminal offences within the Company, such as those associated with money laundering, financing of terrorism, bribery (and/or receiving) of national and foreign public officials.

Furthermore, the following crimes were incorporated in 2019: incompatible negotiation, corruption among private parties, misappropriation, unfair administration, water pollution, commercialization of forbidden products, illegal fishing of seabed resources, and the processing, elaboration, and storage of collapsed or overexploited products without certifying their legal origin. Additionally, as agreed upon by the Company's Board of Directors, the Crime Prevention Model (MPD) incorporated measures, actions, and controls with the purpose of mitigating, supervising, and combating the risks of infringement of the current free competition regulations in Chile.

Salmones Camanchaca did not make any political contributions in 2019. However, we had 2 complaints of non-compliance with the Crime Prevention Model relating to corruption among private entities. These complaints covered the bidding processes and the purchasing of goods and services. Relevant investigations were conducted in both situations and resulted in the dismissal of the worker involved, criminal proceedings against the external company involved, a court complaint against those responsible, and improvements in the internal controls of our processes.

LEGAL ACTIONS FOR ANTICOMPETITIVE BEHAVIOR, ANTITRUST, AND MONOPOLISTIC PRACTICES

As of December 2019, we have not been notified of any violations of antitrust laws, nor do we have any pending legal actions regarding unfair competition.

It should be noted that we conduct annual training in relation to free competition. Additionally, we have protocols and codes of conduct that establish standards for participating in guilds, business practices, and relationships with other members of the industry.

TRANSPARENCY

In an effort to contribute to industry transparency, we published our first corporate sustainability report as well as our first Global Salmon Initiative (GSI) report in 2015.

This is our sixth annual sustainability report, which covers the Company's 2019 financial, environmental, and social performance based on the identified material topics.

We reported 1 essential fact to the Financial Market Commission (CMF) during this period, the details of which are available at:
www.salmonescamanchaca.cl/inversionistas/

In 2019, we attended our first Capital Markets Day in Oslo, where we reflected on the new trends that are impacting the industry and how we are responding to these challenges through our growth strategy and our new sustainability model. We also presented the financial, productive, and environmental results we achieved in 2018 and 2019, as well as the commitments we have made to sustainability (see page 23).

REGULATORY COMPLIANCE

We carry out our activities with strict adherence to the current legal framework established by the different Chilean authorities that are related to our industry, such as the National Fisheries Service (Sernapesca), the Department of Labor, the Superintendencies of Health and Environment, and the Maritime Authority. All of our facilities are frequently inspected by these institutions.

If any violations are detected, we adopt the necessary measures to correct the breaches in the shortest possible time and apply continuous improvement tools to prevent them from occurring again.

2016

1 ENVIRONMENTAL FINES	**2** LABOR FINES	**3** SANITARY FINES →	**US$ 25,305** PAYMENTS OF FINES

2017

3 ENVIRONMENTAL FINES	**3** LABOR FINES	→	**US$ 9,015** PAYMENTS OF FINES

2018

1 ENVIRONMENTAL FINES	**2** LABOR FINES	→	**US$ 128,285** PAYMENTS OF FINES

2019

3 ENVIRONMENTAL FINES	**3** SANITARY FINES →		**US$ 99,324** PAYMENTS OF FINES

CUSTOMER SATISFACTION

As a Company, we are focused on producing safe, high-quality food products that meet the demands of our customers. To accomplish this, we evaluate their level of satisfaction each year, identifying potential gaps in order to achieve constant improvement in our products and services.

We did not receive any notifications related to health and safety risks from our consumers in 2019.

Of the total number of complaints received in 2019, only 2 were related to non-compliance in the labeling of our products. These complaints were addressed by identifying their causes and applying the corresponding corrective actions. As a result, similar situations have not been repeated in our process.

The data shows that the actual fines paid during the corresponding calendar year due to non-compliance are not necessarily from the year in which the payment was made.

RESPONSIBLE SOURCING

At Salmones Camanchaca, we see our suppliers as strategic partners with whom we build lasting and transparent relationships of trust in order to generate shared value. We promote the development of local suppliers in each place where we operate, who in turn guarantee environmentally and socially responsible behavior.

One of our main commitments to our suppliers is the timely payment for their services and products in accordance with agreed upon conditions. That is why we renewed our commitment to all our small and mid-sized suppliers in 2019, maintaining our Pro Pyme Seal certification, a distinction verified by KPMG and granted by the Ministry of Economy.

We established commercial relationships with 1,377 suppliers of goods and services in 2019, with a billing total of US$315.2 million, up 6.6% from 2018. Our main investment was in the feeding of our fish. In 2019, 96% of the total resources allocated to this item were paid to 2 of our feed suppliers, Biomar Chile S.A. and Skretting. These companies were awarded the company's feed supply for the period of July 2018 - June 2020.

We have identified 26 of our suppliers as critical, meaning they are key to the operational continuity of our production process or difficult to replace, given their specialization. Other suppliers of specialized labor are also considered critical.

In 2019, these companies invoiced US$201.2 million, representing 61% of the total for the year.

Our suppliers are distributed throughout the VIII and XI regions.

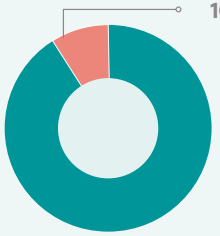
1,377
suppliers

190
Pyme suppliers

66%
of our invoices were paid in 30 days or less

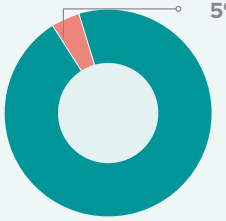
MMUS$ 315.2
paid to suppliers

GOALS REGARDING OUR SUPPLIERS



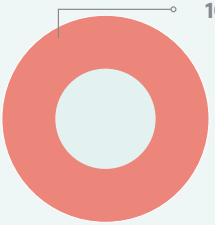
PERCENTAGE OF LOCAL SUPPLIERS[1]

Objective: reach 10% by 2022.



PERCENTAGE OF FACTORING

Objective: reduce document factoring to no more than 5% by 2021.



PAYMENT TERM

Objective: fulfill 100% of payments within 30 days except for feed payments, which are 120 days.

(1) Local suppliers are those headquartered in the locations where **Salmones Camanchaca** has operations, whether they be farm sites, hatcheries, or processing plants.

Isla Marimelli, Reloncaví Estuary.

PARTNERSHIP FOR SUSTAINABILITY

STAKEHOLDER RELATIONSHIPS

One of the most important aspects of our sustainability strategy is the relationship we build with our stakeholders, since it allows us to learn about their main worries and concerns, handle them effectively, and transform them into opportunities for the creation of shared value.

The identification of our stakeholders is done through a systematic evaluation and review of our communities and relevant national and international entities.

Our interaction with them occurs through regular open meetings with communities, surveys of employees and shareholders, review of collective bargaining agreements, and interviews and meetings with senior executives.

Stakeholders	Key issues and concerns raised	Forms of stakeholder participation and communication
Employees	Job creation, labor practices and conditions, respect for human rights, training and education, market presence, climate change.	Surveys and meetings.
Unions	Job creation, labor practices and conditions, respect for human rights, training and education, market presence.	Meetings.
Investors	Process and results transparency, losses in biomass, procurement practices.	Surveys and meetings.
Contractors	Job creation, procurement practices, labor practices and conditions, supplier evaluation.	Surveys and meetings.
Local communities	Job creation, payment of regional taxes, local development, procurement practices, tourism development, transparency, participation in social development, waste management, impact of fish transport on communities, market presence, environmental impacts, use of resources, cleaning of the ocean floor and coastline, fish escapes, climate change.	Perception studies and meetings.
Local and regional authorities	Payment of local taxes, involvement in local development, contribution to tourism development, labor practices, waste management, respect for human rights, environmental impact, cleaning of the ocean floor and coastline, use of antibiotics, fish escapes, climate change.	According to the scope of each authority.
National authorities	Payment of local taxes, labor practices, respect for human rights, food safety, environmental impact, climate change.	According to the scope of each authority.
Social organizations	Involvement in local development, transparency, participation in social development, open community meetings, respect for human rights.	Meetings.

PARTNERSHIP TO ADDRESS THE CHALLENGES OF THE SECTOR

Commitment to the UN Sustainable Development Goals

At Salmones Camanchaca, we understand that the private sector must make a concrete contribution to development. Currently, our Company contributes to eight of the United Nations Sustainable Development Goals.

We contribute to the UN Sustainable Development Goals

(*) Salmones Camanchaca contributes to 8 of the 17 UN Sustainable Development Objectives.

Global Salmon Initiative GSI

The *Global Salmon Initiative (GSI)* is an initiative launched in 2013 by the world's leading producers of farmed salmon, which together account for approximately 50% of global salmon production, with the aim of working together for greater industry cooperation and transparency and continuing to improve the sustainability of salmon farming.

Chile's Salmon Industry Association AG

SalmonChile has over 30 years of experience and brings together the main companies producing and supplying Atlantic and Pacific salmon and trout. The association's main objective is to work together nationally and internationally to address the health, environmental, regulatory, social, and financial challenges facing the sector, placing sustainability as its driving force. SalmonChile operates in the La Araucanía, Los Lagos, Chiloé, and Aysén regions.

Chilean Salmon Antibiotic Reduction Program (CSARP)

The Chilean Salmon Antibiotic Reduction Program (CSARP) is a collaborative initiative between the Chilean Salmon Marketing Council (CSMC) and Monterey Bay Aquarium's SeaFood Watch program that was announced in March 2019. It commits members of the CSMC to reduce antibiotic use by 50%. The CSMC, started in 2018, is a U.S.- based entity dedicated to strengthening the reputation of Chilean salmon by bringing together 70% of the Chilean industry, including our Company.

HUMAN RIGHTS

At Salmones Camanchaca, in accordance with the Universal Declaration of Human Rights, we recognize and value the equality and dignity that our people have in their work as well as respect diversity and oppose all forms of discrimination. Likewise, we reject the use of forced or child labor in any forms throughout all levels of our organization and its value chain.

Additionally, we promote a safe and healthy working environment and support employee development based on their own merits.

We are aware of the impacts, direct and indirect, that our actions, operations, and investments can have on human rights and we constantly ensure that these are protected fully in every decision we make.

At Salmones Camanchaca we have adhered to the Sustainable Ocean Principles (*https://www.unglobalcompact.org/take-action/ocean)*, which include "Respect human, labor and indigenous peoples' rights in the company's ocean related activities, including exercise appropriate due diligence in their supply-chain in a timely, transparent and inclusive manner, and addresses identified impacts".

Complaints

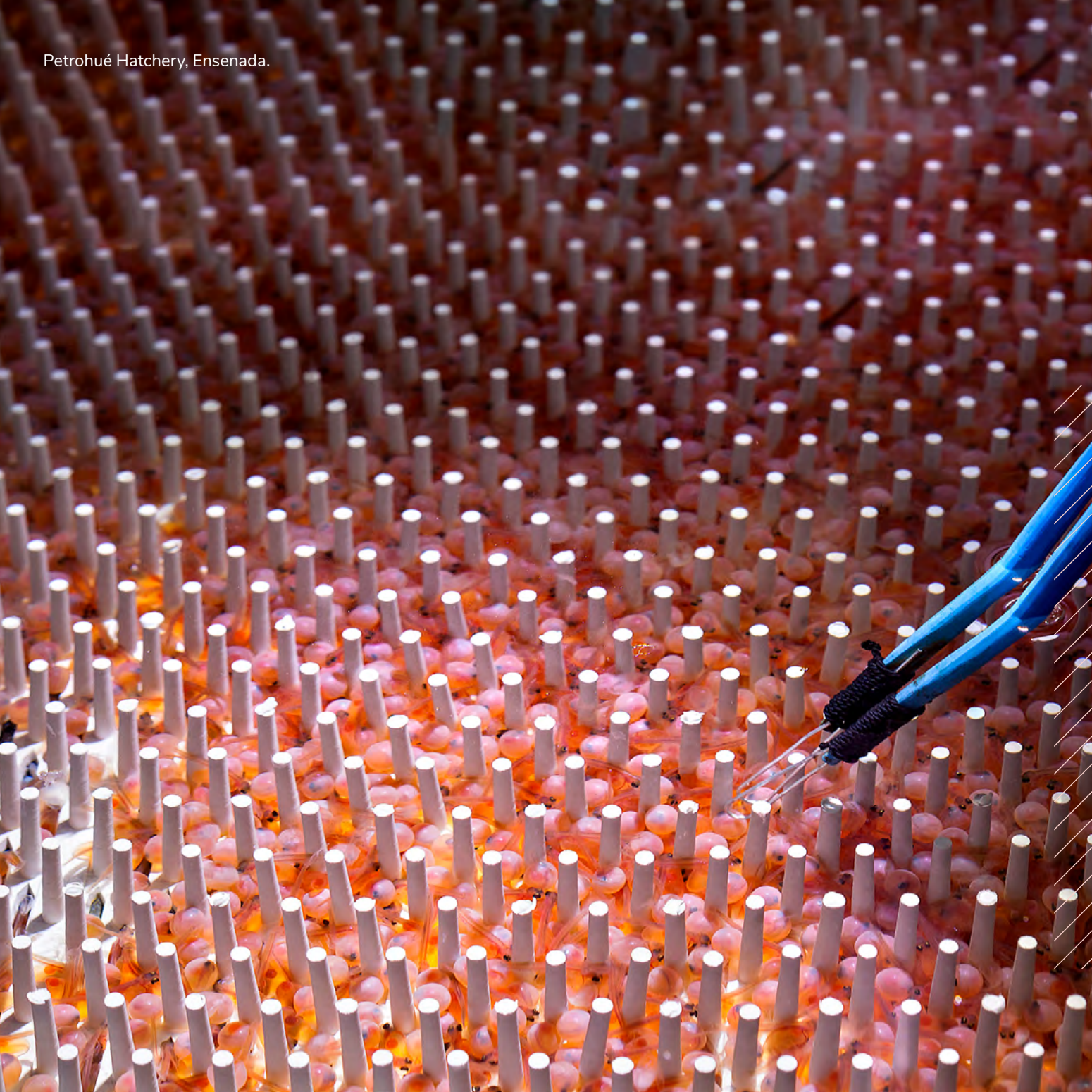
The Company maintains reporting channels in all of its facilities, through mailboxes, e-mail or website: *www.salmonescamanchaca.cl/contacto/*

In 2019 we did not receive any complaints on discrimination, forced or child labor, nor other actions that constitute human rights violations.

Human Rights Training

In 2019, we held our first human rights training sessions for senior and mid-level company managers. They were prioritized because they interact with diverse entities in various territories.

PAGES 46-47



Petrohué Hatchery, Ensenada.

R&D, INNOVATION, AND DIGITAL TRANSFORMATION

The world is facing a scenario in which the availability of finite resources over time has been seriously compromised. The production of healthy and sustainable food requires the continuous pursuit of improvements in our practices and processes. Efforts focused on R&D and innovation have allowed us to gain an advantage in key aspects of production.

"The Company's DNA"

We know that genetic development is a crucial factor in salmon farming since it allows for continuous improvement in the efficiency of all productive and economic models as well as generating positive impacts on the environment.

Our Genetic Enhancement Program (GEP) is especially recognized by the industry for being the only carriers of the Lochy strain in the world. This gives our work a seal of exclusivity and has even spurred interest in the scientific community.

It is important to note that this program does not modify the DNA of the fish, genetically alter them through transgenesis, nor employ any other molecular genetic techniques that could modify the very nature of the salmon.

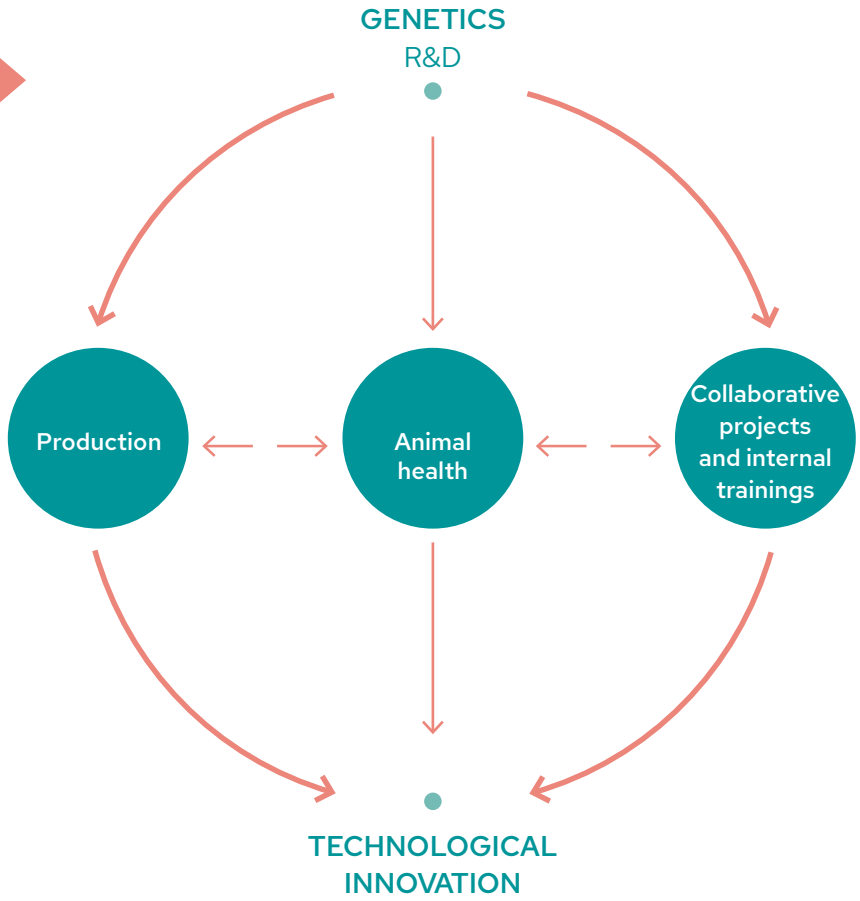
Innovation in fish health

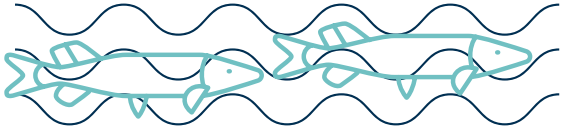
We continued our efforts to develop new technologies and R&D projects in 2019. Highlights include studies associated with growth optimization and achieving flexibility during the sea site stocking and harvest. Additionally, we implemented cages segregated by sex and strain, which has allowed us to improve and speed up biomass growth, reaching harvests with target weights above 5 kilos WFE within 12 months. This has generated cost benefits and reduced environmental and health risks.

Meanwhile, during the last quarter of the year, we adopted new, more effective and environmentally friendly methods for pest control, such as hydrogen peroxide baths, treatments in the first stage of production, and non-pharmacological methods of Norwegian origin (Optilicer).

R&D

Closely linked to the Genetic Program, the Research and Development (R&D) area of Salmones Camanchaca began in 2016 and has focused its endeavors on (1) production (2) fish health and (3) internal courses and collaboration with Chilean and foreign universities.





A.
PRODUCTION FOCUS

We mainly take on projects that promote the efficiency of the production system, with the key objective of shortening the production cycles during the grow-out phase.

PROJECT	ACTIVITY	OBJECTIVE	SUSTAINABILITY CONTRIBUTION
Production of genetically enhanced salmon.	Selection of breeders according to their genetic value for growth, yield, quality (color), and disease resistance.	***Provide Atlantic salmon eggs of high productive performance.***	Shorter harvest times, quality improvements, and decreased use of antibiotics.
Production of hybrid fish.	Create crossbreeds from a high-growth strain (Lochy strain) and a low-maturity strain (Fanad strain).	***Evaluate the productive performance of fish originating from hybrid crossbreeds.***	Less time invested in the control of maturation and harvesting.
Production of monosex fish.	Divide and group fish according to their sex through the use of ultrasound imaging, then breed them in sea sites (male and female).	***Harness the individual productive traits of males and females in production. Males of greater growth. Females of higher quality and performance.***	Harvest efficiency and performance enhancement.
Deseasonalize the reproduction and harvest of the Lochy strain.	Evaluation of the response to the photoperiod during grow-out and reproduction.	***Deseasonalize the production of the Lochy strain (eggs, smolt, and grow-out).***	Decreased harvest time.
Genetic fingerprinting of the Lochy strain.	Identify specific markers in the Lochy strain (salmo salar) through the use of genomic tools.	***Quantify markers in the salmon genome that are unique to the Lochy strain.***	On-site traceability.
Oxygen consumption in males and females.	Develop an evaluation model that allows us to identify physiological differences in the oxygen consumption between males and females.	***Physiologically quantify differences in the oxygen consumption between males and females.***	Harvest efficiency.

B.

ANIMAL HEALTH FOCUS

We promote the constant search for tools that contribute to the reduction in the use of antibiotics and antiparasitics, thus improving our productive performance and supporting the environment.

PROJECT	ACTIVITY	OBJECTIVE	SUSTAINABILITY CONTRIBUTION
Production of pathogen-resistant fish.	Challenges of fish families in controlled trials of infection and coinfection (Piscirickettsia salmonis and Caligus rogercresseyi).	***Develop progenies from parents with high genetic value regarding resistance to Piscirickettsia salmonis and to Caligus rogercresseyi.***	Improve the health status of our fish and decrease the use of antibiotics and antiparasitics.
Use of genomic technologies.	Search for genetic markers associated with SRS resistance. Genome-wide association study using 130,000 SNP markers.	***Genome-wide identification and selection of breeders for resistance with the purpose of developing progenies more resistant to Piscirickettsia salmonis.***	Improve the health status of our fish and decrease the use of antibiotics and antiparasitics.
Design of a 50K SNP-CHIP exclusive to Camanchaca.	Search for specific markers of our fish population (Lochy and Fanad), mainly associated with pathogen resistance.	***Genome-wide identification and selection of breeders for resistance with the purpose of developing progenies more resistant to Piscirickettsia salmonis.***	Improve the health status of our fish and decrease the use of antibiotics and antiparasitics.
Evaluation of diets with immunostimulants.	Measure the immune response of fish that are fed diets containing immunostimulants (Pack Salud and Futerpenol).	***Quantify the effect of diets with immunostimulants on the fish immune system (innate and adaptive).***	Improve the immune status of our fish and decrease the use of antibiotics and antiparasitics.

C.
COLLABORATIVE PROJECTS AND INTERNAL TRAINING FOCUS

Through this area, we interact with various universities and state agencies in developing and collaborating on research projects, which has contributed to the socialization of knowledge for the benefit of the Company and the national industry.

UNIVERSITY	NAME OF UNIVERSITY PROJECT	SOURCE OF FUNDING	SUSTAINABILITY CONTRIBUTION
Pontificia Universidad Católica de Valparaíso. **Universidad de Valparaíso.** **Universidad de Waterloo (Canada).**	Disease Resistance in Salmonids: Genetic analysis of co-infection of the Sea Lice Caligus rogercresseyi and the bacteria Piscirickettsia salmonis.	*National Commission for Scientific and Technological Research (CONICYT).*	Public knowledge regarding the genetic resistance to co-infection (Caligus rogercresseyi + Piscirickettsia salmonis.)
Universidad de Chile.	Heritability and genetic correlations of traits of growth performance and quality in the Lochy strain of Atlantic salmon (Salmo salar).	*Salmones Camanchaca.*	Master's thesis Public knowledge regarding heritability and genetic correlations in Atlantic Salmon.
Pontificia Universidad Católica de Valparaíso.	Disease Resistance in Atlantic Salmon: Understanding mechanisms that explain resistance and tolerance to co-infection of the Sea Lice Caligus rogercresseyi and the bacteria Piscirickettsia salmonis.	*Ministry of Education National Commission for Scientific and Technological Research (CONICYT).*	Public knowledge regarding fish immunity and response to the use of vaccines.
Pontificia Universidad Católica de Valparaíso.	Immune status of Salmo salar and its relationship with the P.salmonis infection: Basis for incorporation of immunomodulatory peptides in diet as a new drug for pathogens and SRS.	*Ministry of Economy Program for Sanitary Management in Aquaculture (PGSA) Strategic Investment Fund (FIE).*	Public knowledge regarding immune activity in farmed fish and the development of treatments alternative to the use of antibiotics.
Universidad De Chile.	Detection of signatures of selection and domestication in Atlantic salmon using a high-density SNP array.	*Doctoral Thesis (CONICYT).*	Public knowledge regarding the genetic variation of farmed populations.
Pontificia Universidad Católica de Valparaíso	Genomic and structural characterization of the Lochy and Fanad strains of Atlantic Salmon regarding the age range at maturity.	*Identify genetic markers associated with age at maturity in the Lochy and Fanad strains.*	Doctoral thesis that contributes to productive efficiency.

