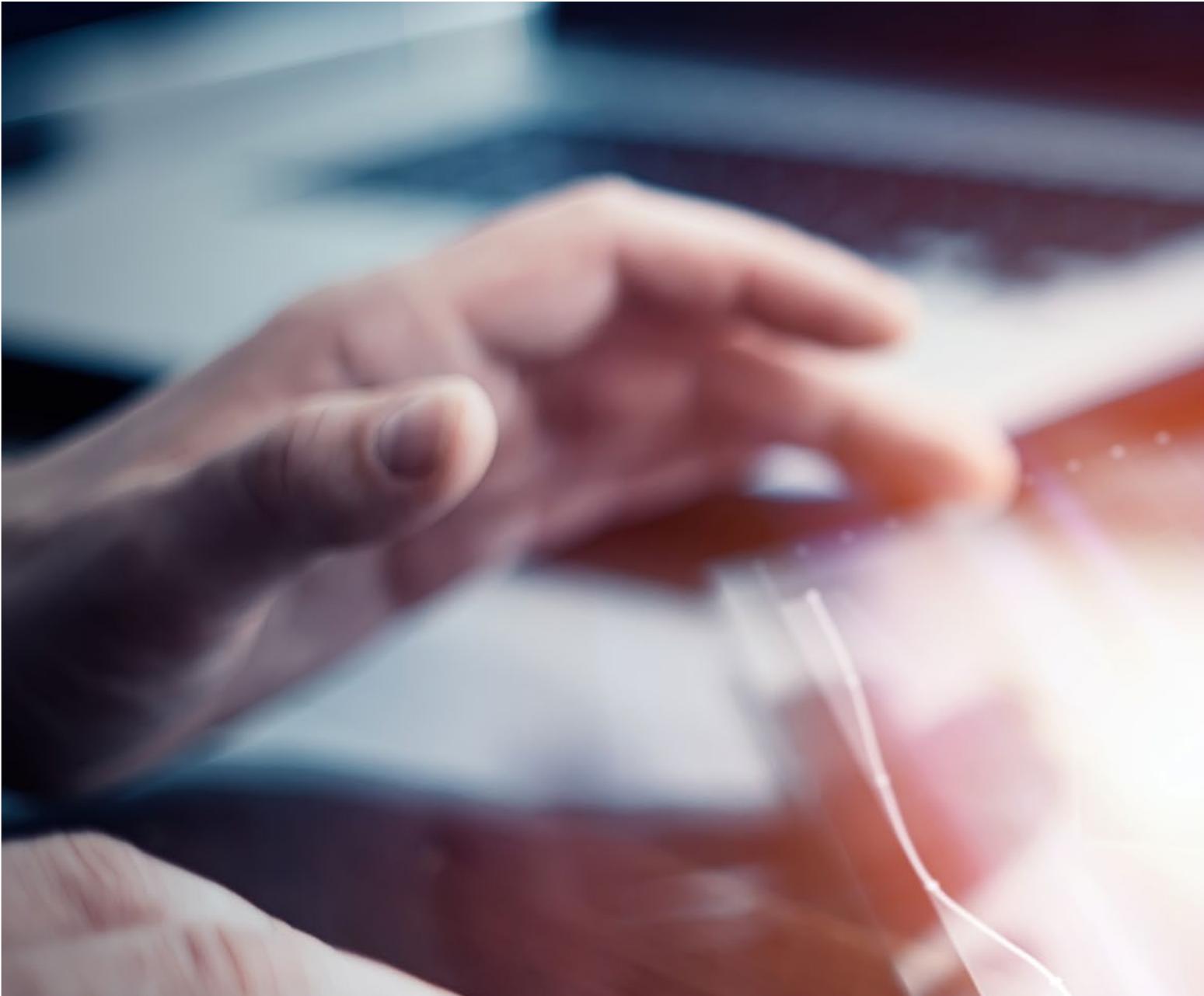


Integrated Report 2019



SONDA[®]

Improving and transforming
customers' business



In **SONDA** we have ambitious aspirations



Be the leader
in the adoption
of new
technologies



Be the strategic
partner of our
customers



Be the leader
in business
solutions in key
verticals



Be recognized as
an attractive
place to work



Becoming a
global company





Contents

01	Presentation	3
02	#WeareSONDA	11
03	Corporate Governance	21
04	Strategic Vision and Plan	33
05	Transformation	85
06	Stakeholder engagement	91
07	Financial information	99
08	General and Additional Information	115
	Declaration of Responsibility	148
09	Appendices	151





Chapter 01



Presentation

Technological progress offers innumerable benefits for society and a tremendous opportunity for companies to become sustainable.



Letter from the Chairman

Improving and transforming our customers' business



Dear Shareholders,

During 2019, we started to prepare our 2019 – 2021 Strategic Plan, which will become a navigation chart to guide our business and capitalize on opportunities that arise in a world where digital transformation is revolutionizing companies, organizations and society as a whole.

Effectively, our continent is beginning a long journey to explore transformation processes. We are adopting appropriate strategies that will match our customer's circumstances, and enable them to meet the challenges of the digital revolution. We believe that SONDA has an inspiring strategic role in helping our customers to improve and transform their businesses.

We believe in the value of digital technologies as they can drive us to build a sustainable society that positively benefits millions of Latin Americans, which excites us. In recent years we have accelerated the pace by offering solutions that go beyond business requirements and make a tangible contribution to meeting wider challenges, such as better public services, transport, health and safety, and efficiently using water and energy. We are committed to ensuring that our solutions contribute to the United Nations' Sustainable Development Goals (SDGs).

During the year our company has had to manage a business environment affected by political and economic turbulence that damaged each country. However, we managed to close 2019 with dynamic financial performance and improved commercial rhythm. Consolidated revenue reached Ch\$846,550 million (+5.8% compared to the previous year), equivalent to US\$1,131 million. EBITDA was Ch\$93,197 million (+2.1% compared to the previous year), equivalent to US\$124.5 million, and net income was Ch\$23,107 million (+116.2% compared to the previous year), equivalent to US\$30.9 million.

The revenue increase has mostly arisen from organic growth, particularly Brazil with 13.4% and Other Latin American Countries (OPLA) with 14