ECONOMIC AND PRODUCTIVE PERFORMANCE

ECONOMIC PERFORMANCE

Key figures

US$:

339 million

Revenue from ordinary activities

Tons WFE:

55,411

Sales
of company-farmed salmon (Atlantic salmon and Coho salmon)

US$/Kg WFE

3.46

Ex-cage cost

US$/Kg WFE

0.9

Processing cost

US$/Kg WFE:

5.96

Selling Price

US$:

2.28

EBIT/Kg WFE
(Atlantic salmon)

2019 was especially challenging in terms of production. We faced problems related to oceanographic events (low oxygen in the water and increased presence of algae) during the first semester, which caused higher mortality than expected. This, plus a small-scale operation and low harvest from sites stocked at low density, formed an adverse scenario for live fish (ex-cage) costs, reaching US$3.22 per kilo, 16 cents above the 2018 cost.

We sold 55,411 tons in total this year, up 10.8% from 2018 (50,032 tons).

However, our revenues grew by 2.9% compared with the previous year, reaching US$339 million. This increase was driven by a 5.7% growth in Atlantic salmon trading volume and by the sale of the first Coho salmon production.

We sold 55,411 tons in total this year, up 10.8% from 2018 (50,032 tons).

The EBIT/kilo WFE of Atlantic salmon was US$ 1.28, down from US$ 1.38 in 2018. In a context of declining sales prices, the increased scale benefited processing and administrative costs and sales by offsetting the higher cost of live fish.

In addition to this, we recorded a loss of US$ 2.6 million due to extraordinary mortality during the oxygen depletion events that occurred between February and April, which were not covered by biomass insurance. The difference of US$ 1.6 million corresponds to cancellations and sales of replaced assets.

Finally, the average price for Atlantic salmon was US$ 5.96/kilo WFE, 2.6% lower than in 2018.

MARKETS

2019 was characterized by constant changes in market allocation and in our product portfolio.

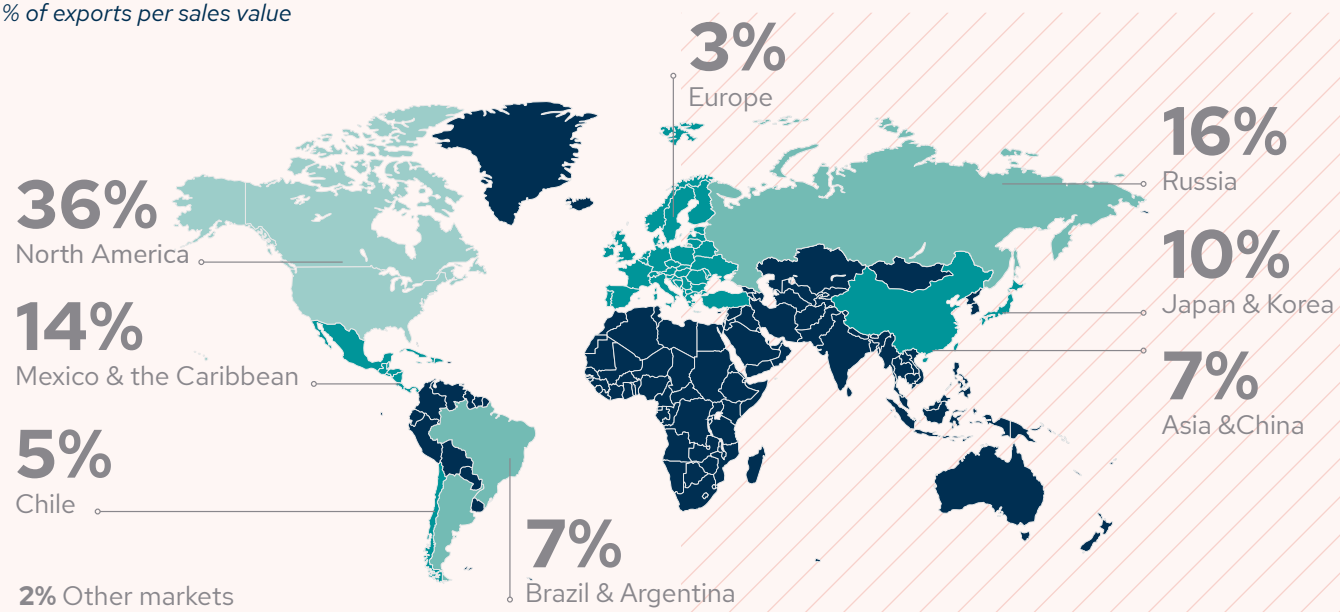
On a global production level, some external factors affected international prices. On the one hand, higher ocean temperatures contributed to the rapid growth of Norwegian salmon; this was aggravated by problems related to Caligus, or sea lice, in both Chile and Norway, resulting in a higher than expected global supply, with a negative price trend in the third and fourth quarters of the year.

As a result, the United States and Asia received a greater supply of products in the second half of the year, significantly impacting prices in both markets as we began to have increases in our harvest.

In this scenario, **the Company took full advantage of its market and product diversification strategy.** This allowed us to improve our sales position and sales results in countries where we have our own offices, such as the United States, Mexico, and Japan, with growth rates of 18%, 47%, and 98%, respectively, when compared to the previous year.

Total Sales US$339 million

% of exports per sales value



PRODUCTIVE PERFORMANCE

Key Figures

MORTALITY (ROLLING 12-MONTHS):

4.8% (Atlantic Salmon)

8.2% (Coho Salmon)

SMOLT STOCKING:

10.9 million (Atlantic Salmon)

2.9 million (Coho Salmon)

BIOMASS (TONNES WFE):

Stock as of December 31st 2019:

29,486

Harvests:

58,033 (Atlantic salmon and Coho salmon)

CERTIFIED PRODUCTION VOLUME IN TONS:

Bap: **58,033**

ASC: **9,281**

AVERAGE FCRe IN OUR COMPANY

1.27 (Atlantic Salmon)

1,22 (Coho Salmon)

AVERAGE FCRb IN OUR COMPANY:

1.17 (Atlantic Salmon)

1,13 (Coho Salmon)

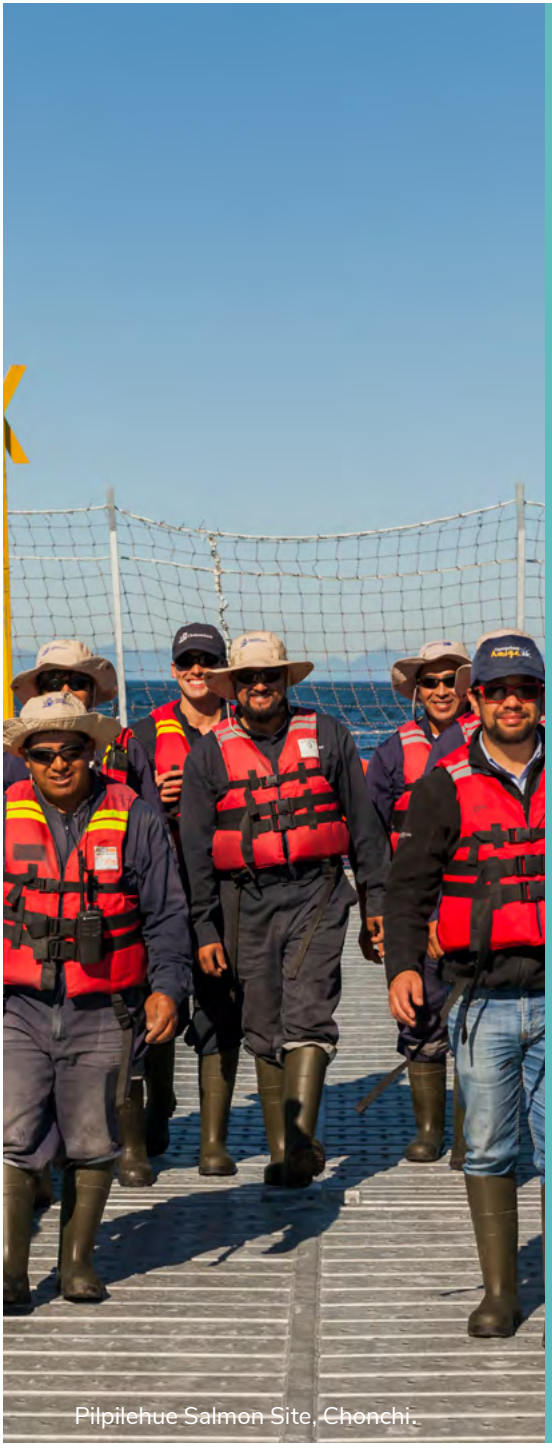
TONS OF PRODUCTION PER HECTARE:

144.1

In 2019, we achieved a historic harvest of 58,033 tons of salmonids, up 19.7% from the previous year. Of this volume, 53,731 tons WFE corresponded to Atlantic salmon, to which we added the already mentioned first production of Coho salmon, with 4,302 tons WFE harvested in this period.

Thanks to the incorporation of previously leased farm sites, we have a potential for organic growth in the future.

Our estimate for 2020 is to achieve a total harvest of between 52,000 to 54,000 WFE tons, which would be in line with our medium-growth term plan that aims to achieve between 75,000 and 80,000 harvested tons in total by 2023.



Pilpilehue Salmon Site, Chonchi.

2.

MEANINGFUL EMPLOYMENT

Sustainable Development goals that we contribute to in this chapter

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

Committed and impact-conscious team.

At Salmones Camanchaca, we aspire to have a team that is committed to its work and aware of the impact it has on the success of our business. We work to create a culture of continuous improvement based on efficiency, respect for diversity, and the rights of those who make up the organization.

In line with this objective, we held workshops on Human Rights, implemented the talent training and retention program, as well as regulatory, technical, and soft skills courses, among other activities in 2019. These are initiatives that aim to generate a positive work environment and good relations, a challenge that our Company considers a key factor for achieving good team performance.

Additionally, we measure the work environment each year (through tools such as surveys and focus groups) to identify areas of improvement and actions that may have a positive impact on the lives of our employees.

PERFORMANCE INDICATORS

NUMBER OF EMPLOYEES (ANNUAL AVERAGE)

1,569

GENDER DISTRIBUTION

24% WOMEN

WORKERS TRAINED

71%

EMPLOYEE TURNOVER

2.93%

FATALITIES

0

ABSENTEEISM RATE

0.127

LOST TIME INJURY RATE

13.9

What we look for

An environment in which the worker can perform and develop through effort, merit, and results.

Spaces for dialogue where everyone can express their professional opinions with respect.

Relationships that are not conducive to abuse of any kind, including sexual abuse and/or harassment. This is without any prejudice to the legal rules that exist for these purposes and which must govern the conduct of all Employees.

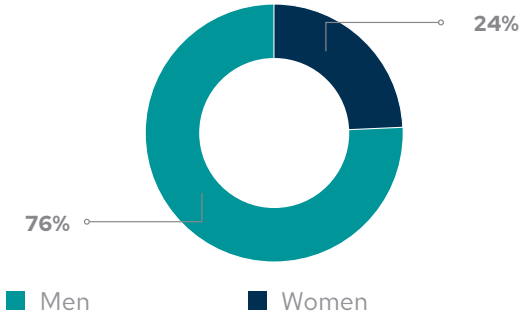
Treatment free of discrimination based on race, religion, gender, age, or other.

OUR EMPLOYEES

Total employees and gender distribution

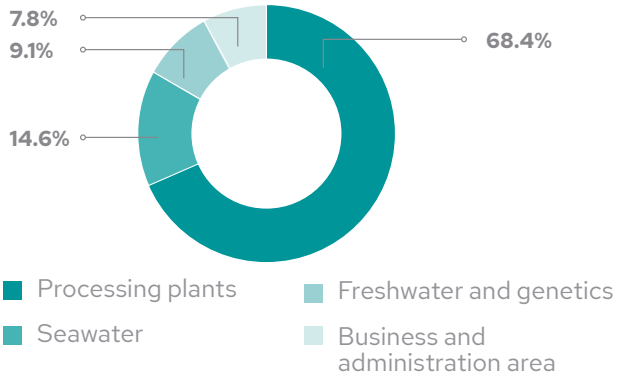
***1,569** employees (average staff)*

Figure 1: Employee distribution by gender



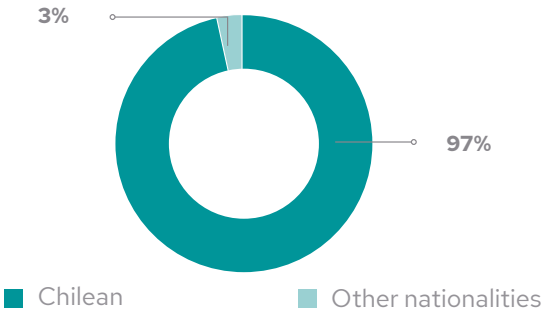
Salmones Camanchaca employee distribution

Figure 2: Employee distribution by area in the value chain



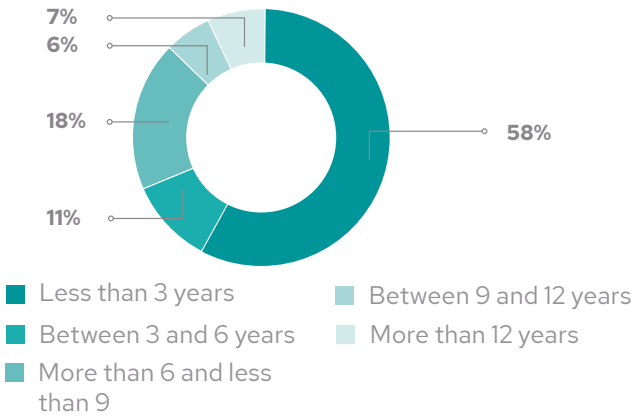
Distribution by nationality

Figure 3: Employee distribution by nationality



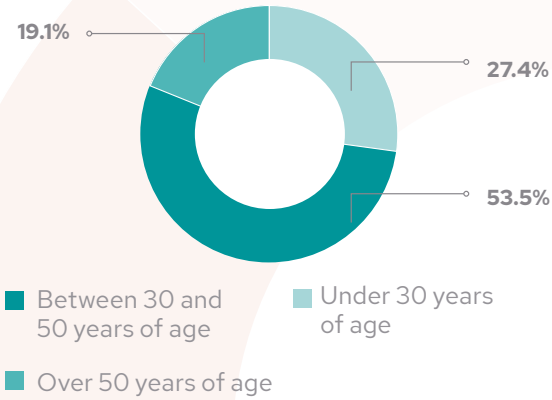
Distribution by years of service

Figure 4: Employee distribution by years of service



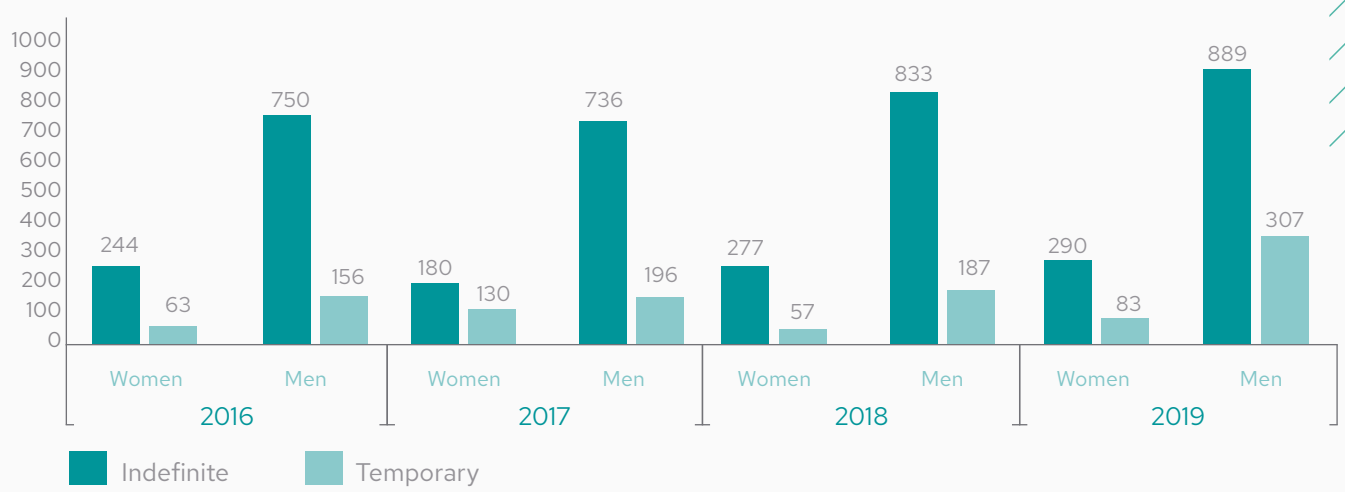
Distribution by age

Figure 5: Employee distribution by age



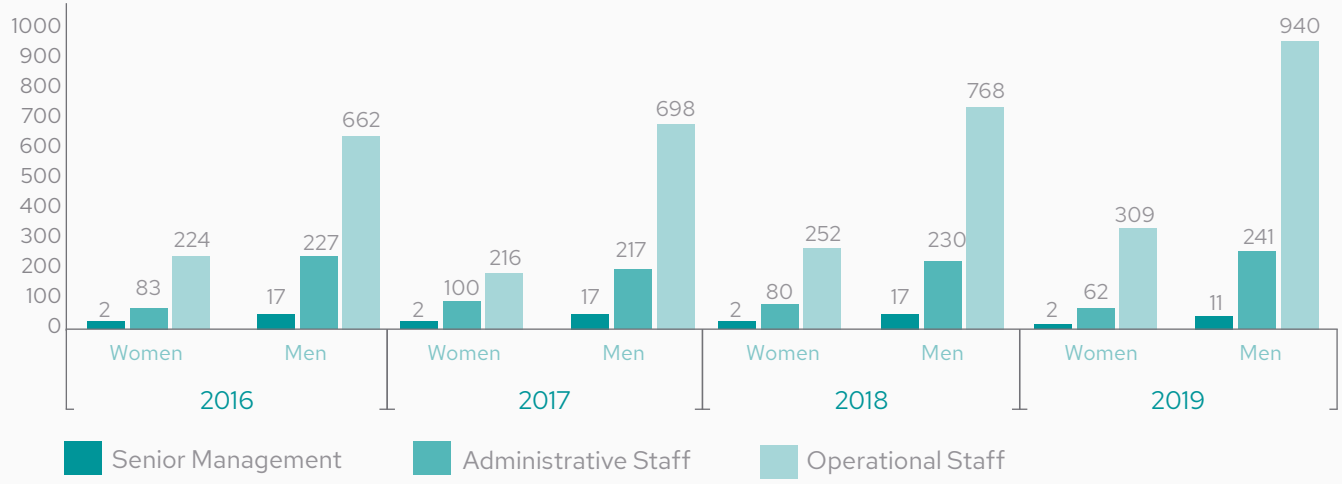
Distribution by contract type and gender

Figure 6: Employee distribution by contract type and gender



Distribution by type of position and gender

Figure 7: Employee distribution by type of position and gender



October 18

The social crisis that began on October 18, 2019, and the consequent national effects impacted the normal functioning of cities.

As a Company, we immediately adopted measures to look after the safety and wellbeing of our employees who, despite the difficulties, demonstrated their commitment and responsibility to the company. Some remained at the operation sites and others used teleworking.

We held discussions at each operational site, generating a space for reflection and dialogue with our employees to learn about their personal situation and concerns along with providing them with the necessary support during the crisis.

At the end of the year, we started an internal assessment through a survey with the purpose of learning about the most important social vulnerabilities and concerns of each of our employees. It also allowed us to identify the matters that affect their work life and its results will allow us to study targeted measures.

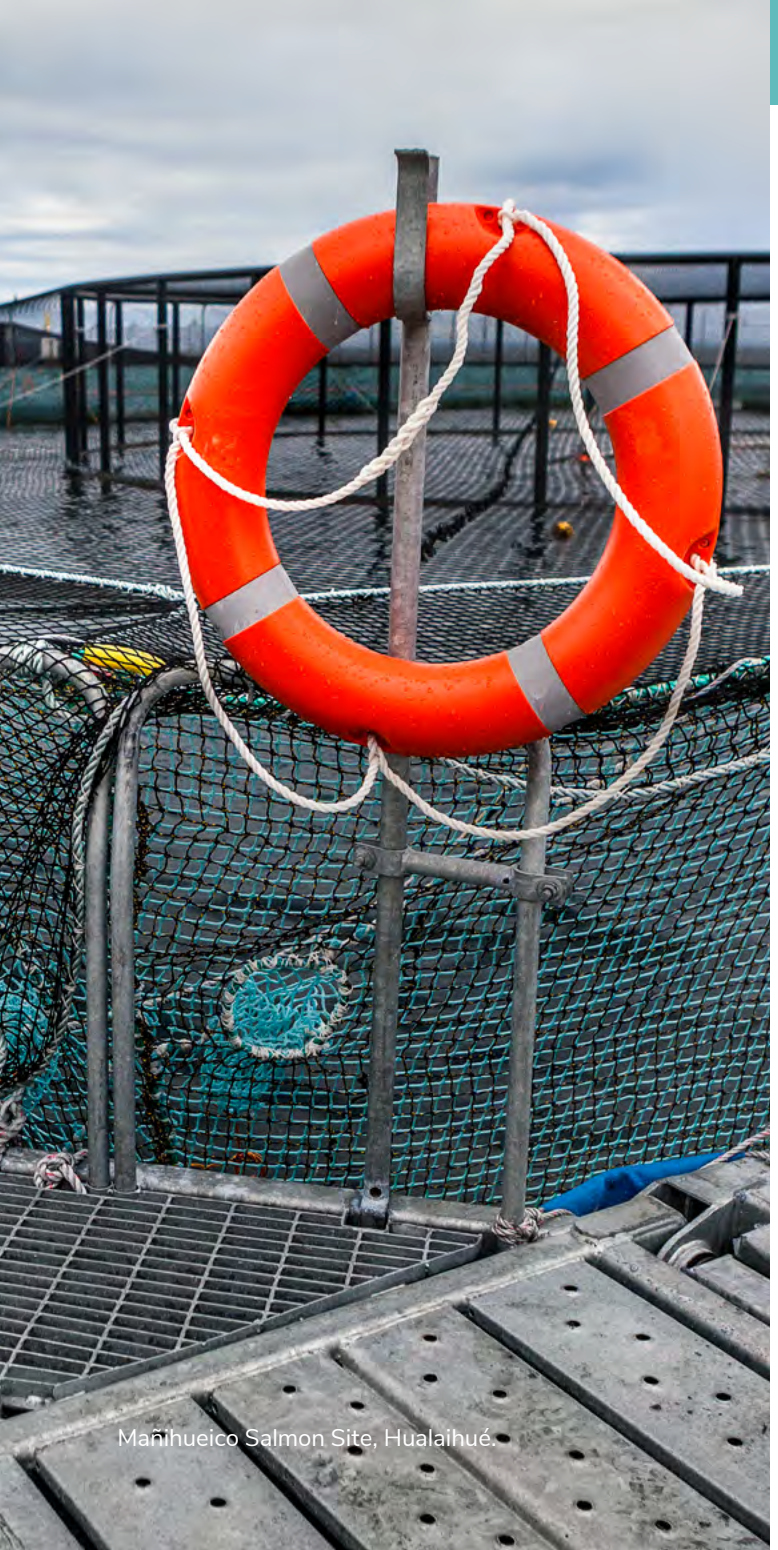
OCCUPATIONAL HEALTH, SAFETY, AND WELFARE

As a company, we are aware that people are our main asset; that is why we are constantly taking actions to improve the welfare of our employees. We are confident that this contributes to a deepened sense of belonging and corporate identity and, consequently, improves performance indicators and the fulfillment of objectives.

Accordingly, we work to continuously improve working conditions and protect the health of our personnel, strengthening preventive safety mechanisms and the culture of self-care in each link of the value chain.

That is why our Occupational Health and Safety (OHS) policy charges supervisors with providing their employees with well-defined, clear, and precise operating procedures. This is a permanent, structured, and systematic control in the way we work in order to create safe environments and minimize occupational hazards.

Value-Added Plant, Tomé.



Mañihueico Salmon Site, Hualaihué.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

To meet our commitments, we have an Occupational Health and Safety (OHS) management program and we keep the hazard identification and risk assessment matrix updated annually. During field visits, we prioritize contact with staff in the place where each task is carried out, allowing us to foster understanding and embodiment of the prevention-based culture and strengthen self-care.

Our Tomé processing plant worked on the implementation of the new ISO 45001 occupational health and safety management standard in 2019 (this replaces OHSAS 18001), which focuses on minimizing the risk of health injuries and accidents in the workplace. This includes all of our indirect employees.

Our programs at this processing plant address the overall wellbeing of people in addition to their occupational health and safety. We seek to encourage physical activity among our employees through sports programs, including a weekly after work program that also extends to their families.

IDENTIFYING HAZARDS AND INCIDENTS

Our company has risk matrices for each plant, which makes it possible to identify residual risks within all processes. This enables us to take preventive action.

At the same time and in coordination with the training area, we continuously reinforce the importance of self-care order to consolidate the prevention-based culture.

- APPLICATION OF MINSAL PROTOCOLS: REPETITIVE WORK (TMERT), PSYCHOSOCIAL RISKS, UV RADIATION, AND OCCUPATIONAL NOISE EXPOSURE (PREXOR).
- TRAINING ON OHS PROCEDURES AND STANDARDS.
- ON-SITE OHS COMPLIANCE AUDITS.
- ANONYMOUS RISK REPORTING AND THE OBSERVER SYSTEM "NO NAME, NO FAULT".
- EMPOWER WORKERS TO NOT PERFORM TASKS THEY CONSIDER TO BE RISKY.
- PROCEDURE FOR INVESTIGATING WORKPLACE INCIDENTS.

It should be noted that the contractors we work with are advised by a professional in the area of Occupational Health and Safety and are audited to evaluate their preventive management.

OCCUPATIONAL HEALTH AND SAFETY FIGURES

	2016	2017	2018	2019
Average staff (annual)	1,215	1,250	1,349	1,569
Days worked	349,920	324,762	337,790	393,924
Total hours worked per year	2,624,400	2,794,065	3,250,571	3,740,256
No. of accumulated accidents	14	26	34	52
No. of days lost	651	651	402	502
Absenteeism rate	0.18	0.20	0.12	0.13
Lost time accident rate	5.33	9.30	10.45	13.9
No. occupational illnesses	2	0	0	0
No. accumulated lost days due to occupational diseases	92	0	0	0
No. fatalities	0	0	1	0*[1]

(1) It considers a plane crash that is not counted in ACHS because it was a travel accident.

Our most common accidents

Being struck by structures or equipment, and ground-level falls on slippery floors.

Our most common occupational illnesses

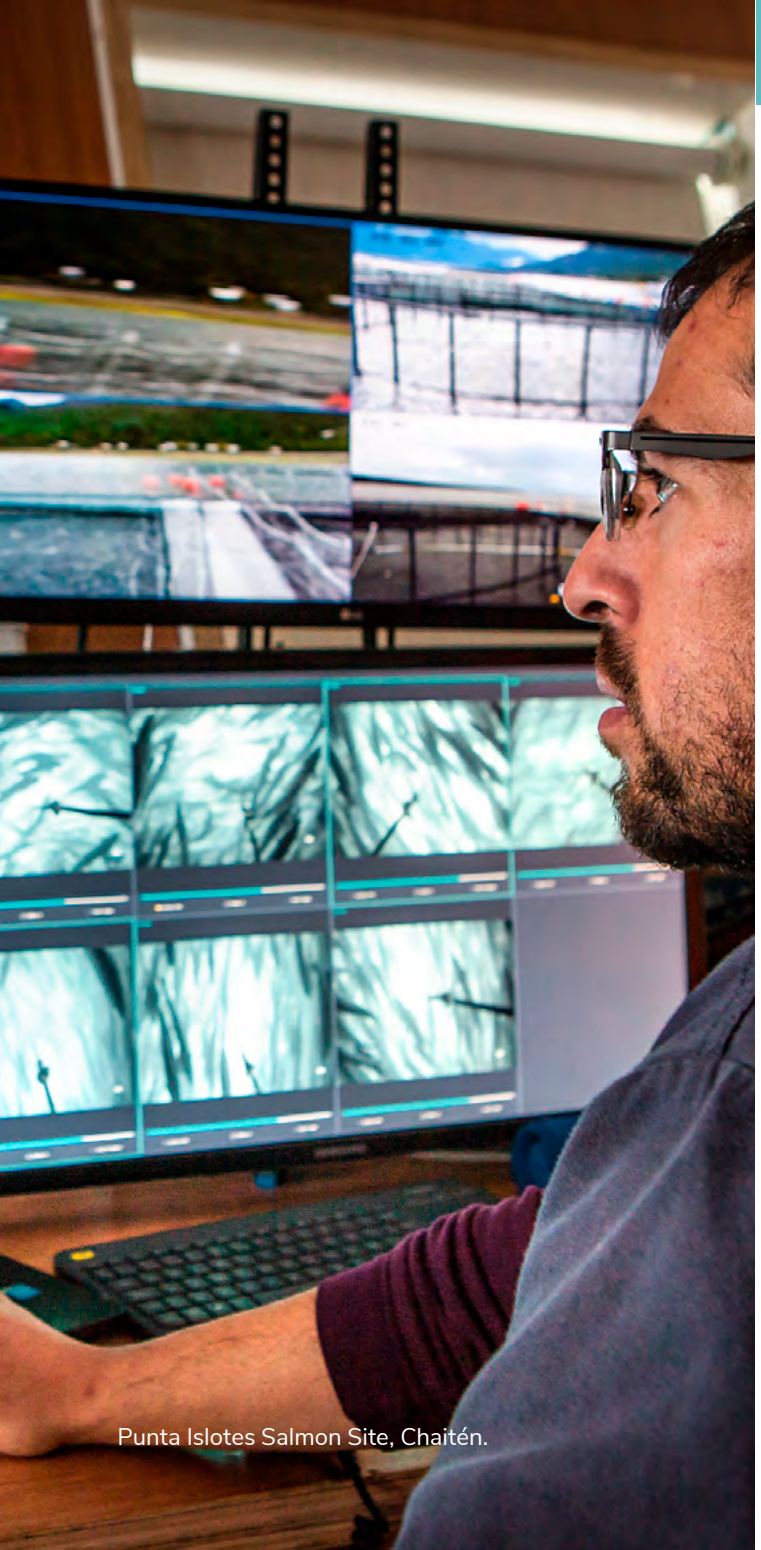
Hearing loss (deafness).

Airplane crash

An unfortunate air accident in April 2019 plunged our Company in mourning. Four of our employees-Erico Oyarzo, Leonel Soto, Gonzalo Navarro and José Vidal--passed away when the commercial plane they were traveling on crashed over a private house after taking off from La Paloma airfield, Puerto Montt.

Our employees worked at the Cabudahue and Porcelana farm sites in the X region. We contacted the relatives as soon as we received the official communication, giving them all the help and support they needed in those painful circumstances.

As a company and as a team, we deeply regret the unexpected departure of our employees and the irreparable loss that their deaths mean for their families.



Punta Islotes Salmon Site, Chaitén.

PERSONNEL DEVELOPMENT

The promotion of professional development is a key element in the management of our human capital. We know that having trained professionals and technicians gives greater value to the Company and allows it to safely take on new projects. It is for this reason that we have permanent education and training plans for our employees.

TALENT ATTRACTION AND RETENTION

At Salmones Camanchaca, we are sure that the best guarantee of success is having a highly-skilled team, especially in an environment as competitive as the present. That is why the search, detection, and retention of the best talent is one of our priorities.

For this reason, we implemented annual training plans in 2019, one to develop the skills of our personnel and another for trainees in the productive area, with the goal of attracting young professionals.

Our total turnover rate decreased from 5.98% in 2018 to 2.93% in 2019. When analyzing these figures by age and gender (figures 8 and 9), it is possible to see that turnover decreased in 2019 across all age groups and in both genders.

Figure 8: Turnover rate per year and breakdown by age

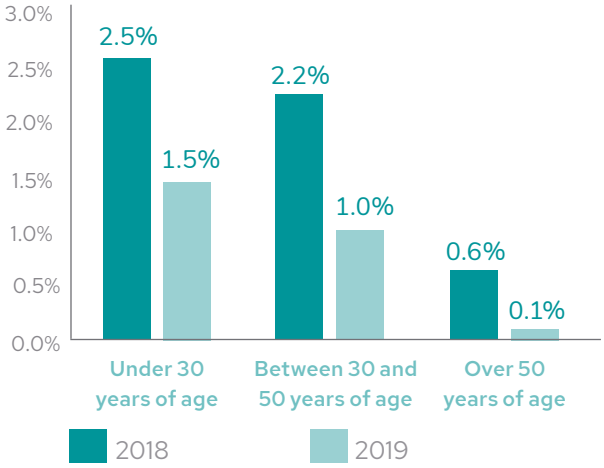


Figure 9: Turnover rate by year and gender

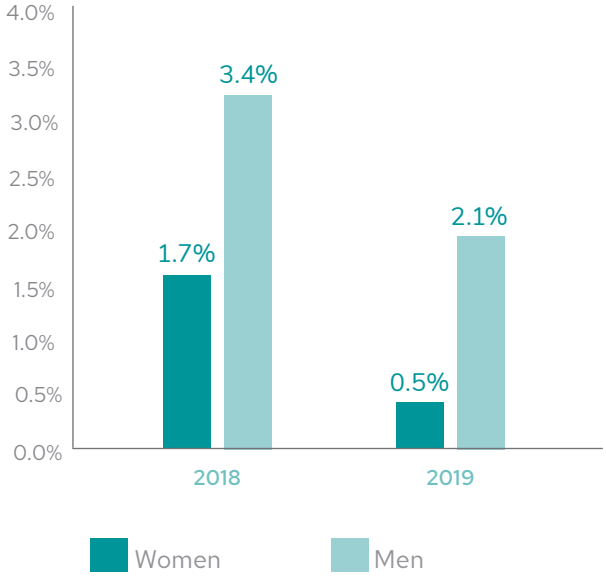


Table 1: Total employee turnover

Turnover (DJSI)	2016	2017	2018	2019
Total employee turnover rate - all types of departures (voluntary, fired, retired, etc.) as a % of total employees.	5.40%	5.43%	5.98%	**2.93%**
Voluntary employee turnover rate - voluntary resignations as % of total employees.	0.34%	0.42%	0.70%	**0.52%**

PERIODIC PERFORMANCE EVALUATION AND PROFESSIONAL DEVELOPMENT

In our quest to achieve an increasingly competitive and effective organization, we at Salmones Camanchaca periodically carry out a performance and professional development evaluation through direct supervisors.

The evaluation is unilateral and includes an analysis of the competencies and results of all employees who hold an administrative, technical, professional, leadership, or executive position, and, as of the evaluation date, had been with the Company for more than 6 months.

Below are the percentages of employees who received a performance evaluation at the Company in 2019:

Table 2: Performance evaluation

% of employees who have received regular performance and career development evaluations out of the total number of employees in the Company (by category)					
	By Gender		By Job Category (*)		
GRI 404-3	Women	Men	Senior Management	Administrative staff	Operational staff
2019 Performance Evaluation	38%	22%	100%	89%	–

MANAGEMENT OF EMPLOYEES' DEVELOPMENT

Promoting the professional development of those who work in the organization is one of the central focuses of our personnel management because we value their skills and commitment to the Company. The objective is to build teams oriented towards continuous improvement with employees that are efficient and empowered in their roles.

OUR DEVELOPMENT PROGRAMS AND OBJECTIVES

Our Training and Capacity Building Program seeks to contribute to the development of employee competencies, knowledge, and conduct through an annual mandatory training program that includes necessary developmental training.

Our development programs are characterized by their customization to each division and facility. We understand that each productive unit has special needs that are unique to the activities they engage in, so we adapt our capacity development programs in order to provide our employees with the technical and transversal knowledge necessary to carry out their work.

Also, we have been developing our "Leaders in Management" program since 2015, seeking to grow our professionals with a focus on the productive, organizational, and sustainability objectives of the Company in order to achieve results of excellence. This program provides continuity to the "Camanchaca Leadership Profile" program, which is transversal to our management and equips all of our employees with tools to support the achievement of their objectives, allowing them to continue to build on their strengths and reduce the gap in areas that need strengthening.

Training included in our People Development Plan

29,796 **Total hours of training in 2019**

Figure 10: Trainings conducted at Tomé Plant

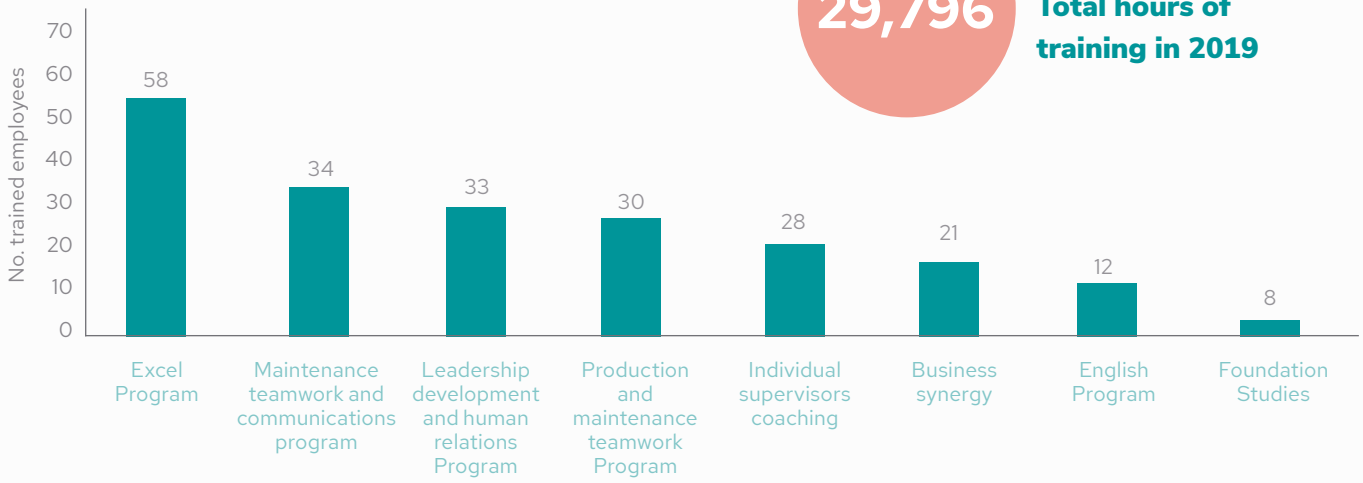
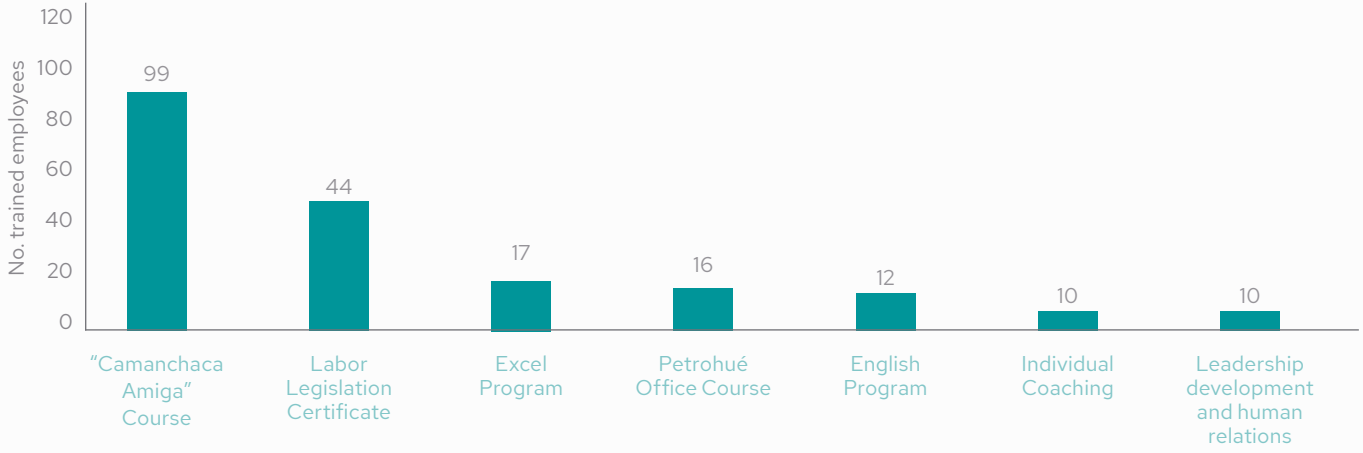


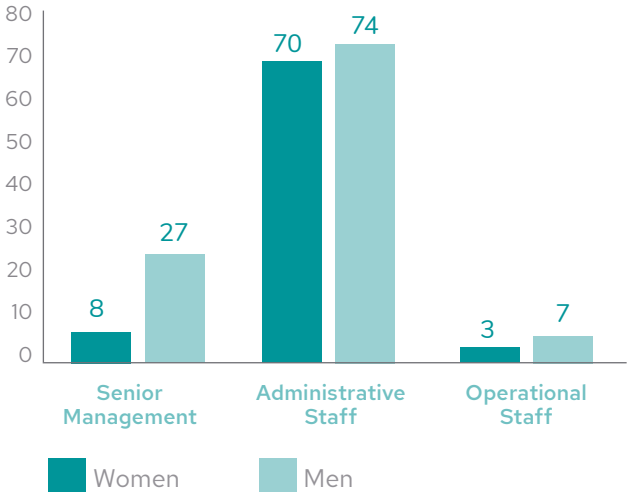
Figure 11: Trainings conducted at Puerto Montt office, farm sites and, San José Plant



HOURS OF TRAINING

We conducted 29,796 hours of training in all of our facilities in 2019, which was 28% more than in 2018. This increase is due to the type of training program that was designed, which was aimed at conducting more specific courses, unlike in other years when transversal courses were conducted. This change in the way we carry out our training corresponds to our quest to generate the greatest impact, both on the professional receiving the training and on the area to which he or she belongs.

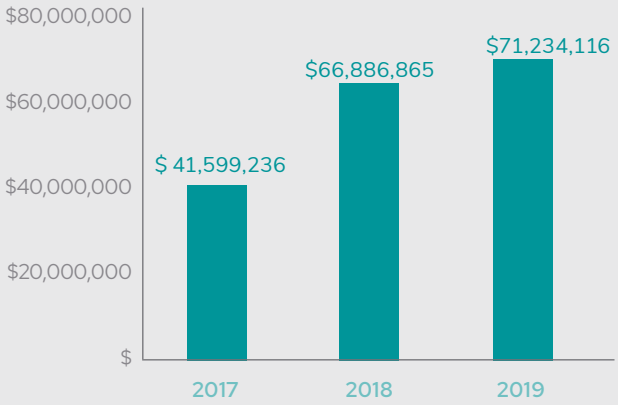
Figure 12: Average of hours of training by position and gender



Investment in training

The Company invested more than $71.2 million in employee training in 2019. This amount was 6.1% higher than the amount invested in 2018.

Figure 13: Employee training (MM$)



COMMITMENT AND MEANINGFUL EMPLOYMENT

At Salmones Camanchaca, we support professional development based on effort, merit, and the achievement of objectives, aligned with the company's strategy, in an environment that is respectful of professional opinions. As a company, we promote healthy working relationships which exclude abuse and discrimination of any kind.

Work environment

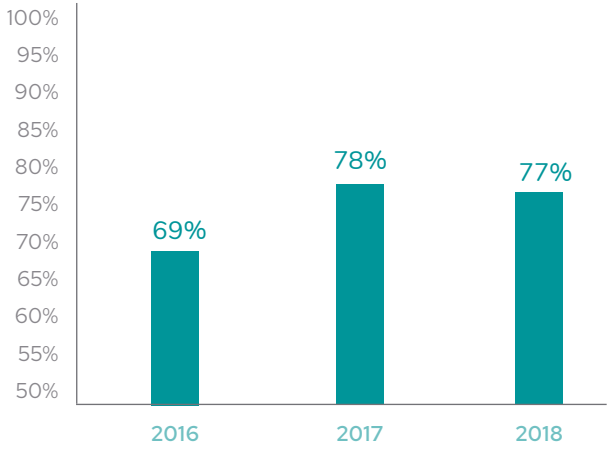
We believe that providing a positive and unified work environment is the best way to support strong employee performance and is also the best stimulus for innovation, personal growth, and leadership development.

As a part of this effort, we annually measure employee satisfaction through anonymous surveys or focus groups to learn about how our employees perceive both the physical and emotional conditions in which they operate daily. The results allow us to identify areas for improvement and evaluate the performance of these variables year after year.

For us at Salmones Camanchaca, it is very important that employees feel that there are spaces to create, contribute ideas, and improve daily processes. The objective is for them to know that they are part of a unified network and take on Company challenges as their own.

However, we were unable to conduct this survey in 2019 because of the social crisis that the country was experiencing. Instead, in pursuit of company unity and support, we carried out conversations aiming to share employees' personal circumstances and concerns regarding the situation.

Figure 14: Organizational climate survey (% of employee satisfaction)



DIVERSITY AND EQUAL RIGHTS

Recruitment decisions are made on the basis of the skills, qualifications, and experience required for positions. The same is true for employee evaluations and promotion decisions, which weigh merit, performance, and achievement of objectives.

At the end of 2019, there were 373 women at Camanchaca, representing 24% of the workforce, and 46 foreigners, representing 3% of the company's total workforce.

Also in 2019, and in line with Law 21.015 on labor inclusion, we have 16 employees with disabilities who work in administrative and operational positions.

We understand that diversity of gender, disability, age, or nationality in the company is key to achieving the objectives we have set, as it provides us with different perspectives, ideas, and opinions. These are necessary strengths to be able to respond to the continuing challenges presented by the salmon farming sector and companies in general.

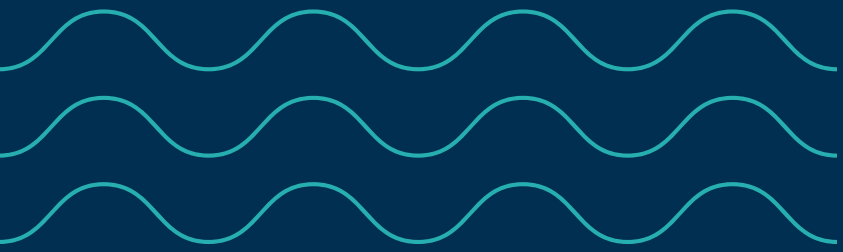


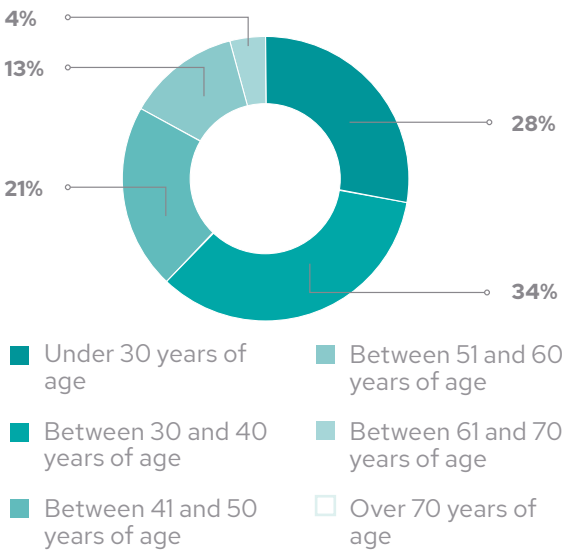
Table 3: Representation of women by position (percentage)

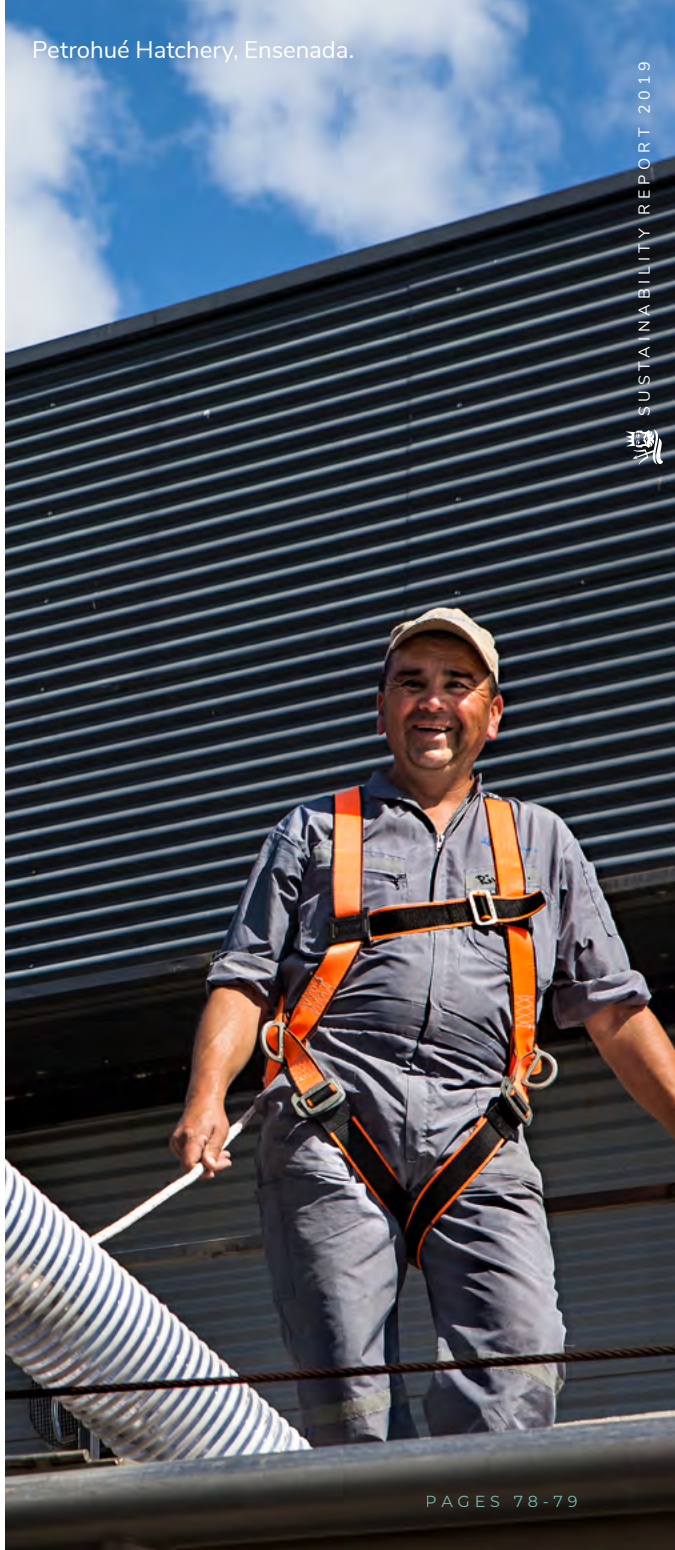
Diversity DJSI	% Women
Percentage of women in the total workforce	23.8%
Percentage of women in executive positions (in relation to total executive positions)	38.5%
Percentage of women in junior executive positions (in relation to total junior executive positions)	0.0%
Percentage of women in senior executive and senior management positions (in relation to total senior management positions). A maximum of 2 levels from the CEO are considered.	30.8%
Percentage of women in executive positions in revenue-generating areas (e.g. sales, marketing)	0.1%

Table 4: Number of people with disabilities

Position	Female	Male	Total
Senior Management	0	0	0
Administrative and Technical Staff	0	4	4
Operational Staff	0	16	16

Figure 15: Age distribution in the company




Petrohué Hatchery, Ensenada.

Labor relations and unions

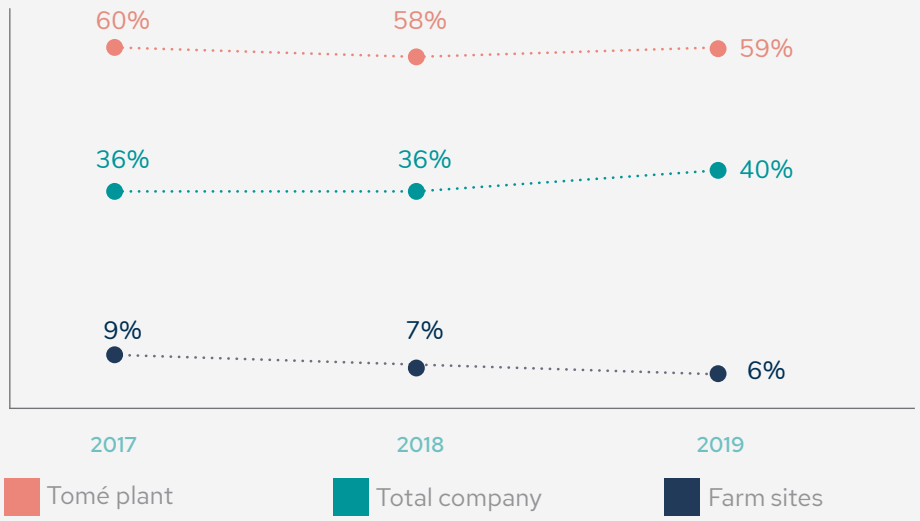
At Salmones Camanchaca, we recognize workers' rights to freedom of association and speech as a fundamental value. In this regard, we promote constructive relationships with unions, which must have the space for participation they require, within a framework of mutual respect and commitment to the regular activities and objectives of the company.

At the same time, and as a common practice, we ask our employees for their opinions before implementing any significant decisions.

Our great challenge for 2020 is to successfully conclude the collective bargaining process for the three-year period of 2020 to 2023, for which talks are underway.

As shown in the figure below, unionization in our company grew 4% in 2019 due to increased unionization at the Tomé processing plant. The Farm Site area has experienced a gradual decrease over the last three years, from 9% in 2017 to 6% today.

Figure 16: Evolution of unionization by business units



Compensations

As part of the procedures implemented to guarantee equality and transparency in regard to salaries, there is a Compensation Policy to define income levels for positions. This is based on their value and competitive condition in the market, independent of gender and any other condition of the person holding the position. Merit, market, inflation, and Company results are the key factors impacting the economic development of the people.

As seen in table 5, our 2019 starting salaries for both men and women were 71% higher than the minimum salary established in the country, with which we ensure that our employees reach at least $ 515,000.

Table 5: Ratio of standard entry level salary by gender to local minimum wage, by gender (CLP)

		Country's minimum salary		Camanchaca starting salary		Ratio Salmones Camanchaca vs country	
		2018	**2019**	2018	**2019**	2018	**2019**
Gender	Women	288,000	**301,000**	485,000	**515,000**	168%	**171%**
	Men	288,000	**301,000**	485,000	**515,000**	168%	**171%**

Value-Added Plant, Tomé.

3

HEALTHY AND NUTRITIOUS FOOD

Sustainable Development goals that we contribute to in this chapter

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

Quality, nutritious, healthy, and sustainable product with responsible fish welfare.

At the center of our production strategy is the health and welfare of our fish, the efficient use of natural resources, and the quality and safety of our product, because having a healthy, nutritious, and premium product depends on it.

This is why, in 2019, we took on the commitment to certify the majority of our production under the international standard of the Aquaculture Stewardship Council (ASC) by 2021 and to reduce the consumption of antibiotics by 50% by 2025.

PERFORMANCE INDICATORS

USE OF ANTIBIOTICS (G/TON LWE)

516.9

USE OF ANTIPARASITICS (G/TON LWE)

12.6

MORTALITY (ROLLING 12 MONTHS)

4.8%
ATLANTIC SALMON

8.2%
COHO SALMON

ASC CERTIFIED BIOMASS

17%

BAP CERTIFIED BIOMASS

100%

FISH VACCINATED WITH LIVAC

98%

OUR PRODUCT'S SAFETY, QUALITY, AND NUTRITIONAL VALUE

Offering healthy and quality products to our customers is a priority for Salmones Camanchaca. Since we are part of the worldwide food production, distribution, and marketing process, we must meet the most stringent international standards of food safety and product quality.

We make an outstanding product at Salmones Camanchaca thanks to strict compliance with internal policies and international quality standards. Our secondary processing plant is certified under the BAP standard for processing plants, ISO 9001:2015, and complies with the procedures of the Food Safety and Certification Manual based on HACCP of the National Fisheries and Aquaculture Service.

Additionally, we voluntarily certify our entire production chain under international standards such as Best Aquaculture Practices (BAP) –the only aquaculture certification that covers the entire supply chain, including feed mills– and ASC, which includes both the social and environmental aspects of the grow-out process, smolt supply, and chain of custody (primary and secondary processing). **Additionally, we have certified our Eggs, smolts, and primary processing facilities under the Global G.A.P. standard.**

BAP CERTIFIED 4 Star Certified

2019 ★★★★
2018 ★★★★
2017 ★★★★
2016 ★★★★

We maintained our four-star BAP certification in 2019

In 2019, our Rio Petrohué hatchery achieved this accreditation status for the fourth consecutive year. This certifies that the entire value chain voluntarily complies with the standards of this program that measures and evaluates social and environmental responsibility, animal welfare, food safety, and product traceability, ensuring our consumers that our products have the best practices in the industry.

COMMITMENT TO INCREASING PRODUCTION UNDER THE ASC STANDARD

By virtue of our continuous improvement process and as a result of working together with GSI (Global Salmon Initiative), **we have committed to meeting the requirements of this standard for the majority of our production by 2021.** We certified two new seawater sites with this standard in 2019, bringing the total up to six and bringing our goal into clear view.

WHY CERTIFY OUR PRODUCTION UNDER THE ASC SUSTAINABILITY STANDARD?

The ASC *(Aquaculture Stewardship Council)* certification is considered the most demanding in terms of sustainability for aquaculture. Developed through stakeholder dialogue, the ASC considers more than 500 indicators from various areas and farms must undergo regular annual audits. Having this certification ensures that we produce our products under the most demanding social, environmental, and food safety standards ***(https://www.asc-aqua.org/)***.

Figure 6: BAP & ASC Harvested Biomass

	BAP		ASC	
	Harvested Biomass WFE (Ton)	% of certified Biomass	Harvested Biomass WFE (Ton)	% of certified Biomass
2017	34,213	100%	3,820	11%
2018	48,496	100%	14,304	29%
2019	58,003	100%	9,281	16%

SALMON, A HEALTHY ALTERNATIVE [1]

Ranked as one of nature's healthiest foods, salmon is known for its protein, antioxidant, and Omega-3 fatty acid content, as well as its high levels of EPA and DHA.

Farmed salmon is an excellent source of all three types of omega-3 fatty acids. Each of these fatty acids offers significant health benefits, including improved eye, brain, and cardiovascular function.

Omega-3

There are three main types of omega-3 fatty acids:

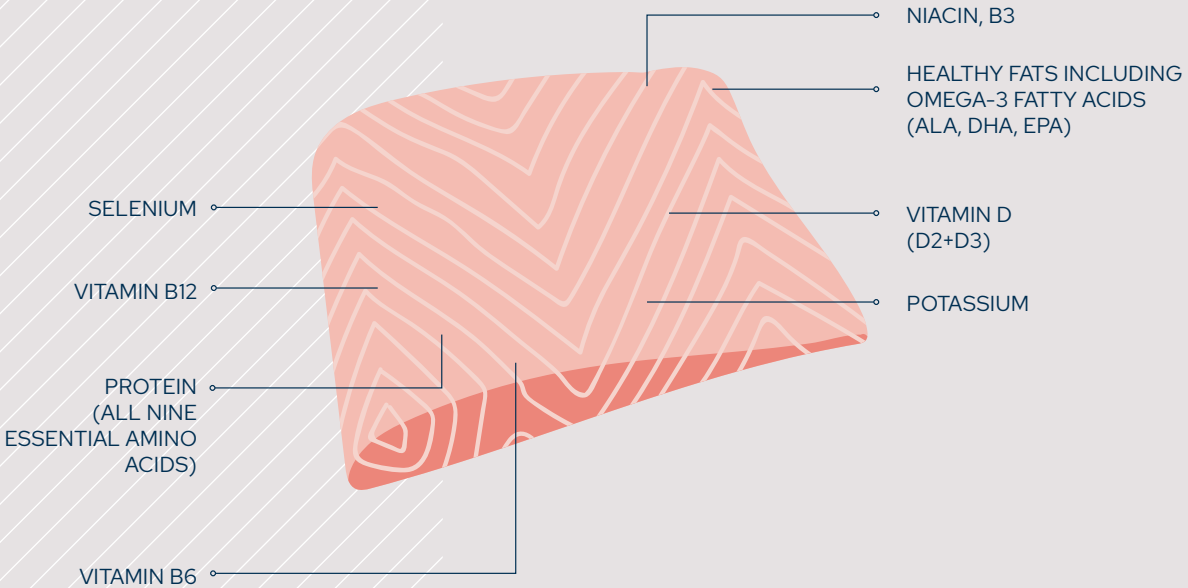
1. Alpha-linolenic acid (ALA)
2. Eicosapentaenoic acid (EPA)
3. Docosahexaenoic acid (DHA)

According to various scientific studies, eating salmon regularly helps to:

- **Maintain a healthy heart**
- **Control blood pressure**
- **Prevent strokes**
- **Develop the cognitive system during stages such as pregnancy or lactation**

(1) According to the GSI (Global Salmon Initiative) Sustainability Report.

Nutrient Profile



Value-Added Plant, Tomé.

Table 7: Nutritional value of Atlantic Salmon[1]

	Salmon fillet 3.5 oz. (100 g)* [3]	Daily reference value (DRV**)	% DRV***
Macronutrients			
Energy (kcal)	208	2,000	10%
Protein (g)	20.42	50	41%
Fat (g)	13.42	78	17%
Carbohydrate (g)	0.00	275	n/a
Cholesterol (mg)	55	300	18%
Polyunsaturated fatty acids (g)	3.89	No DRV established	n/a
Omega-3 fatty acids (ALA) (g)	0.15	1.6 (Men) - 1.1 (Women)	9% - 13%
Omega-3 fatty acids (EPA and DHA) (g)	0.80–1.36	No DRV established	n/a
Omega-6 fatty acids (g)	1.09	No DRV established	n/a
Monounsaturated fatty acids(g)	3.77	No DRV established	n/a
Saturated fatty acids (g)	3.05	20	15%
Protein			
Protein(g)	20.42	50	41%

(1) According to Global Salmon Initiative (GSI): https://globalsalmoninitiative.org/en/sustainability-report/
* Raw, farmed Atlantic Salmon.
** Daily Reference Value (DRV) - A set of reference values established by the U.S. Food and Drug Administration for the dietary intake of energy-containing macronutrients. They provide the maximum amount of calories and nutrients that should be eaten in a day based on reference intake of 2,000 calories for adults.
***A 5% DV or less of a nutrient per serving is considered low and a 20% DV or more of a nutrient per serving is considered high.

RAW MATERIALS

Our goal is to produce a world-class, highly nutritious and healthy salmon. The specialized diet of our fish, rich in nutrients and omega 3, is key to achieving this goal.

The greatest nutritional and omega 3 contribution comes from fishmeal and fish oil, and to a lesser extent vegetable raw materials such as soybeans, canola oil, and cereals.

As a company, we have increased the efficient use of marine ingredients in the diets of our fish, using less fishmeal and fish oil for every kilo of salmon produced. At the same time, we have continued to produce premium quality salmon. (See chapter Healthy Ecosystems, page 112).

Figure 17 shows the evolution of our feed conversion ratio and our dependence on the use of fishmeal and fish oil.

Figure 17: Comparison between the Feed Conversion Ratio and the Fishmeal Forage Dependency Ratio (FFDRm) and Fish Oil Forage Dependency Ratio (FFDRo).

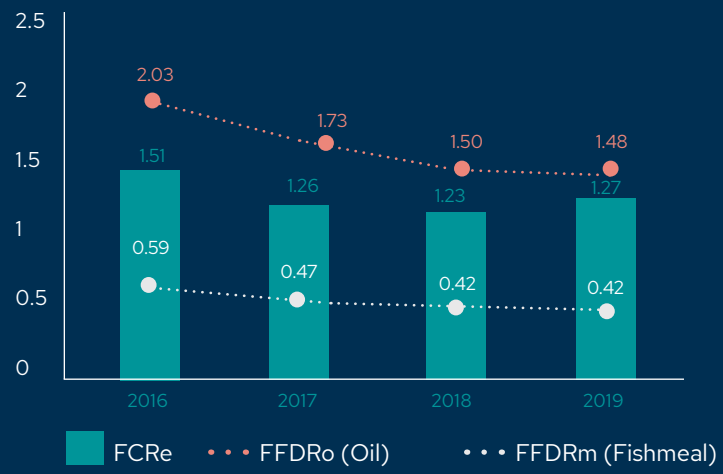
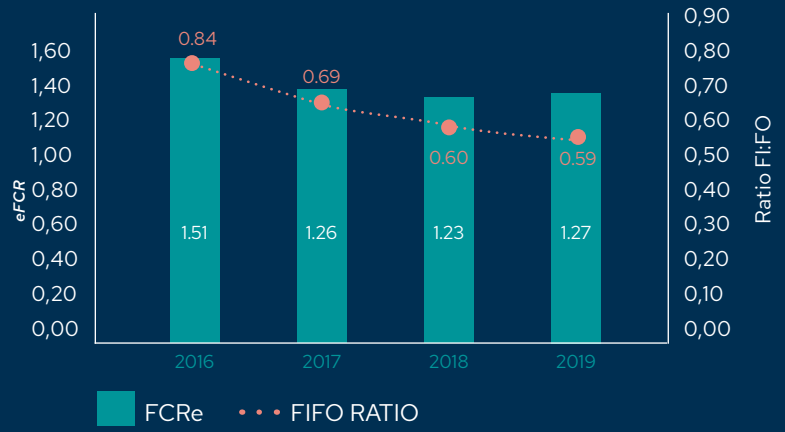


Figure 18: FI:FO ratio versus economic conversion factor



ANIMAL WELFARE

Fish health and welfare is a key focus for the Company; this aspect is regulated internationally by the OIE (World Organization for Animal Health) and included in international certifications of good aquaculture practices.

This is why our health and production strategy includes the monitoring of environmental variables in the water column; the execution of biosecurity protocols in all our facilities; the vaccination of 100% of our fish; the use of functional feeding with specific diets for each productive phase, and the permanent health control of our fish.

We also have a staff of veterinarians who are specialized in salmon and dedicated to the early detection of factors that could endanger the health or welfare of our fish.

IN PURSUIT OF ANIMAL WELFARE

Fish are fed to satiation, which is controlled by underwater cameras.

Fish are farmed under conditions in line with regulations regarding density (Kg/m3) and maximum numbers of fish per cage, percentage and causes of mortality, and specific health programs, among others.

Daily removal of mortality and recording of causes to implement timely treatment.

Regular check-ups and visits by veterinarians to all farms.

Farming structures with systems that maintain optimal environmental conditions for the fish (i.e., perpetual cleaning of nets to maintain good water exchange in the cages, automatic oxygen injection systems, upwelling systems to prevent and mitigate stress from microalgae, and anti-predator nets, among others).

No antibiotic treatments are performed for prophylactic purposes. All treatments are performed with a clinical diagnosis and laboratory confirmation.

We do not use genetically modified (GMO) fish. 100% of our Atlantic Salmon production comes from our own genetic program.

We do not use growth promoters on our fish.

100% of farm sites externally audited on an annual basis, complying with animal welfare requirements. The results are published on our website.

Petrohué Hatchery, Ensenada.

THE FIVE FREEDOMS

We strive to strictly adhere to the established set of recommendations in Chapter 7 of the OIE Aquatic Code (Introduction to Recommendations for the Welfare of Farmed Fish) in all of the operations we carry out with our fish.

Ultimately, we seek to guarantee the "Five Freedoms" published in 1965, which outline five aspects of animal welfare under human control:

1. **FREEDOM FROM HUNGER, MALUTRITION AND THIRST**
2. **FREEDOM FROM FEAR AND DISTRESS**
3. **FREEDOM FROM HEAT STRESS OR PHYSICAL DISCOMFORT**
4. **FREEDOM FROM PAIN, INJURY AND DESEASE**
5. **FREEDOM TO EXPRESS NORMAL PATTERNS OF BEHAVIOR**

Playa Maqui Salmon Site, Frutillar.

BIOSECURITY AND FISH HEALTH

Our main objective is to produce healthy fish in healthy waters. For this reason, biosecurity and proper disease management is a priority. The two main challenges in this area are: controlling sea lice and reducing the use of antibiotics.

RESPONSIBLE USE OF MEDICINES

Use of antibiotics

When prevention methods in animal production are insufficient, the rational and controlled use of antibiotics is key to ensuring fish health and welfare.

At Salmones Camanchaca, antibiotics are used exclusively after a clinical diagnosis of the disease is made by a veterinarian. It is a necessary practice used mainly to treat Piscirickettsia salmonis infections, the cause of the syndrome known as SRS.

It is important to note that our Company only uses antibiotics that are nationally and internationally approved for use in fish and does not use those considered to be critical to human health by the World Health Organization (WHO).

Figure 19: Atlantic Salmon antibiotic consumption

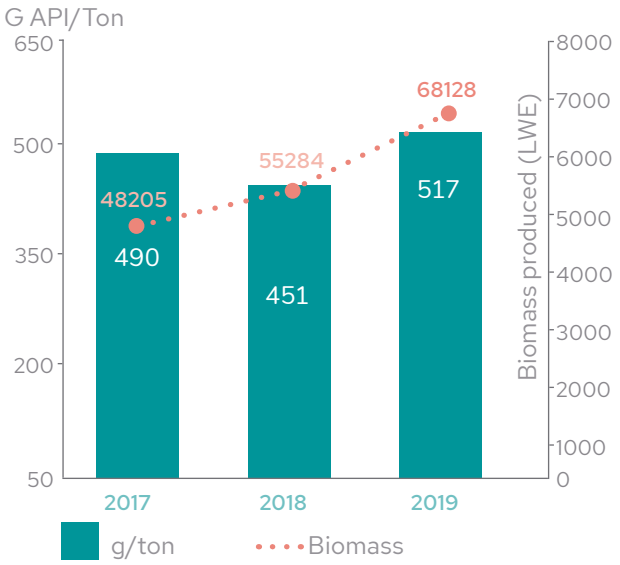
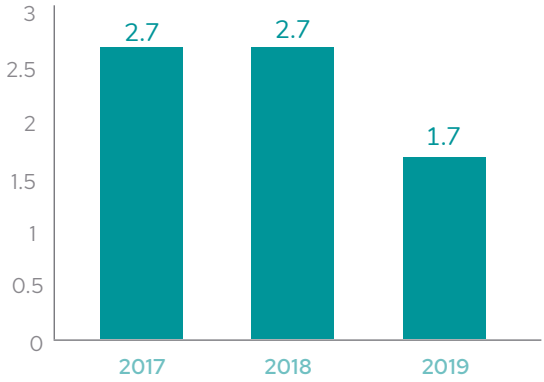


Figure 20: Number of treatments per farm site (annual)



Although the use of antibiotics (g/ton) increased in 2019, the number of applications per farm site was lower (1.7 treatments/site). The increase –in g/ton– was mainly due to the fact that higher weight fish were treated, which depends on the point in the production cycle that the disease manifests.

COHO SALMON HARVEST FREE OF ANTIBIOTICS AND/OR ANTIPARASITICS

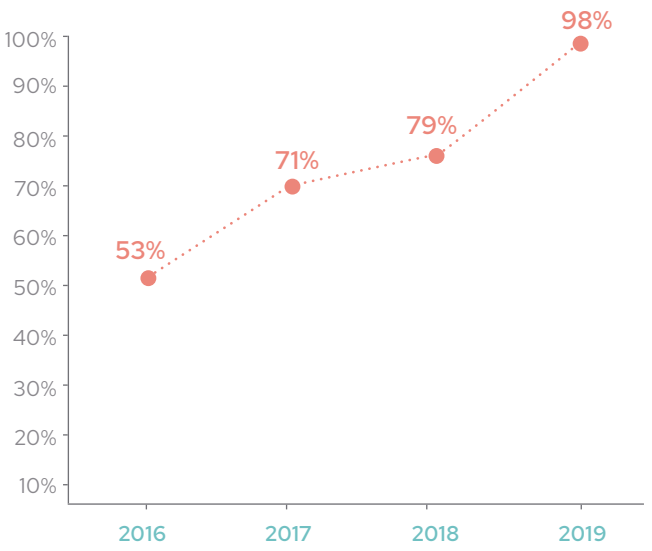
In the case of Coho Salmon production, the use of antibiotics was "0" g/ton in the 4 operational sites during 2019. These were officially certified as sites free of antibiotic and/or antiparasitic use by the National Fisheries and Aquaculture Service.

Río Petrohué Hatchery, Ensenada.

Prevention strategies to decrease the use of antibiotics

98% of our live biomass in the sea was vaccinated with Pharmaq's Alpha Ject Live SRS vaccine in 2019, a recent technological breakthrough that prevents the spread of Piscirickettsia salmonis, the main infection affecting farmed salmon in Chile. Through this, we reduce the impact of the disease on the health and welfare of the fish. Currently, 100% of the fish stocked by the company are vaccinated with this vaccine.

Figure 21: Percentage of stocked biomass vaccinated with LiVAC



Our medium-term objective is to significantly reduce the use of antibiotics in relation to our production level. For this purpose, the strategy we have implemented is as follows:

TIMELY DIAGNOSIS AND TREATMENT OF *PISCIRICKETTSIA SALMONIS*

100% VACCINATION OF OUR FISH WITH THE PHARMAQ'S ALPHAJECT LIVAC VACCINE

PERFORM A ANALYSIS OF THE EVALUATION, REGISTRATION, AND EFFECTIVENESS OF ALL TREATMENTS PERFORMED

USE HIGH FUNCTIONAL AND HIGH-ENERGY DIETS IN ORDER TO SORTHEN PRODUCTION CYCLES AND LOWER THE RISK OF INFECTION

Use of anti-parasitic treatments

The responsible use of antiparasitic treatments is crucial to controling sea lice *(Caligus rogercresseyi)* and establishing effective treatment schemes that minimize the use of these products in the sea.

Sea lice are natural parasites found in all of the world's oceans and represent today's main health challenge in global salmon farming. Therefore, we are focused on effectively controlling their harmful effect on productivity and on the health and welfare of our fish.

The use of antiparasitic treatments at Salmones Camanchaca is regulated by our veterinarians. They are the ones who specify the product and required dosage and are responsible for monitoring the effect of the medication on the fish until it has been completely removed prior to harvest. All of the antiparasitic agents that we use are approved for use in fish.

Additionally, we actively participate in the Caligus Program, which is managed for the industry by the consulting firm Aquabench. This program aims to promote collaboration and continuous improvements of health practices in sea lice control.

The total percentage of Atlantic Salmon treated with Lufenuron (a pharmaceutical product to prevent Caligus rogercresseyi infestation) in 2019 was 54%, a percentage similar to that of 2018.

This antiparasitic treatment is administered to fish orally during the freshwater stage and protects them for 6 to 8 months once they have been transferred to the sea. This, combined with the use of functional and high-growth diets, allows us to reduce the risk window and, consequently, the use of antiparasitics in the sea.

Río Petrohué Hatchery, Ensenada

Figure 22: Percentage of fish treated with Lufenuron

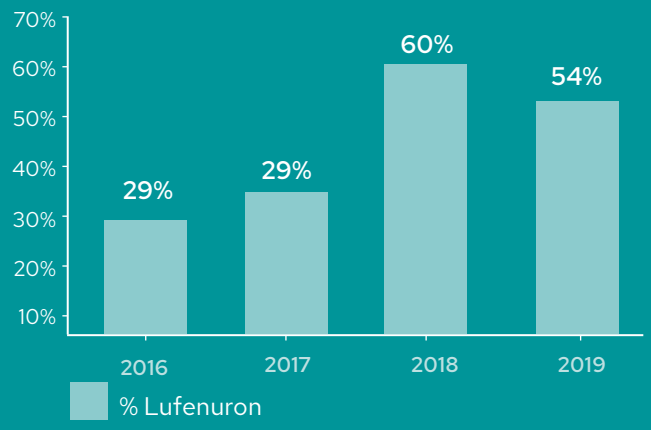
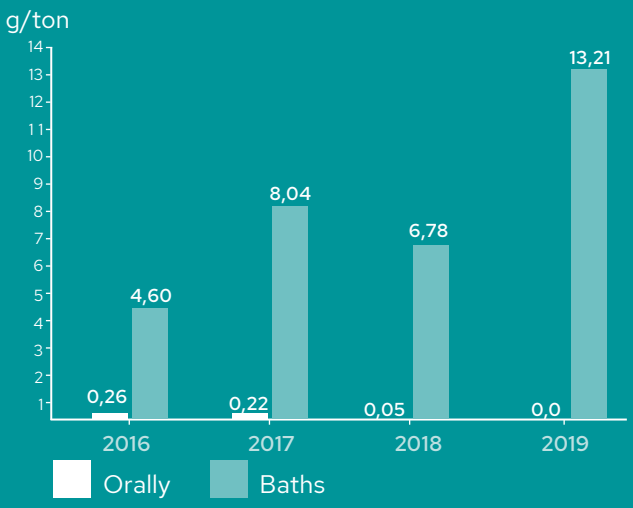


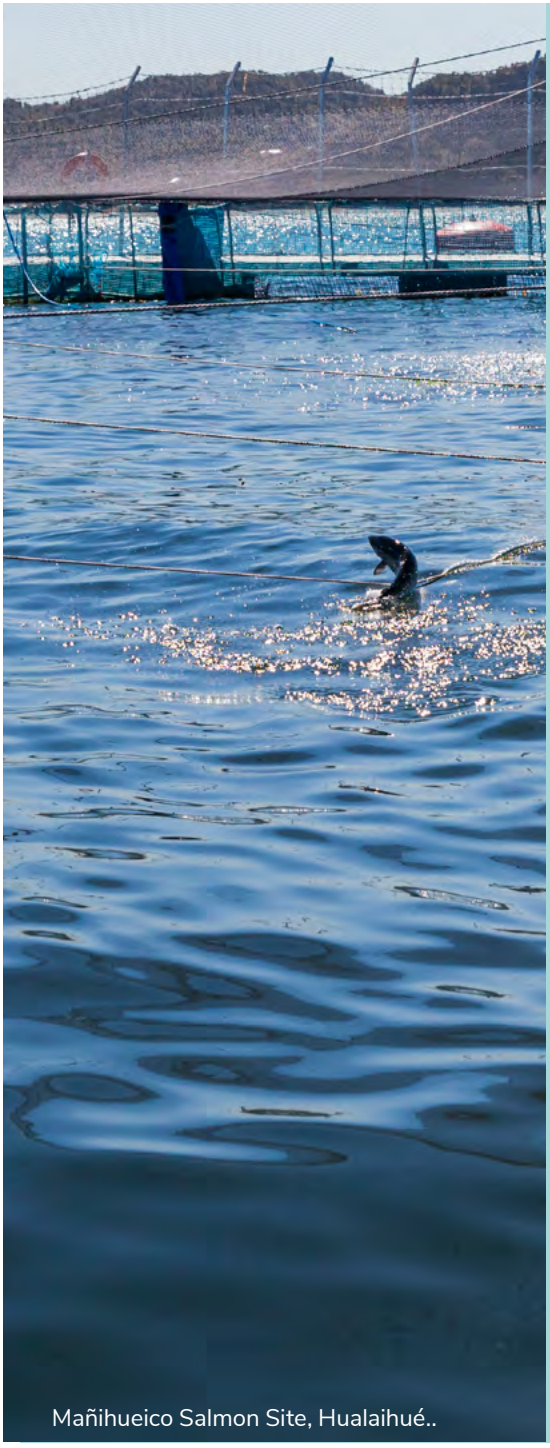
Figure 23: Use of bath treatments and orally administered antiparasitic treatments (g/ton)



As seen in the figure 23, there was an increase in antiparasitic treatments per bath in 2019 (13.21g/ton). This was due to a decrease in the effectiveness of the available products, which led to a greater number of applications.

INNOVATIONS IN BIO-HEALTH

By the end of 2019, we administered more effective and environmentally friendly antiparasitic controls: hydrogen peroxide (the most environmentally safe disinfectant) and a Norwegian non-pharmacological treatment (Optilicer), which mechanically delouses the fish.



Mañihueico Salmon Site, Hualaihué..

4

HEALTHY ECOSYSTEMS

Sustainable Development goals that we contribute to in this chapter

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

Preserve the structure and function of the aquatic and terrestrial ecosystems that host our activity.

Our fish are produced in the unique ecosystems of southern Chile, surrounded by Patagonia's forests, rivers, fjords, and inland seas. Preserving the structure and function of these ecosystems is our priority, as they provide the environmental conditions that make our activity possible.

The identification and management of our impacts, the widespread adoption of international standards across all of our operations, and the investment in technology and the training of our employees allow us to commit to moving towards a fully sustainable production.

Closely related with this, in 2019 we pledged to certify the majority of our production under the ASC standard by 2021 and to be carbon neutral by 2025.

PERFORMANCE INDICATORS

RECYCLED WASTE (TON)

608

FISH ESCAPES
(No. FISH)

0

INTERACTIONS WITH WILDLIFE
(No. INCIDENTS)

0

FISH IN: FISH OUT RATIO (FI:FO)

0.59

BIOLOGICAL CONVERSION RATIO (FCRb)

1.19

BIODIVERSITY

We believe in the potential of salmon farming and its ability to add value to the communities where we operate, but we as well as our stakeholders are aware that the industry must meet the highest environmental standards in order to conserve ecosystems and biodiversity.

For these reasons, our efforts are especially focused on all factors that can cause undesired effects on biodiversity, such as: fish escapes; impacts on the seabed and critical habitats or high conservation value areas; interactions with wildlife and the protection of its genetic integrity; and rational use of resources, such as raw materials required for fish feed production.

Although our facilities are located near areas such as Vicente Péres Rosales National Park, Llanquihue National Reserve, Las Guaitecas National Reserve, and Pumalín Part, none of them are within protected areas.

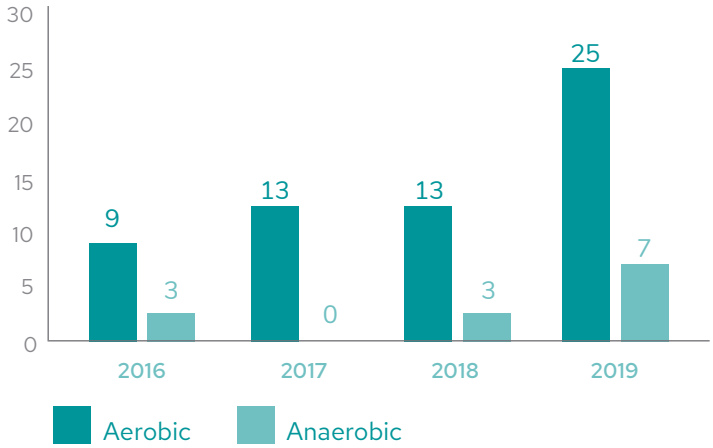

Río del Este Hatchery, Ralún.

IMPACTS ON BIODIVERSITY

None of our facilities generate significant impacts on the biodiversity of the ecosystems where we operate. Each one of our farm sites has an RCA (Environmental Qualification Resolution) pursuant to the General Law of Fisheries and Aquaculture (LGPA), which regulates salmon farming in our country. Also, in line with our commitment to produce in a socially and environmentally responsible manner, all of our sites have the Best Aquaculture Practices (BAP) certification and we are working to certify the majority of our farm sites under the ASC standard (see more information on page 85).

STATUS OF OUR CONCESSIONS

Figure 24: Results of environmental assessments at our production sites (official INFAs)



The increase in the number of Environmental reports done in 2019 is due to the addition of Coho Salmon production sites and the monitoring of a greater number of sites as a result of increased Atlantic Salmon production, as established in our production strategy.

INTERACTIONS WITH WILDLIFE

We keep track of interactions with marine species throughout each year in order to monitor the impact that our operation has on the various animal species that live around our facilities.

It should be noted that we have no evidence of mammal or bird mortalities at any of our farm sites in 2019.

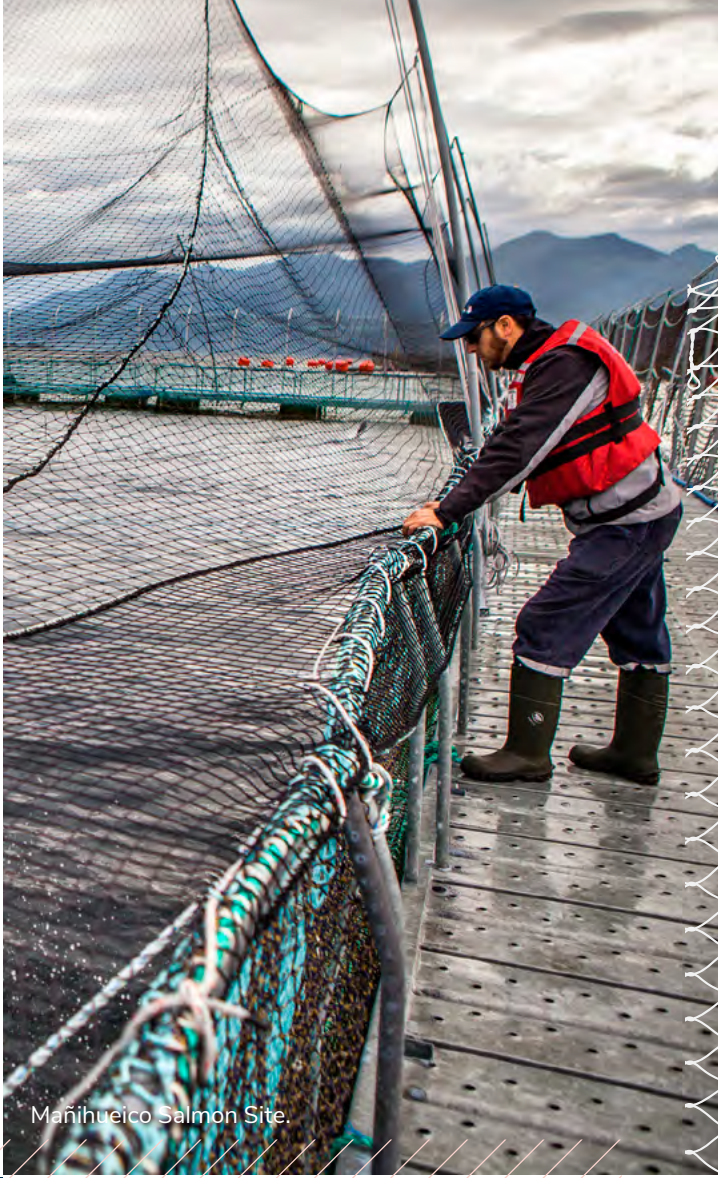
FISH ESCAPES

At Salmones Camanchaca, we have had a fish containment plan focused on preventing escapes since 2013.

The program evaluates site-specific risk assessments, which include a classification based on oceanographic conditions using methods proposed by strict international standards, such as NS 9415. Additionally, we carry out periodic inspections through a ROV (Remotely Operated Vehicle) that certifies that both surface-level and underwater structures such as modules and anchoring lines are maintained in adequate conditions throughout the production period.

All of our workers are constantly trained in both prevention and contingency plans so that they are prepared to act quickly and effectively in the event of any incidents of this type.

It should be noted that all aquaculture companies are required to report the occurrence of fish escapes to the National Fisheries Service and to activate the relevant contingency protocols. Therefore, we monitor these episodes, including the number of escapes that have occurred and the number of fish that have escaped.



Mañihueico Salmon Site.

We did not have any escape events at our farm sites in 2019.

IMPACT OF THE HARVEST ON THE HEALTH AND GENETIC INTEGRITY OF WILDLIFE

There are a number of preventive and management measures in place to prevent the spread of diseases within our groups of fish and from them to wildlife.

Regulatory management: continuous monitoring of general and specific health programs established by current applicable regulations.

Biosecurity: implementation and verification of actions established to maintain the health status of the production unit.

Contingencies: establish guidelines in a clear and timely manner to take action in case of diagnosis or suspicion of high-risk diseases.

Surveillance: routine monitoring and supervision in all production units for diseases through surveillance and control programs.

Vaccination: 100% of the grow-out sites are vaccinated against the main significant diseases in the area.

Therapeutic treatments: use of authorized drugs to treat diseases diagnosed by on-site veterinarians, controlling their administration to prevent losses and ensure their elimination prior to harvest.

WASTE MANAGEMENT

For us, responsible production and proper waste management is an unavoidable commitment that we fulfill through our Waste Management Policy, implemented in 2010.

We know that more than 2.1 billion tons of waste are produced worldwide each year, the vast majority of which ends up in overflowing landfills or directly in the sea.

To effectively contribute to mitigating this impact, we have contracts with companies specialized in waste treatment. Since 2018, our farm sites and administrative offices in Puerto Montt and at our Tomé processing plant work with recycling companies such as Greenspot (plastic and styrofoam), Recollect (plastic, styrofoam, and ropes) Recimar (plastic and cardboard), and Reciclados Industriales (cardboard and plastic).

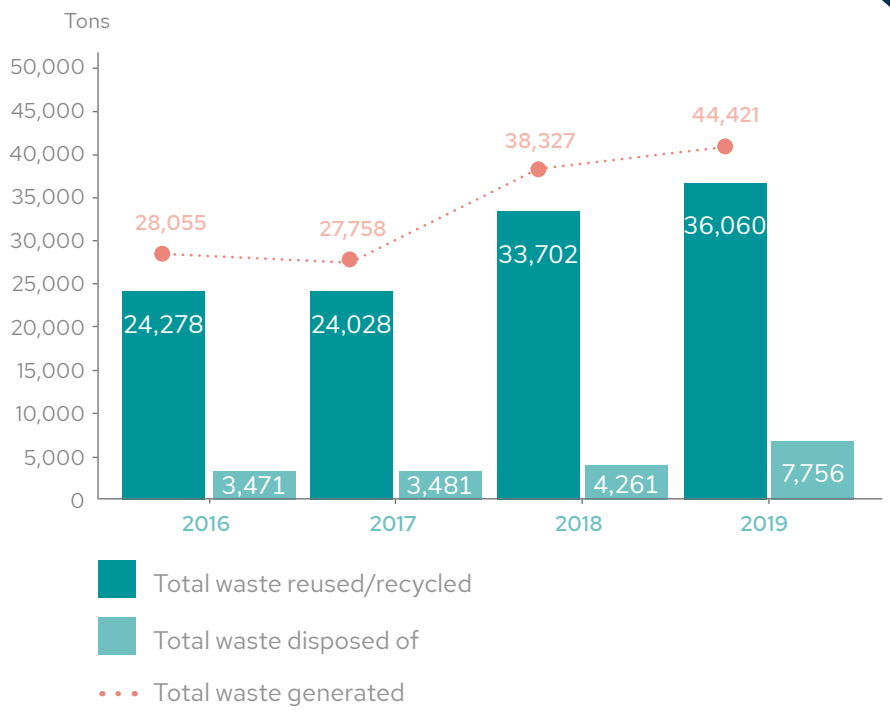
Similarly, we have implemented recycling initiatives in four of our seawater sites on a pilot basis since 2018, such as the installation of lecterns to facilitate the collection of plastic and the separation and storage of disposable bottles. As of December 2019, most of our farm sites were recycling these products in addition to having conducted training to support and prepare personnel in recycling.

The materials that must be disposed of in landfills are managed by firms that have permits for their treatment or disposal in authorized areas.

Furthermore, we have also begun to declare our waste on the web platform developed by Salmon Chile's Instituto Tecnológico del Salmón (Intesal). This allows us to keep a record of the waste we produce at each of our farm sites and facilitates the reporting process to the Ministry of Environment's National Waste Reporting System (Sinader) and Declaration and Hazardous Waste Declaration and Monitoring System (Sidrep).

Playa Maqui Salmon Site, Frutillar.

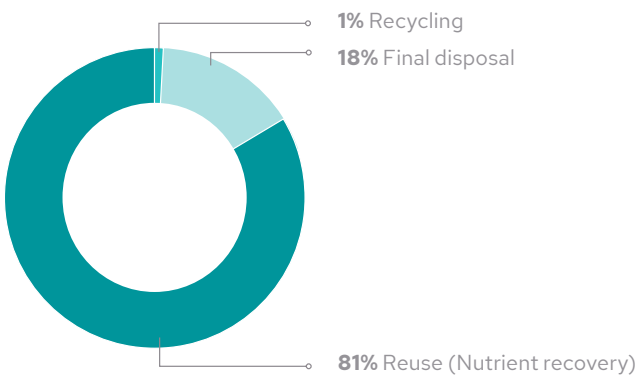
Figure 25: Total waste management



As shown in the figure, we generated 44,421 tons of waste in all our operations in 2019. Of this total, we reused and recycled 82% and only 18% was sent to landfills (7,756 tons).

The increase in the volume of waste generated from 2018 onwards corresponds to our increase in production in recent years. Therefore, we are making efforts at a company level to increase our waste management capacity, seeking to minimize the number of tons of waste that end up in landfills.

Figure 26: Waste generated and type of management (2019)



SOLID AND INDUSTRIAL WASTE MANAGEMENT

Our solid waste is largely organic, resulting from the production process of our salmon (trimmings and bones, viscera, and silage) and solid industrial waste typical of our operation (cardboard, plastic, scraps, paper, nets, buoys, among others).

Each type of our solid waste is treated differently, according to its nature. We reuse most organic waste by recovering its nutrients and using it to produce fishmeal and fish oil used as raw materials for other industries. As for industrial waste, we recycle it, as long as the material allows for it.

Our goal is to dispose of the least possible amount of waste in authorized landfills. We send solid hazardous waste (batteries and expired chemicals) to secure landfills, which are prepared and authorized for the disposal of this type of waste.

» Organic waste management

Organic waste represents a significant percentage of the waste generated by our operation. This category includes fish mortalities at farm sites as well as viscera, trimmings, and bones from the Tomé and San José processing plants.

We are aware that the proper management of this type of production waste is vital in minimizing its impact on the environment as well as the inconvenience to the community stemming from bad odors or the presence of pests that could be generated by its irresponsible management.

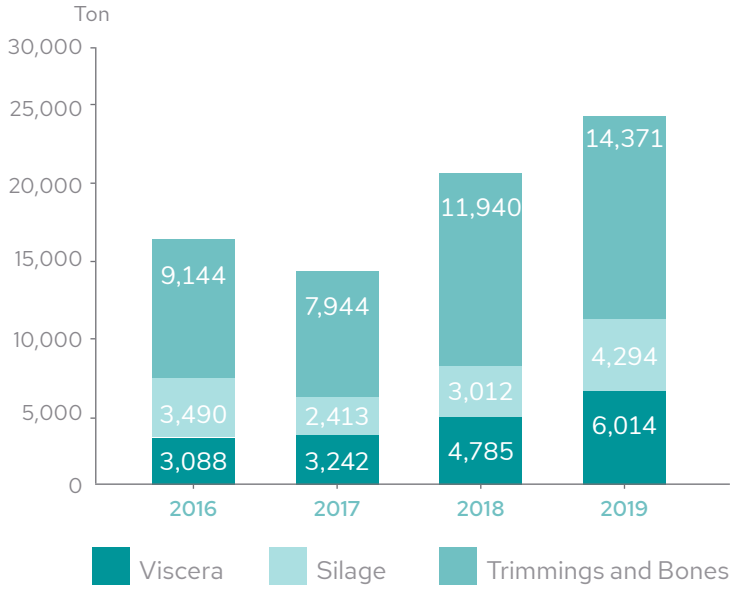
In 2019, as in 2018, all organic waste was valorized, recovered, and sold to reduction plants that transformed it into raw materials for other industries, avoiding sending it to landfills.

REUSE

In order to monitor the amount of organic waste generated in the company and the differentiation of these, we have a nutrient recovery indicator that indicates the number of tons generated annually by type of organic waste.

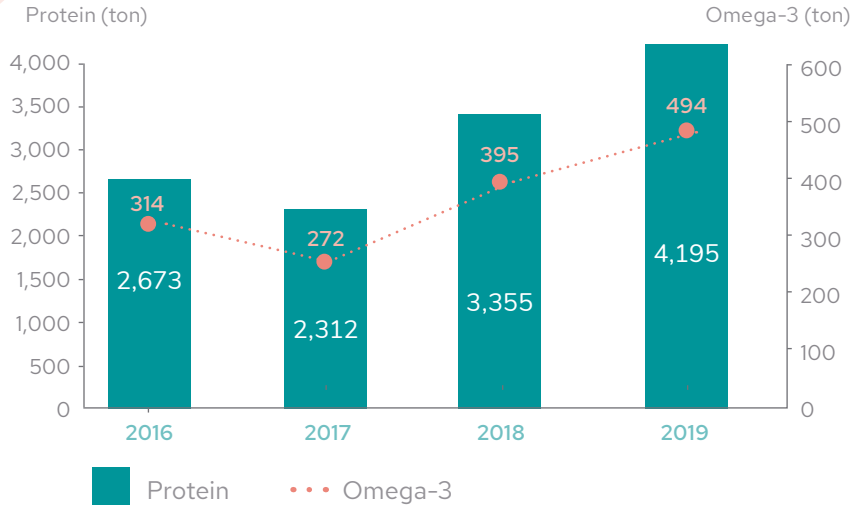
Organic waste increased by 20% in 2019 compared to 2018 due to the increase in harvested biomass. When analyzing it by type of waste (figure 27) it is possible to see that trimmings and bones increased by 17%, silage by 29%, and viscera by 20%.

Figure 27: Nutrient recovery



We highlight the recovery of protein and omega-3 fatty acids due to their nutritional value and importance as raw materials further down our value chain. **In 2019, we recovered 4,195 tons of protein and 494 tons of omega-3 fatty acids.**

Figure 28: Nutrient recovery (tons)



Petrohué Hatchery, Ensenada.

» Organic Sludge Management

All the organic sludge produced by the production processes of our hatcheries and processing plants is sent for final disposal in authorized landfills.

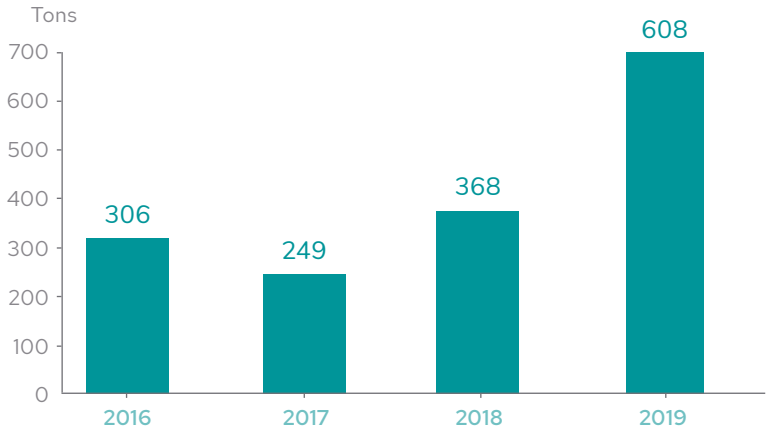
» Industrial Waste Management:

RECYCLING

We achieved an increase in the recycling of industrial waste by 240 tons in 2019, equivalent to a 60% increase over the volume recycled in 2018.

This progress is explained by the increase in recycling at seawater farm sites and the growing commitment of our staff, thanks to the training we carried out in this area.

Figure 29: Recycling of industrial waste (tons)



WHAT DO WE RECYCLE?

Plastics
(tons)

Celulose
(tons)

Metal/Aluminium
(tons)

Styrofoam
(tons)

Donated waste
(pallet, insulated boxes , bins, plastic boxes, other) (tons)

SUSTAINABLE USE OF RAW MATERIALS

Fish feed is the main input in our operations. To achieve premium and sustainable diets, we work hand in hand with our feed suppliers, who are certified under strict quality and sustainability standards such as GLOBAL G.A.P and BAP. The objective is to use diets that optimize the growth and health of the fish as well as the efficient use of quality raw materials. A key component in achieving this is our traceability systems that allow us to verify the origin, safety, and sustainability of the raw materials used in each of our feed lots.

At each farm site, the feeding of the fish is controlled through an automated feed delivery system that--together with the use of underwater cameras and the expert knowledge of our Site Managers and Assistants--allows extremely efficient feeding with minimum losses.

The fishmeal and fish oil used in our diets are certified under IFFO and MSC standards to ensure that these raw materials come from authorized sources and fisheries not listed on the International Union for the Conservation of Nature (IUCN) red list. The main fishing areas for these raw materials are in southern Peru and northern and southeast Chile (FAO Zone 87).

Currently, approximately 50% of the food we use is made of vegetable raw material such as soy, wheat, and corn. The soy used in the composition of our salmon feed is backed by RTRS (Round Table on Responsible Soy), a certification that ensures the responsible production of this crop.

Figure 30 shows that we have decreased the percentages of fishmeal and fish oil inclusion in our diets over the last three years. This is due to the fact that we have been gradually testing diets with different levels of substitution of these raw materials.

For us, it is a permanent objective and challenge to improve the quality of our diet and the efficiency at which the food is transformed into biomass, since this allows us to improve our economic and environmental performance.

Figure 30: Raw material composition of the feed (%)

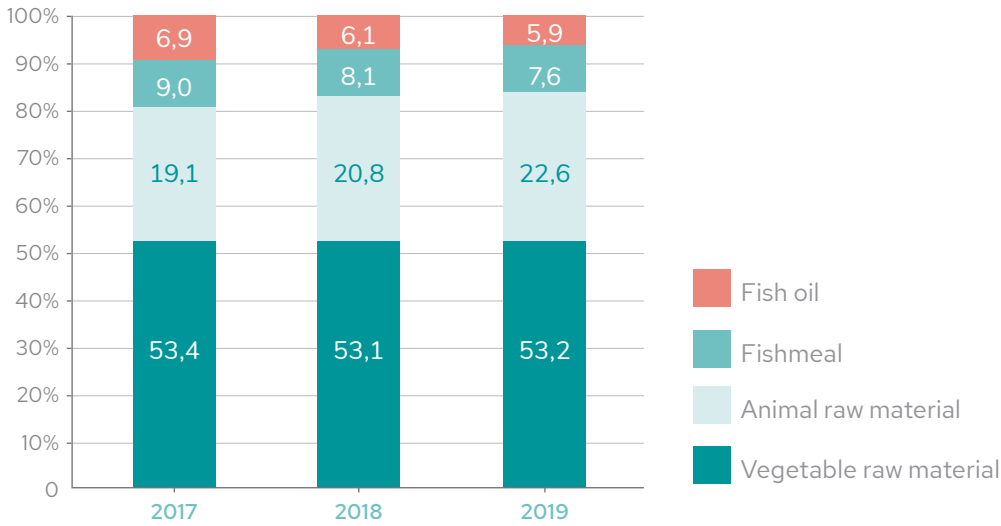


Table 8: Volume of certified purchases

Supplier	Raw Material	Description of the certification:	% of annual volume/certified purchases:
Biomar	Soy	RTRS	100%
Skretting	Soy	RTRS	100%
Vitapro	Soy	RTRS	8.9%
Cargill	Palm oil	RSPO	100%
	Soy	RTRS	63%

GHG EMISSIONS MITIGATION

2019 is the third year that we voluntarily measured our GHG emissions as a sign of our commitment to sustainability and climate change mitigation.

For the 2019 GHG calculation, the methodology and emission factors defined by the GHG Protocol *(ghgprotocol.org)* were used with an operational focus.

Our energy consumption (Scope 1 and 2) was 483,537 GJ (gigajoule), entailing an intensity of 8.3 GJ/ton WFE.

As shown in table 9, the total emissions corresponding to the period between 01/01/2019 and 31/12/2019 for Scope 1 and 2 were 36,653.96 tCO_2eq.

This value includes the effect of gases such as CO_2, CH_4, N_20 and HFC, all considered to be among the causes of the greenhouse effect (table 11). Diesel consumption for stationary and mobile sources is responsible for 73% of these emissions (26,860 tCO_2eq), followed by electricity consumption with 18% (6,659 tCO_2eq).

Table 9: Total GHG emissions 2019 (tCO_2eq)

Scope	2017	2018	2019
Scope 1	20,736.33	26,012.32	29,994.66
Scope 2	4,347.04	4,070.52	6,659.30
TOTAL	**25,636.06**	**30,904.74**	**36,653.96**

The increase in emissions since 2017 is mainly due to an increase in production and to the methodology for quantifying our energy consumption, which has been adjusted to international reference protocols.

The emissions intensity is calculated by taking into account the tons of salmon produced (tWFE). For the period mentioned, it corresponds to 0.63 tCO_2eq/tWFE, a value comparable to that reported in 2018.

Table 10: Evolution of intensity (tCO_2eq/tWFE) over the last four years.

	2016	2017	2018	2019
Intensity tCO_2eq/tWFE	0.5	0.7	0.6	0.6

Table 11: 2019 GHG emissions in tons

Scope	Total CO_2eq	Co_2	CH_4	N_2O	HFC
Scope 1	29,994.66	28,974.32	34.23	171.53	814.57
Scope 2	6,659.30				
TOTAL	**36,653.96**	**28,974.32**	**34.23**	**171.53**	**814.57**

CARBON NEUTRAL PLAN 2025

To strengthen the positive changes and impacts, at Salmones Camanchaca we aim to become carbon neutral by 2025. This goal is based on the calculation of Scope 1 and Scope 2 emissions according to the Greenhouse Gas Protocol (GHG Protocol).

In 2025, we will be Carbon Neutral by implementing a strategy that includes reducing emissions and offsetting those that are more difficult to reduce in the short term, such as those associated with the use of diesel generators in remote grow-out sites. From 2025 and on, we expect a steady and incremental contribution of emission reduction vs. offsetting in our emissions balance sheet. We will achieve this through a systematic assessment of clean technologies to replace and/or complement the use of diesel generators.

HOW WILL WE ACHIEVE THIS GOAL?

We will implement strategies to decrease and neutralize our Scope 1 and 2 emissions:

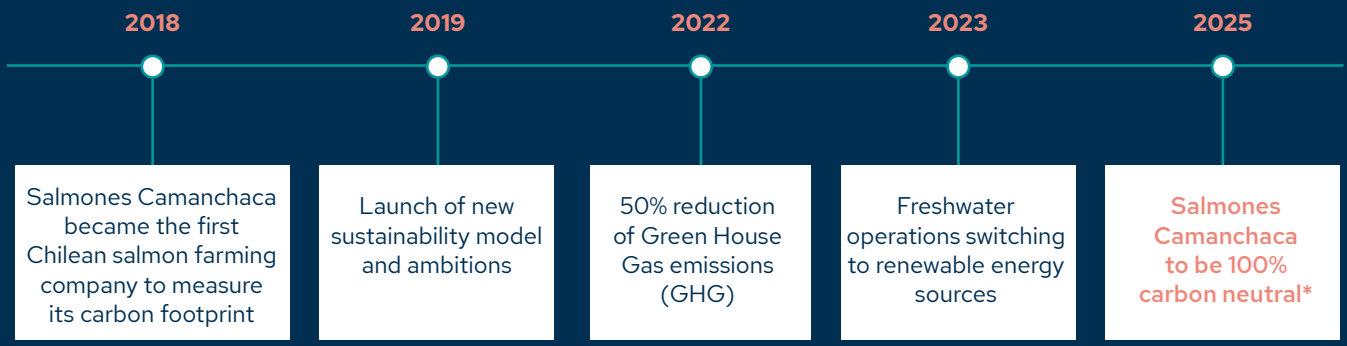
SCOPE 1:

Direct emissions
produced by burning fuel at facilities

SCOPE 2:

Indirect emissions
produced by the use of energy in our operation

A CARBON NEUTRAL COMPANY BY 2025



Reduction tCO_2 equivalent	-18,017 (-54%)	-6,181 (-64%)	-19,674 (-100%)

* Carbon Neutral ambition based on Scope 1 and Scope 2 emissions according to GHG Protocol, plus waste disposal as part of Scope 3

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WATER RESOURCES MANAGEMENT

As a part of the production system, we are aware that water is a scarce resource and therefore its rational use is key to the success of our business.

Along these lines, using this resource efficiently and ensuring that the quality of our effluents exceeds that required by current environmental regulations is an important material topic for the company.

WATER QUALITY MANAGEMENT

Water consumption in our salmon hatcheries and processing plants leads to the generation of liquid industrial waste (LIW). There is a treatment system in each of these facilities--and monitoring and control--to verify that the environmental standards required by regulations and our international certifications are met. The LIW treatment systems implemented in our facilities are composed of a mix of rotary filters, sediments, dissolved air flotation systems, UV disinfection, and sea lice filters, among others. Each facility's system is designed according to the particular characteristics of the waste it generates.

EFFLUENT QUALITY OF OUR PROCESSING PLANTS

In 2019, effluents at our Value-Added Plant in Tomé were 21% higher than the previous year. However, as shown in figure 31, effluent quality improved from 2018, reducing both total suspended solids (TSS) such as oils and fats.

As in Tomé, our San José primary processing plant had increased effluent disposal in the bay compared to 2018 as a result of increased production. However, the quality of our effluents also improved in 2019, decreasing the presence of total suspended solids (TSS) and oils and fats, as seen in figure 32.

This improvement in the quality of our effluents is due to a training plan for the personnel in charge of the LIW treatment plants, which has significantly improved the methodology and efficient use of technology available in each treatment plant.

It should be noted that both our primary and value-added processing plants must comply with demanding quality parameters for their effluents since both are certified under the BAP (Best Aquaculture Practices) standard. Therefore, the effluents of both plants comply with the highest international standards in addition to national regulations in these matters.

Figure 31: Amount and quality of Tomé processing plant effluents

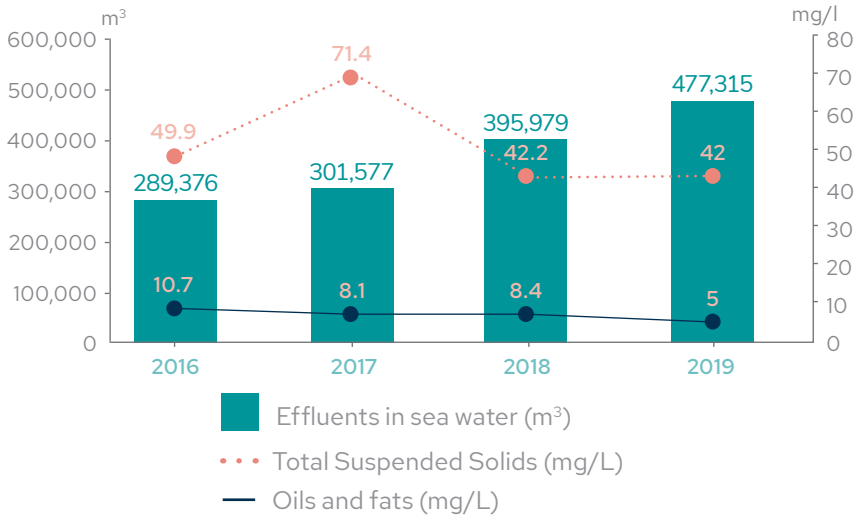
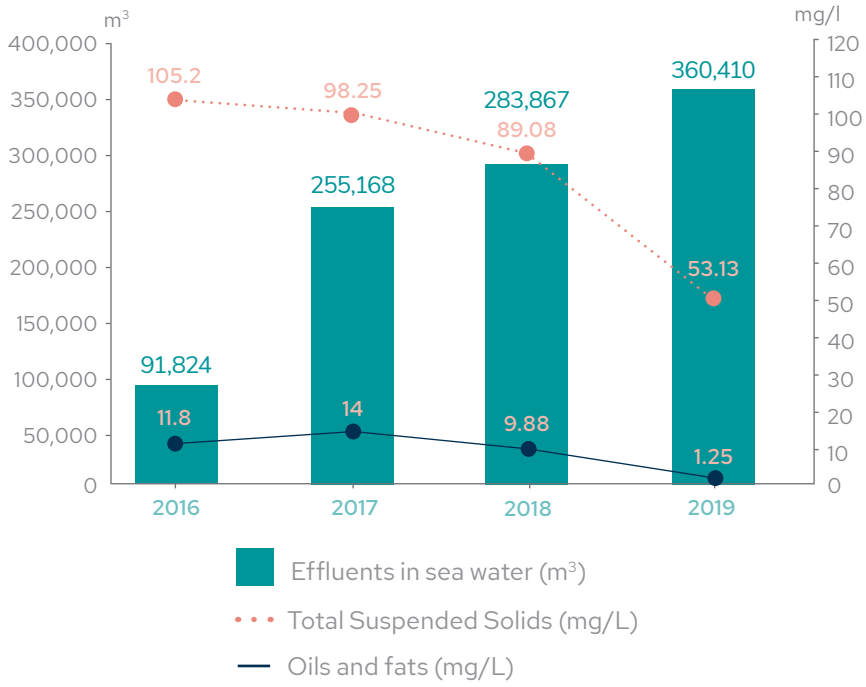


Figure 32: Amount and quality of San José Plant effluents



Technical analysis of effluents from San José primary plant and Tomé value-added plant

The results achieved in 2018 and 2019 were evaluated through technical analyses carried out by an authorized laboratory within the framework of our Environmental Monitoring Program (PVA). These analyses revealed that the effluents from our value-added plant have not had an environmental impact in the discharge area.

HOW DO WE CONTROL AND MONITOR THE QUALITY OF OUR EFFLUENTS?

i. **Environmental Monitoring Program (EMP):** Every six months, we analyze the physical-chemical parameters of the waters that receive our effluents and characterize the subtidal benthic communities in order to monitor the possible effects of the LIW discharge on the area.

ii. **Monitoring Program Resolution:** Standard for the Discharge of Liquid Waste in Marine Waters and Continental Surface Waters that sets the maximum permissible limits for the discharge of LIW, preventing the contamination of the receiving bodies of water. The monitoring is done according to the self-control program dictated by resolution for each establishment (issuing source).

EFFICIENT USE OF WATER

We use a mixture of water from deep wells, springs, and rivers in our hatcheries and processing plants. We keep a record of consumption in each of these facilities

Our long-term goal is to gradually reduce our water footprint through the use of new technologies and process optimization. We are aware that climate change will cause water stress in some areas where we operate and that we will have to increase our water use efficiency.

In 2019 we extracted 5% more water than in 2018 for a 16% higher harvest, which shows the efforts we have made to care for and use water more efficiently in our production processes.

Figure 33: Total water extraction, by source

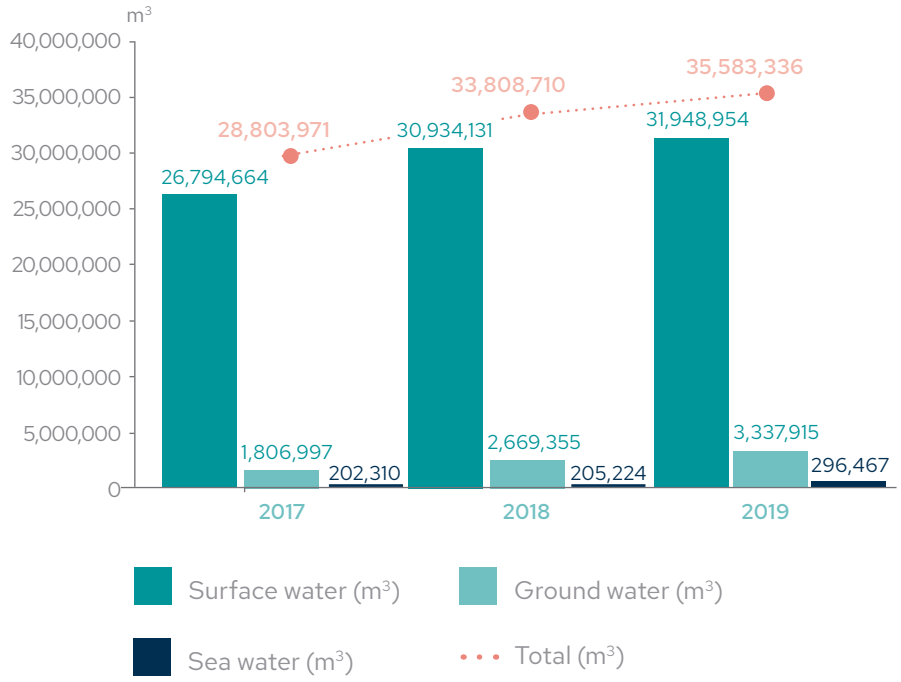
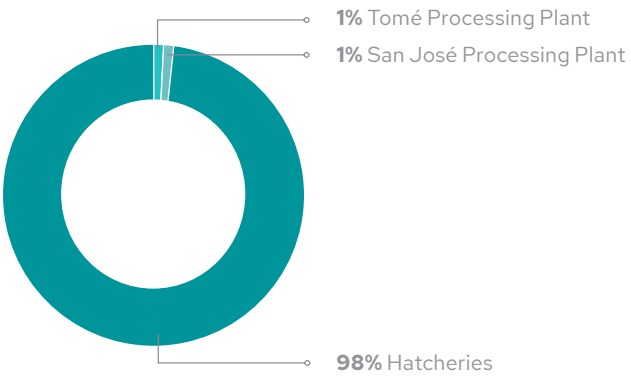
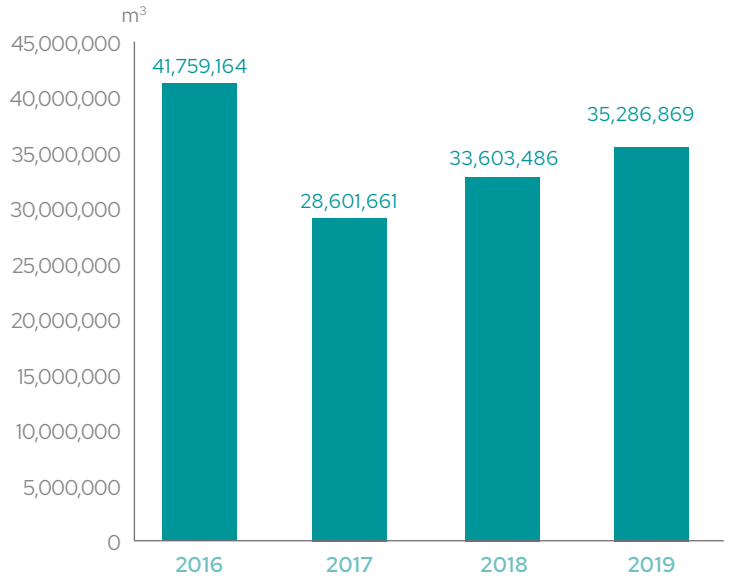


Figure 34: Breakdown of water extraction in 2019, by type of operation



Of the total volume of fresh water extracted by our facilities, **only 44% is consumed (i.e., not returned to water courses)** which allows us to maintain a low impact on the water resources in the areas we operate in. Our operation is carried out in the southern part of Chile where there are no restricted areas declared as being under hydric stress.

Figure 35: Total fresh water consumption (m^3)



Excellent water performance of San José processing plant

San José primary processing plant had an excellent water performance in 2019, achieving a 19% decrease in water consumption and a 35% decrease in the use per ton produced compared to 2018. This is thanks to a technological change in the processing lines.

Table 12: Fresh water consumption (m^3)

By operation:	Unit	2016	2017	2018	2019
Hatcheries	m^3	41,420,046	28,260,918	33,146,935	34,785,432
San José Plant	m^3	60,327	52,858	78,643	63,943
Tomé Plant	m^3	278,791	287,885	377,908	437,494

Table 13: Water-use intensity in processing plants (m^3/ton WFE)

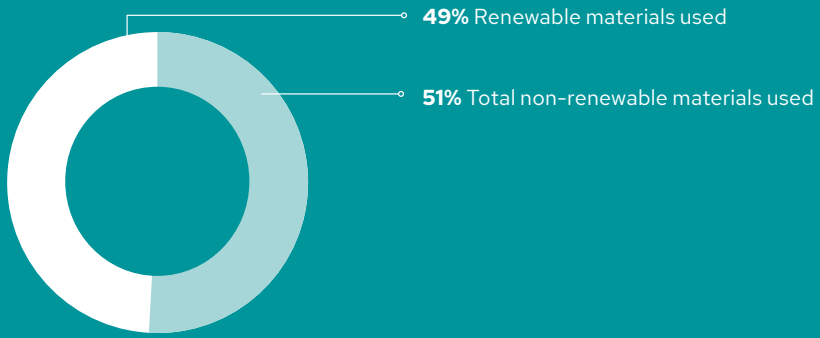
	2016	2017	2018	2019
San José	1.0	1.3	2.3	1.5
Tomé	10.0	10.4	9.0	9.6

USE OF MATERIALS

To maintain the quality and safety of our product it is essential to use packaging materials that keep the product insulated from possible pathogens and to maintain the cold chain.

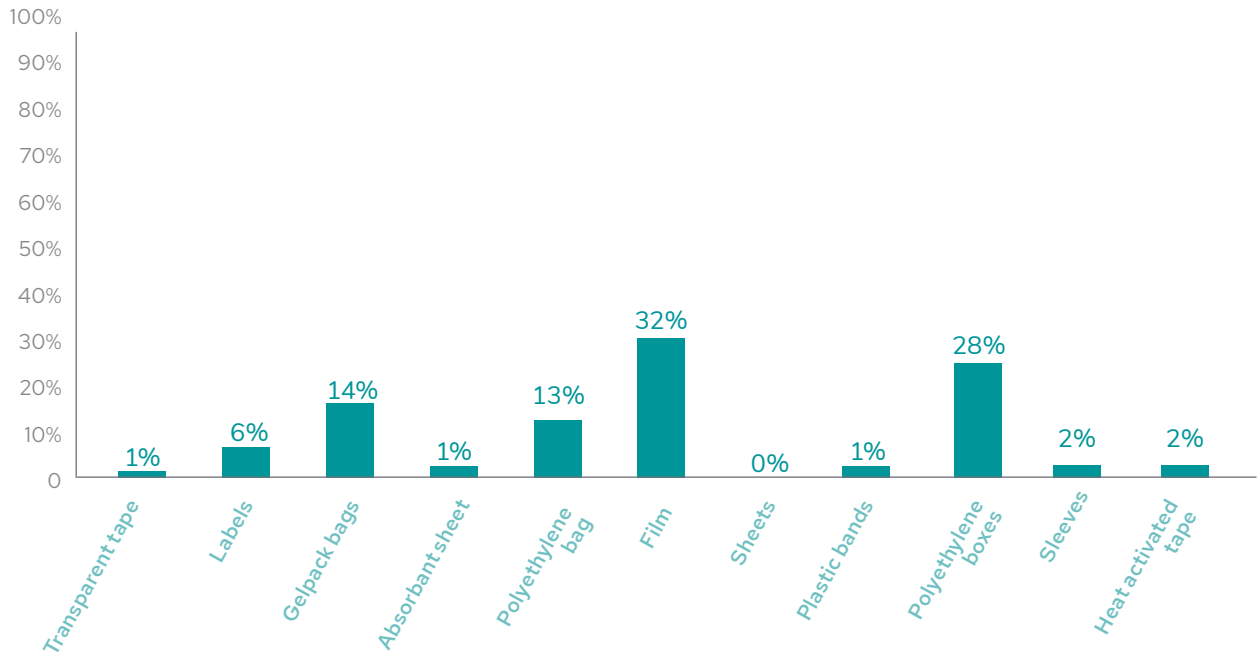
We used a total of 3,135,232 KG of packing materials in 2019, of which 51% were non-renewable materials and 49% were renewable materials. **100% of the renewable materials are cardboard boxes.**

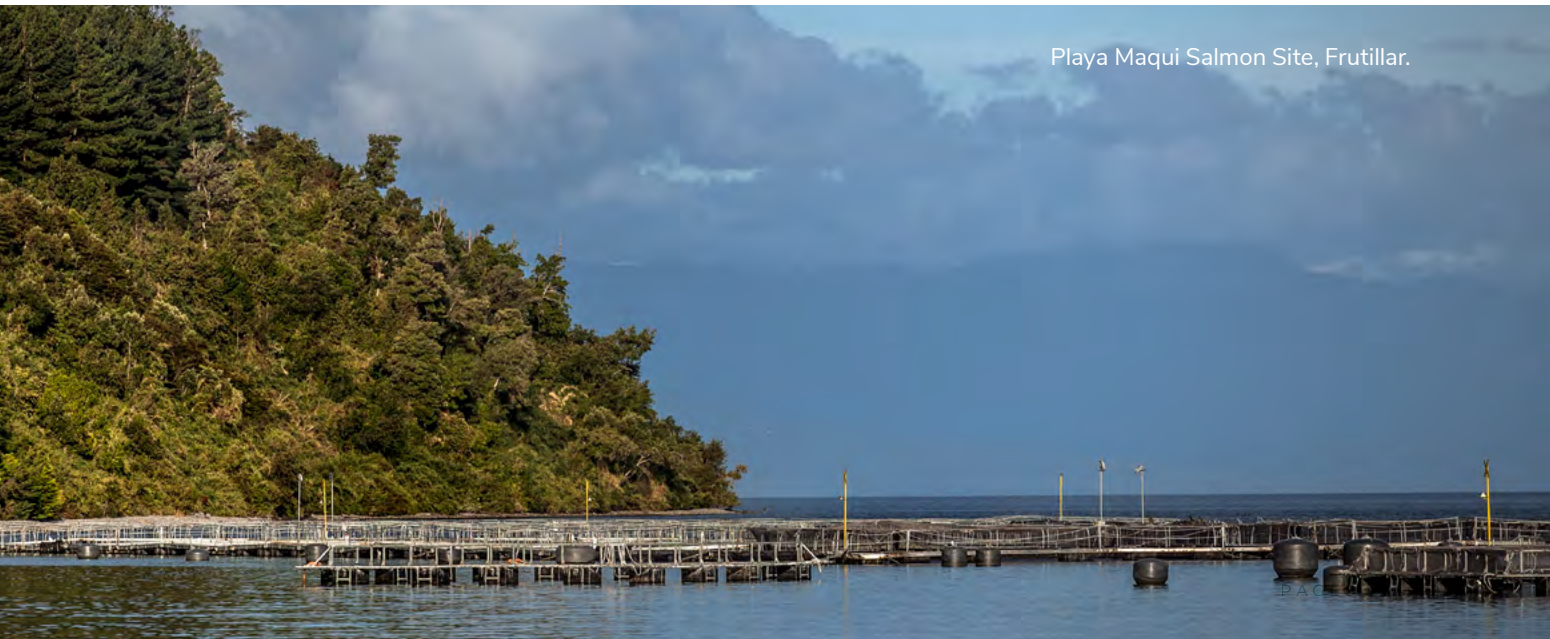
Figure 36: Percent of renewable and non-renewable materials used in our packaging.



As seen in figure 37, the materials we use most are plastic film, with 32% of the total, and polystyrene or styrofoam boxes, which represent 28% of the total non-renewable materials used.

Figure 37: Percent of non-renewable materials used in our packaging.





Playa Maqui Salmon Site, Frutillar.

Isla Marimelli, Carretera Austral.

5

PROSPEROUS COMMUNITIES

Sustainable Development goals that we contribute to in this chapter

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

Communities integrated harmoniously with the territory and its residents.

For Salmones Camanchaca, responsible community outreach is fundamental for the sustainability of the industry. We build our social license on the basis of reputation and by creating trusting relationships. With this objective, our Company has developed a strategy focused on effective groundwork, which enables continuous interaction with stakeholders and, in doing so, enables us to coordinate on missing social investment, identify and monitor potential impacts, act proactively to reach agreements, and take care of stakeholder needs in a timely manner, paying special attention to indigenous peoples.

Our interactions are focused on effectively communicating the excellence of our operations and, at the same time, discussing our impacts, demystifying certain aspects that allow a relationship based on trust.

PERFORMANCE INDICATORS

SOCIAL INVESTMENT

$69,962,608

DONATIONS

$45,889,532

SPONSORSHIPS AND PATRONAGES

$22,320,069

Nº. COMMUNITY ACTIVITIES

93

OUR COMMUNITY RELATIONS STRATEGY

At Salmones Camanchaca, we are committed to working in a responsible manner with our communities. This commitment has been developed through the Salmon Social Initiative, a program coordinated by the *Consensus Building Institute* **(https://www.cbi.org/)** that collects the best world practices in community relations and seeks to implement them. To this end, we have defined a community relations model based on the following principles and commitments:

RESPECTING AND CARING FOR OUR ENVIRONMENT:

We responsibly manage the social and environmental impacts of our operations, ensuring that they are compatible with the natural environment and local culture.

BUILDING TRUSTING RELATIONSHIPS:

We promote spaces for the exchange of information, participation, and dialogue, which enables us to build trusting relationships with local communities.

CONTRIBUTING TO DEVELOPMENT:

We seek to contribute to local development and the creation of shared value in the territories according to each of their realities.

In order to manage these principles and commitments that we have made with the communities where we operate, we as a company have defined four strategic objectives that seek to legitimize our operation through environmentally and socially responsible management and a close relationship with our host communities.

These four strategic objectives are:

TECHNICAL, ENVIRONMENTAL, AND LABOR LEGITIMACY

Salmones Camanchaca (including contractors) produces under standards that maintain (or improve) original environmental conditions.

COMMUNITY SOCIAL LEGITIMACY

Salmones Camanchaca (and its contractors) contribute to maintaining and improving the way of life and income of territories' habitants.

REPUTATION AND DISTINCTION

Salmones Camanchaca is recognized for being a company that produces, associates with, and contributes to the territory in a different way and is concerned for the common good.

POLITICAL LEGITIMACY

What Salmones Camanchaca contributes to the territories:

- Employment and local economic development.
- Resources for the Region/District.
- Industry oversight and regulation

HOW DO WE MANAGE OUR COMMUNITY RELATIONS?

Our aspiration **is to become highly valued members of the communities where we operate, recognized as a company that grows together with the society where it operates.** We understand that in order to fulfill this aspiration we must operate in an impeccable manner, include the communities in many of the decisions we make, contribute value to the territory, keep them informed, and be transparent.

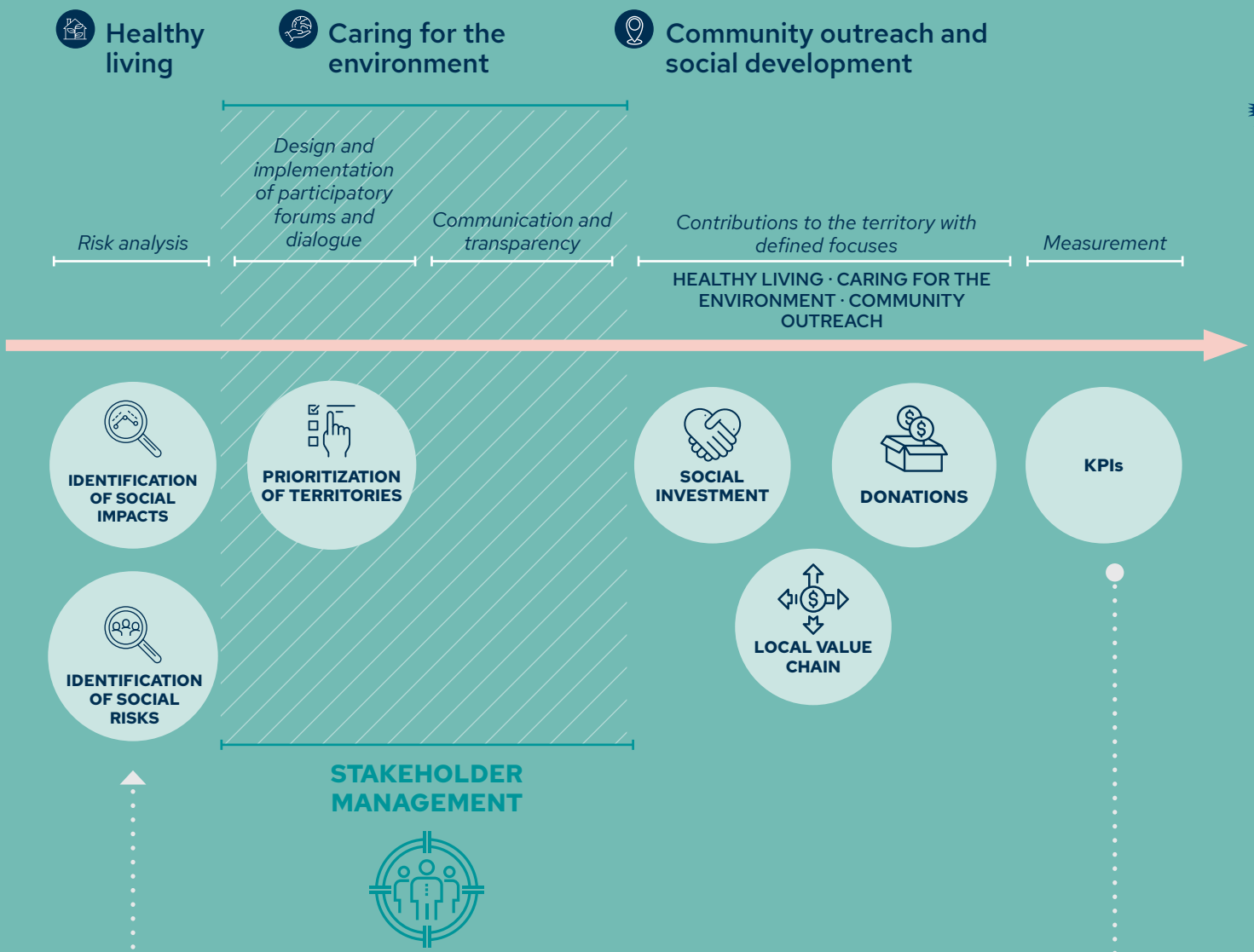
To achieve this, we have defined a workflow in our Community Relations Management that consists of 4 stages: Risk Analysis, Stakeholder Management, Contributions to the territory with defined focuses and Measurement.

Our community relations model seeks to ensure that the communities in the territories where we operate are aware of our work and impacts and have clear communication channels with the company, building a trusting relationship in the process.

Our first approach is through participatory forums and dialogue, which give us the opportunity to introduce ourselves and engage with the community. This allows us to proactively deliver information and establish an active communication flow.

The ultimate goal of our model is to be able to collaboratively identify the impacts of our operations. With this, we can properly manage them and jointly define our social investments in the territory so that they focus on the issues relevant to each of the communities we interact with.

COMMUNITY RELATIONSHIP



2019 ACTIVITY HIGHLIGHTS

93 N° activities carried out in **2019**

- **Community Dialogues 2019:** This program was implemented in Tomé to strengthen the relationship with our neighbors and social and community organizations. Different professionals from the company present community and environmental projects of interest. Actions that directly benefit our neighbors are defined together with them and presented as well.
- **Environmental schools:** The Company supports several schools near Salmones Camanchaca's operations to attain the Ministry of Environment's Environmental Certification for Educational Establishments. This program seeks to promote educational programs to create environmental awareness and care for the environment.
- **Healthy diets:** In order to promote a change in the eating habits of students, the Company held nutritional talks for students from schools in various locations and promoted the consumption of healthy products. Nutritional assessments and cooking workshops are also carried out for the school community.

Isla Marimelli, Carretra Austral

Pilpilehue Salmon Site, Chonchi.

Below, we present each of the steps that make up our **Community Relations** model in more detail:

1. Risk assessment

A fundamental component of the sustainability and territorial relations strategy is the identification and evaluation of the social and environmental risks associated with our business. In this way, we can contribute to decision-making and management of these risks through action plans. The analysis also considers the identification of risks associated with our operations that could affect the territories in which we work.

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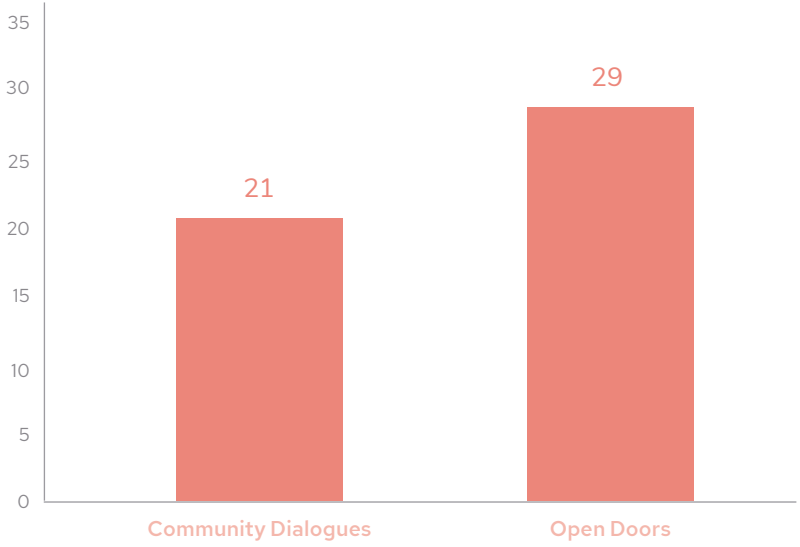
2. Relationship with our stakeholders

We seek to build trusting relationships with different stakeholders based on constant communication, participation, and operational excellence.

Participation and dialogue

Through the participatory forums and dialogue we implement in the communities, we are able to jointly identify the potential impacts and collaboratively define the contributions that we make to the development of the territory. In this way, we bond with and become part of the community.

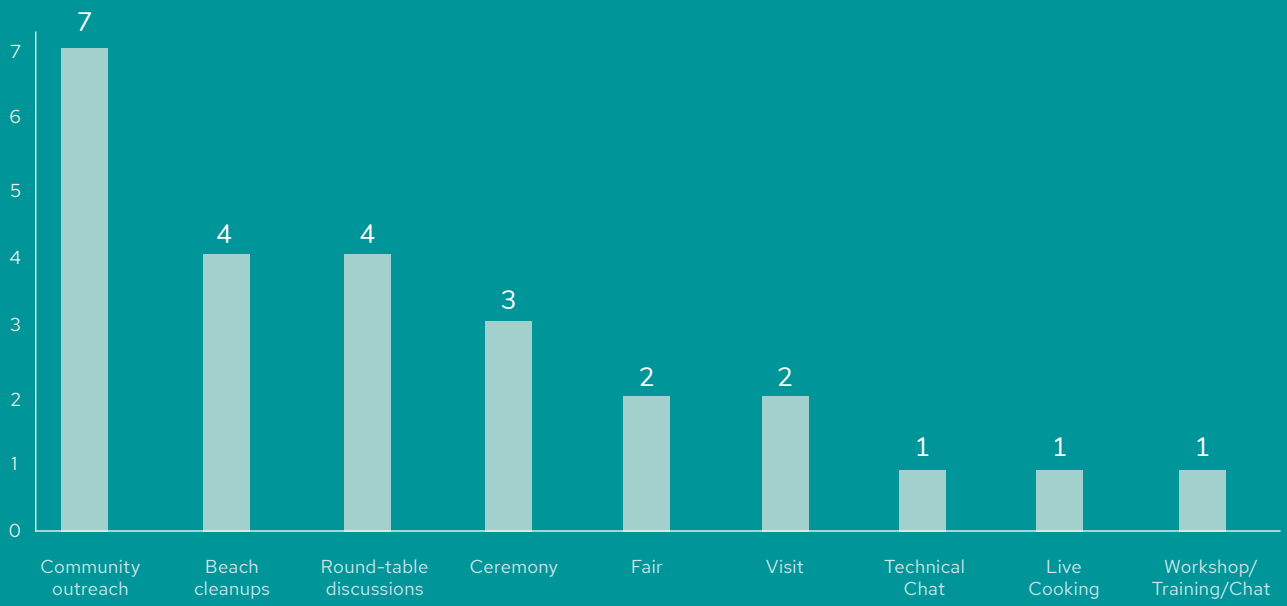
The initiatives we implement to achieve these objectives are "Community Dialogues" and the "Open Doors" activity. We held 21 community dialogues and 29 visits to our facilities in 2019 through the "Open Doors" program.



Communication and transparency

We seek to build permanent communication channels with territorial actors and different stakeholders through delivering information regarding our operations as well as the company's performance in environmental, productive and financial matters.

We also have Q&A channels and a professional team deployed in the territories that maintains constant communication with communities and local authorities.



3. Our contributions to the territory

We seek to be an active member in the development of the territories in which we operate and of the people and communities that live in them through social investment programs, donations, and sponsorships and patronages. We are based on the principle of jointly defining and manifesting these contributions together with communities and entities of the territory.

The contributions that Salmones Camanchaca makes to the territory are grouped into three main pillars defined by the CSR strategy "Camanchaca Amiga," which guides the programs and social investment projects. These programs and projects are implemented collaboratively within the territories of interest defined by the company's Corporate Affairs and Territorial Relations Strategy.

The three pillars are:

Healthy living

We promote healthy and sustainable living conditions and lifestyles that contribute to the personal development and achievement of everyone who lives in the communities in which we operate (SDG 2 and 3).

Caring for the environment

We promote and support initiatives that have a positive impact on the environment (SDG 12 and 14).

Community outreach

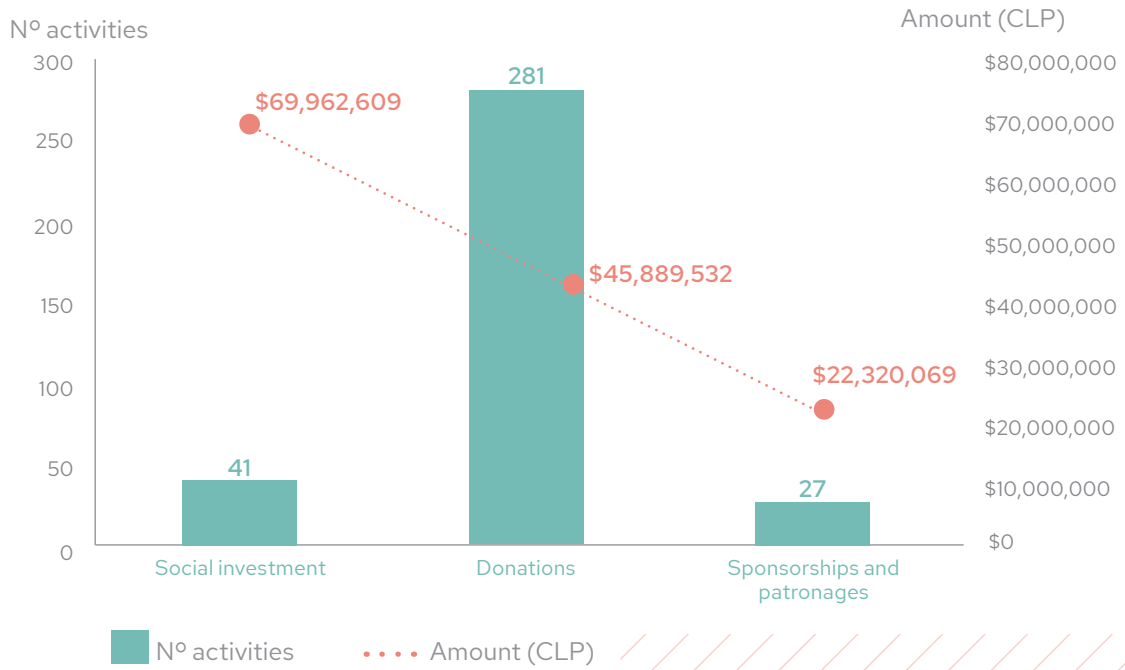
We promote and support initiatives that bring our Company closer to the communities in which we operate, generate shared value, and contribute to inclusive and sustainable economic development (SDG 8 and 12).

In addition, we contribute by sponsoring civil society organizations and public bodies focused on health and welfare, social development, and caring for the environment.

We aspire to the consolidation of a model focused on social investment and the challenge of generating shared value.

We made 349 contributions to the territory in 2019, with a total investment of $138,172,209 CLP. Figure 38 shows how these contributions were distributed and the amounts associated with each one.

Figure 38: Summary of activities by type of contribution to the territory



Social Investment

We invested **$69,962,608 CLP in social investment in 2019.** Some of the activities we carry out here are:

- ***Environmental certification program for neighboring schools.*** Two new schools were added to the program in 2019. This brings the total number of schools to seven, all of which are currently certified. Of these, 4 are at the excellent level, 2 at the medium level, and 1 at the low level. In addition, we maintain our agreement with the Municipality of Tomé to collaborate on environmental education with establishments in its jurisdiction.
- ***FPA project for household waste management and a recycling location for Contao.*** In this town, we conducted trainings for the community to learn how to reuse waste materials (composting, reuse of glass bottles, etc.)
- ***Trade courses:*** Furniture construction with pallets, dressmaking, hygiene and food handling, preserves and pastes (Ayacara, Buil, Agoní, Los Bajos, Marimelli Island, Polcura, Talcán Island).

Donations

Regarding donations, **we invested $45,889,532 CLP in 2019.** Our most significant donations were:

- ***Camanchaca products:*** approximately 1,200 kg. of salmon and 400 preserves of other products to contribute to solidarity and recreational activities of territorial organizations.
- ***Enhancement of community infrastructure:*** Materials, contracting of services, and financing for social venues, gyms, among others.

Sponsorships and patronages

In 2019, **we invested $22,320,069 CLP in sponsorships and patronages,** including:

- ***Traditional and cultural festivals,*** managed by territorial organizations.
- ***Sporting activities:*** family runs, tournaments.
- ***Teach Chile Program,*** through which our collaborators also offer talks and mentorship programs to high school students.

Total percentage of costs attributed to donations/social investment

Category	Total 2018	Total 2019
Donations	52%	**49%**
Community Investment (social investment)	48%	**51%**
Business Initiatives (social investment with direct business benefit)	0%	**0**
Total	**100%**	**100%**

Social Investment input in Chilean Pesos

Type of Contribution	Total 2018	Total 2019
Cash Contributions	$10,920,000	$26,800,000
Cost in hours per volunteer	$0	$3,840,000
In-kind donations	$20,904,572	$107,532,209
Project management costs	$29,321,000	$20,550,000
Total:	**$61,145,572**	**$158,722,209**

SALMONES CAMANCHACA AND ENSENADA COMMUNITY AGREEMENT - ACCOUNT OF THE CONFLICT AND THE DIALOGUE PROCESS

Rio Petrohué hatchery has been operating in Ensenada since 2001 as the first recirculating hatchery for salmon in Chile.

The hatchery was affected by the eruption of Calbuco volcano in 2015 and forced to suspend its operations. After 1 year without operating and following reconstruction and modernization work, it resumed its operations and remains operational to this day.

SOURCE OF THE CONFLICT

On March 1, 2019, the Villa Ensenada Sustainable Association (AVES) filed a complaint with the Superintendency of the Environment (SMA) to request the inspection of the Rio Petrohué hatchery LIW systems. Prior to this, on February 15 and 27, 2019, neighbors and other local actors had identified anomalies in the hatchery effluent associated with odor and color that affected water quality.
At first, this was defined as an error in the management of the LIW treatment system. However, in accordance with the community's request for more information and insight on the operation, deficiencies were identified in the features and capacities of the treatment system that the operation had.

In April, following talks between the Ensenada Community and Salmones Camanchaca, the company issued a statement acknowledging the system's deficiencies and errors and proposing that the community initiate a dialogue process. From there, it was decided to jointly design and implement measures to protect the river and safeguard the health of the people, as well as the proper functioning and monitoring of the LIW system.

The defined agreements aimed to give the community confidence in the responsible environmental and social management of the company and the hatchery and their relationship with the local community.

The Ensenada community agreed to participate in this process once the company recognized the deficiencies of the LIW treatment system and identified the causes that had generated the irregularities. Both parties set a three-month working period that would be mediated by the Consensus Building Institute (CBI), an international NGO specialized in dialogue processes, conflict resolution, and other collaborative processes.

In this context, a panel discussion group was formed by representatives of organizations in Ensenada--the Villa Ensenada Neighborhood Council, the Reflejos del Lago Neighborhood Council, the Avenida el Zorro Neighborhood Council, and the Villa Ensenada Sustainable Development Association (AVES)—and our company, which was represented by the General Manager, Regional Manager, Freshwater Production Manager and Assistant Manager, Technical and Sustainability Manager, Operations Manager, Head of Environment and Concessions, and the team from Corporate Affairs and Territorial Relations.

OBJECTIVES OF THE PANEL:

1. **Raise effluent quality standards, including direct human contact with the water.**
2. **Development of a citizen monitoring system for the effluent.**
3. **Studies to learn about the river's ecological state and its relationship to the operation, as well as to establish a baseline for measuring and monitoring impacts.**
4. **Actions for the dissemination of results and for learning with the local community**
5. **Internal review of control mechanisms and incentives.**
6. **Dissemination of the content of the current RCA.**
7. **Contingency communication protocol.**
8. **Implement an incident and contingency management protocol.**

CONSTRUCTION OF A VISION FOR LOCAL DEVELOPMENT AND JOINT DEFINITION OF THE COMPANY'S CONTRIBUTIONS TO THE TERRITORY.

The panel met 7 times between April and October, including a visit to the hatchery. The signing of the agreement–in which the chairman and vice chairman of the board of directors of Salmones Camanchaca participated, as well as the members of the table–was held with community representatives in Ensenada on October 23, 2019.

Below are some of the topics discussed and highlights of the process:

First session, April 15:

» Definition of the principles of the agreement and dialogue process

Second session, May 6:

» Presentation of hatchery plan and LIW treatment system

» Visit to the hatchery, May 17

THIRD SESSION, MAY 24:

» Water quality monitoring

» Terms for the river health study

Fourth session, June 17:

» Implementation of positions responsible for LIW

Fifth session, July 8:

» Revision of the Second version of the Agreement

» Quarterly Monitoring Bulletin

Sixth session, September 2:

» Review of:

- Non-compliance consequences
- Additional parameters for standards

The Agreement and signing (November 23)

Signing video:

Socializing the agreement

» The process of socialization was carried out with panel participants and all the territory's Neighborhood Organizations. The agreement and the measures were presented in these instances, committing the bases and other people and organizations that did not participate, or participated partially, in the construction of the agreement.

> ***"This has been a learning opportunity not only in how to best treat the waters that run into the river. It has not only been technical learning, but especially learning how to listen, dialogue, and reach agreements."***
>
> ***Ricardo García Holtz***
> ***Vice President***

Next steps

» During 2020, the working group should ensure the follow-up and implementation of established agreements. For that purpose, this is what has been considered for this year:

1. **Design and implementation of a citizen monitoring system:**

» Implement a 24-hour online monitoring system for turbidity and total suspended solids.

» Implement a simple and accessible data visualization system.

» Selection of laboratory and procedure for local community monitoring of effluent quality.

» Design and implement a monthly report of the results.

2. **Research and learning:**

» Joint definition of objectives and methodology for research on the river's ecological state

» Implementation of the research

» Join definition of instances for socializations of results

3. **Follow-up and progress on the implementation of agreements:**

» Forums for definition of a vision for local development

» Join definition of instances for accountability.

Summary of agreements and commitments

Scope	SC Commitments	Compromisos CE
Effluent water quality standard	Adoption of more demanding standards than those established by current regulations.	Make the local community aware of the defined standards and results obtained.
Effluent water quality monitoring system	Implement a monitoring system that includes measuring LIW treatment at multiple points and online measuring and alerts of turbidity and total suspended solids in the water discharged into the river.	Participate in the design and implementation of citizen monitoring systems and ways of communicating results
	Creation of a position exclusively for the supervision of the LIW treatment system and the state of the water discharged into the river, 24 hours a day.	
	Communication of monitoring results through locally defined measures and manners, including public access to online monitored results.	
	Hiring of an independent laboratory to implement citizen water quality monitoring of the discharge into the river.	
River "health" study	Hiring of a mutually agreed upon academic institution to carry out a scientific study to check the condition and health of the Petrohué river.	Participate in the selection of the institution in charge of the study and release and disseminate progress reports and results to the local community.

Scope	SC Commitments	Compromisos CE
Internal review of control mechanisms and incentives	Implementation of internal and external audits in the area of the environmental compliance with environmental commitments and for the preparation of improvement plans.	
	Define self-imposed sanctions for noncompliance with the river water quality discharge standard, including reduction of feed when appropriate. Audited by an independent third party.	
	Implement a training plan for hatchery workers on the importance of operational excellence and compliance with local community commitments.	
Reaction protocol and communication with the community in the event of a contingency	Develop a protocol for reporting incidents and emergencies in conjunction with the community.	Participate in the design and implementation of an incident reporting and emergency protocol.
	Develop an internal protocol for reacting to an incident or emergency with effects outside of the hatchery and train hatchery managers and supervisors.	
Definition of criteria for collaboration and contributions to the territory	Support the Ensenada community in the implementation of participatory forums for the construction of a shared vision for the development of the territory and to jointly define the company's contributions.	Organize and lead forums to generate a shared vision for development and jointly define the company's social investment in various local community entities.
Update of the Resolution of Environmental Qualification	Annual evaluation of the LIW treatment system and inclusion of commitments for improvement in new Environmental Rating Resolution.	Participate in an evaluation session in March 2021.

More information on the process is available at:
https://ensenadasustentable.cl/firma-acuerdo-comunidad-de-ensenada-y-salmones-camanchaca/

“We appreciate that Camanchaca has been available to acknowledge its mistakes and form a panel where all neighbors were convened.”

“With this agreement, we chose hope and began a process of building trust and lifelong learning for the economic, social, and environmental sustainability of Ensenada, not only with Camanchaca, but also within the community.”

Villa Ensenada Sustainable Association.

Río Petrohué Hatchery, Ensenada.

Pilpilehue Salmon Site, Chonchi.

ABOUT THIS REPORT

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

This is the sixth Sustainability Report for Salmones Camanchaca and it covers the performance in the topics identified as material by the Company for the year 2019. The information contained in this report considers all production operations of Salmones Camanchaca S.A. that are carried out only in Chile. This report is an essential part of our policy of communication and transparency with our stakeholders.

The preparation of this report followed the latest and essential version of the Global Reporting Initiative (GRI) Standards for sustainability reporting and has been independently verified by Deloitte. In addition, all of our financial, food safety, and environmental and social performance information is regularly and independently evaluated following the guidelines of the Best Practices in Aquaculture (BAP) standards, the Aquaculture Stewardship Council (ASC), GLOBAL G.A.P. standards, ISO standards (ISO 9001, ISO 14001 and OHSAS 18001) and by our customers themselves.

MATERIALITY

For our 2019 report, we have reviewed our assessment of material topics based on a systematic analysis of the priorities of our stakeholders, the impacts of our operations, and global trends in sustainability reports.

The purpose of our materiality analysis is to identify and prioritize topics according to:

A) The social, economic, or environmental impact they have on our value chain.

B) If these are relevant to our stakeholders.

C) If they have any strategic relevance to our business.

Materials topics are those relevant to the business and our stakeholders. Examples include biosecurity and animal welfare, occupational health, safety, and welfare, and local engagement and conflict resolution. Each of these topics are prioritized in terms to determine the time and resources that are allocated for their management.

The methodology we have used for our 2019 materiality assessment is as follows:

1. Identification of material topics

This year, we identified the material topics for the company as part of a thorough review process of our sustainability strategies, priorities, and opportunities. This process, supported by an expert sustainability consultant, resulted in a new materiality matrix and sustainability model for the company. As part of this exercise, a comprehensive analysis was done on the relevant issues being addressed by our peer companies (in Chile and abroad), leading sustainability institutions and companies, and our stakeholders.

In terms of methodology, the process was carried out by analyzing our environment from an Internal and External Perspective.

- **External Perspective:**

We completed a comprehensive analysis of the industry from the perspective of other companies in the sector, the territories, future challenges, leading companies in sustainability, guidelines from the financial world and organizations in sustainability, NGOs, and our communities.

We also conducted an investor survey to understand what the material topics are in our industry from their perspective.

- **Internal Perspective:**

With regard to the internal perspective, we conducted interviews with Senior Management and reviewed our 2019-2020 Strategic Plan, our Risk Matrix (built in 2018), and the materiality work done for the 2018 report.

As in the external perspective, we survey our workers to understand which aspects are the most relevant for them in the industry. This gives us a more symmetrical view of the sustainability principles that we should pay more attention to.

2. Prioritization of material topics

Based on the data and information analyzed (Internal and External Perspectives), the material topics were prioritized according to their relevance to our stakeholders and their relevance to the business. They were categorized as High, Medium, or Low, resulting in their classification into two categories and our materiality matrix.

3. Materiality Matrix

Importance to Stakeholders

	Low	Moderate	High
High		• Inclusive development of the territory • Environment and ecosystems: Sustainable use of raw materials • Environment and ecosystems: GEI mitigation • Development of personnel • Workers: commitment and meaningful employment	• Product: food safety and nutrition • Communities: local engagement and conflict resolution • Fish: biosecurity and animal welfare • Environment and ecosystems: management of liquid, solid industrial, chemical, and organic waste • Environment and ecosystems: interactions with wildlife • Business culture: ethics, transparency, and compliance • Human rights (community and workers) • Workers: occupational health, safety, and welfare
Moderate	• Local and global access to our product	• Harmonious use of territory and shared resources • Environment and ecosystems: energy and water eco-efficiency • Environment and ecosystems: terrestrial environment impacts • Responsible supply • Innovation, R&D and digital transformation	• Corporate Culture: corporate governance and risk management • Client satisfaction • Business profitability • Adaptation to climate change
Low		• Sustainability partnership	

Business relevance

Pilpilehue Salmon Site, Chonchi..

APPENDIX

In reference to the GRI Standards and the 2030 Agenda for Sustainable Development. Verified by Deloitte.

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INDEPENDENT REVISION
SUSTAINABILITY REPORT 2019 SALMONES CAMANCHACA S.A.

Mr.
Alfredo Tello Gildemeister
Technical Manager
Salmones Camanchaca S.A.

Of our consideration:

We have reviewed the following aspects of the 2019 Sustainability Report of Salmones Camanchaca S.A.:

Scope

Limited assurance engagement of the adherence of the contents and indicators included in the 2019 Sustainability Report to the GRI Standards, regarding the organization's profile and material indicators arising from the materiality process that the Company carried out following said Standards related to the economic, social, and environmental dimensions.

Standards and Assurance Process

We have carried out our task in accordance with the guidelines of the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC).

Our review has consisted in an inquiry process involving different Salmones Camanchaca S.A units and management areas, involved in the process of developing the Report, as well as in the application of analytic procedures and verification tests, which are described in the following items:

- ✓ Meetings with those responsible for the delivery of information and preparation of the 2019 Sustainability Report.
- ✓ Analysis of the adherence of the contents of the 2019 Sustainability Report to the GRI Standards: Core option, and review of the indicators included in the report in order to verify that they are aligned with the protocols established in the Standards, and whether the fact that some indicators are not applicable or not material is justified.

- ✓ Verification, through tests of quantitative and qualitative information corresponding to the GRI Standards indicators included in the 2019 Report, and its adequate gathering from the data provided by Salmones Camanchaca S.A. information sources.

Conclusions

- ✓ The assurance process was based on the indicators established in the materiality process carried out by Salmones Camanchaca S.A.. Once those indicators were identified, prioritized, and validated, they were included in the report.
- ✓ Regarding the verified indicators, we can say that no aspect has arisen to lead us to believe that the Sustainability Report has not been prepared in accordance with the GRI Standards in those areas identified in the scope.

Salmones Camanchaca S.A. Management and Deloitte Responsibilities

- The drafting of the 2019 Sustainability Report, as well as its contents are under Salmones Camanchaca S.A. responsibility, which is in charge of the definition, adaptation, and maintenance of the management and internal control systems from who the information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared exclusively by Salmones Camanchaca S.A request, in accordance with the terms established in the Engagement Letter.
- We have developed our work according to the standards of Independence established in the Code of Ethics of the IFAC.
- The conclusions of the verification made by Deloitte apply to the latest version of the Salmones Camanchaca Sustainability Report received on July 3rd, 2020.
- The scope of a limited assurance engagement is essentially inferior to a reasonable assurance engagement, thus, we are not hereby providing opinion about the 2019 Salmones Camanchaca Sustainability Report.

Fernando Gaziano
Partner
July 3rd, 2020

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
GENERAL DISCLOSURES			
Organizational profile			
102-1	Name of the organization.	9	
102-2	Activities, brands, products, and services.	10	
102-3	Location of headquarters.	9	
102-4	Location of operations.	10	
102-5	Ownership and legal form.	9	
102-6	Markets served.	10	
102-7	Scale of the organization.	14	
102-8	Information on employees and other workers.	60	
102-9	Supply chain.	12	
102-10	Significant changes to the organization and its supply chain.		The Technical and Sustainability Management and the Corporate Affairs and Territorial Relations Area were created -- No changes in the supply chain.
102-11	Precautionary Principle or approach.	21	
102-12	External initiatives.	46	
102-13	Membership of associations.	46	
Strategy			
102-14	Statement from senior decision-maker.	4	
102-15	Key impacts, risks, and opportunities.	36	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior.	22, 38	
102-17	Mechanisms for advice and concerns about ethics.	38	
Governance			
102-18	Governance structure.	30	
102-19	Delegating authority.	32	
102-20	Executive-level responsibility for economic, environmental, and social topics.	32	
102-21	Consulting stakeholders on economic, environmental, and social topics.	44	
102-22	Composition of the highest governance body and its committees.	29	
102-23	Chair of the highest governance body.	31	
102-24	Nominating and selecting the highest governance body.	29	
102-28	Evaluating the highest governance body's performance.	32	
102-35	Remuneration policies.	32	
102-36	Process for determining remuneration.	32	
Stakeholder engagement			
102-40	List of stakeholder groups.	45	
102-41	Collective bargaining agreements.	80	
102-42	Identifying and selecting stakeholders.	44	
102-43	Approach to stakeholder engagement.	44	
Reporting practices			
102-44	Key topics and concerns raised.	45	
102-45	Entities included in the consolidated financial statements.	148	
102-46	Defining report content and topic Boundaries.	150	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
102-47	List of material topics.	151	
102-48	Restatements of information.		Changes in how data on generated waste is presented. This year, organic waste has been incorporated into the total waste generated, which was presented separately in previous reports. This is because it is rational to include all waste in the initial analysis, including that which is recycled or reused.
102-49	Changes in reporting.		No changes in this regard.
102-50	Reporting period.	148	
102-51	Date of most recent report.		Sustainability report 2018.
102-52	Reporting cycle.		Annual.
102-53	Contact point for questions regarding the report.	9	
102-54	Claims of reporting in accordance with the GRI Standards.	148	
102-56	External assurance.	148	

Management approach

Performance	*Material topic*	
Social	• Product: food safety and nutrition	82
Social	• Communities: local engagement and conflict resolution	126
Environmental	• Fish: biosecurity and animal welfare	88
Environmental	• Environment and ecosystems: management of liquid, solid industrial, chemical, and organic waste	104
Environmental	• Environment and ecosystems: interactions with wildlife	101

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Governance	• Business culture: ethics, transparency, and compliance	36	
Governance	• Human rights (community and workers)	45	
Social	• Workers: occupational health, safety, and welfare	62	
Environmental	• Environment and ecosystems: Sustainable use of raw materials	86	
Environmental	• Environment and ecosystems: GEI mitigation	112	
Social	• Development of personnel	69	
Social	• Workers: commitment and meaningful employment	69	
Governance	• Corporate Culture: corporate governance and risk management	34	
Economic	• Client satisfaction	39	
Economic	• Business profitability	52	
Environmental	• Adaptation to climate change	22	
Social y Ambi-ental	• Harmonious use of territory and shared resources	100	
Environmental	• Environment and ecosystems: energy and water eco-efficiency	118	
Environmental	• Environment and ecosystems: terrestrial environment impacts	101	
Social	• Responsible supply	40	
Economic	• Innovation, R&D and digital transformation	47	
Social	• Local and global access to our product	56	
General	• Sustainability partnership	44	

DISCLOSURES SPECIFIC			
ECONOMIC			
Economic performance			
201-1	Direct economic value generated and distributed.	14	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
201-2	Financial implications and other risks and opportunities due to climate change.	24	
Market presence			
202-1	Ratios of standard entry level wage by gender compared to local minimun wage.	81	
202-2	Proportion of senior management hired from the local community.		86% of senior managers are chilean.
Procurement practices			
204-1	Proportion of spending on local suppliers.	43	
Anti-corruption			
205-1	Operations assessed for risks related to corruption.	39	
205-2	Communication and training about anti-corruption policies and procedures.	39	
205-3	Confirmed incidents of corruption and actions taken.	39	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	39	
ENVIRONMENTAL			
Materials			
301-1	Materials used by weight or volume.	124	
301-2	Recycled input materials used.		The organization does not use recycled input materials in its process.
301-3	Reclaimed products and their packaging materials.		The organization does not reuse products or packaging materials in its processes.
Energy			
302-1	Energy consumption within the organization.	114	
302-3	Energy consumption outside of the organization.	114	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Water (2018)			
303-1	Interactions with water as a shared resource.	118	
303-2	Management of water discharge-related impacts.	118	
303-3	Water withdrawal.	121	
303-4	Water discharge.	118	
303-5	Water consumption.	122	
Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	102	
304-2	Significant impacts of activities, products, and services on biodiversity.	103, 105	
Emissions			
305-1	Direct (Scope 1) GHG emissions.	114	
305-2	Energy indirect (Scope 2) GHG emissions.	114	
305-4	GHG emissions intensity.	115	
Effluents and waste			
306-1	Water discharge by quality and destination.	119	
306-2	Waste by type and disposal method.	107	
306-5	Water bodies affected by water discharges and/or runoff.	119	
Environmental compliance			
307-1	Non-compliance with environmental laws and regulations.	40	
SOCIAL			
Employment			
401-1	New employee hires and employee turnover.	71	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Occupational health and safety (2018)			
403-1	Occupational health and safety management system.	66	
403-2	Hazard identification, risk assessment, and incident investigation.	67	
403-3	Occupational health services.	64	
403-4	Worker participation, consultation, and communication on occupational health and safety.	67	
403-5	Worker training on occupational health and safety.	67	
403-6	Promotion of worker health.	67	
403-8	Workers covered by an occupational health and safety management system.	66	
403-9	Work-related injuries.	68	
403-10	Work-related ill health.	69	
Training and education			
404-1	Average hours of training per year per employee.	75	
404-2	Programs for upgrading employee skills and transition assistance programs.	73	
404-3	Percentage of employees receiving regular performance and career development reviews.	72	
Diversity and equal opportunities			
405-1	Diversity of governance bodies and employees.	61, 78	
405-2	Ratio of basic salary and remuneration of women to men.	81	
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken.	47	
Human Rights assessment			
412-2	Negative social impacts in the supply chain and actions taken.	47	

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Local communities			
413-1	Operations with local community engagement, impact assessments, and development programs.	130	
413-2	Operations with significant actual and potential negative impacts on local communities.	133	
Public policy			
415-1	Political contributions.	39	
Customer health and safety			
416-1	.Assessment of the health and safety impacts of product and service categories	84	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	41	
Marketing and labeling			
417-1	Requirements for product and service information and labeling.		The company maintains procedures for labelling 100% of its products according to the requirements established by destination markets and by the customers themselves.
417-2	Incidents of non-compliance concerning product and service information and labeling.	41	
417-3	Incidents of non-compliance concerning marketing communications.		We have not identified any cases of non-compliance related to marketing communications.

STANDARD	CONTENTS	PAGE	OMISSIONS/ ANSWER
Customer privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.		We have not identified any substantiated claims regarding privacy violations or loss of customer data.
Socioeconomic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area.	39	

GLOSSARY OF TERMS

1. **SMOLT:** Denomination given to juvenile salmon at the time of their physiological adaptation to living in a marine environment.

2. **LWE (Live weight equivalent):** Live fish produced in a production unit.

3. **WFE (Whole fish equivalent):** Fish bled and gutted inside a processing plant.

4. **PRIMARY PROCESS:** Salmon processing that involves the slaughter, bleeding, and gutting, not including the product transformation.

5. **SECONDARY PROCESS OR ADDED-VALUE:** Refers to the product transformation through methods such as freezing and vacuum packaging.

6. **MT:** Metric Tons

7. **HA:** Hectares

8. **FCR:** TFeed conversion ratio, calculation includes the mortality of the period

9. **e FCR:** Economic feed conversion ratio, excluding dead biomass.

10. **FOB VALUE:** Used to value exports and is defined as "free on board." Refers to the sale value of products in their place of origin, plus the cost of freight, insurance, and other expenses needed to send the product to the customs office of exit..

11. **USD:** American Dollar.

12. **ROLLING MORTALITY:** Mobile mortality calculated based on the last 12 months.

13. **FI:FO (Fish in, Fish out):** Dependency rate of fisheries, according to the Global Aquaculture Alliance.

14. **FFDRm (Forage fish dependency rate – meal):** Dependency rate of fisheries - Fish flour, according to the Aquaculture Stewardship Council.

15. **FFDRo (Forage Fish Dependency Rate – oil):** Dependency rate of fisheries - Fish Oil, according to the Aquaculture Stewardship Council.

Salmones Camanchaca

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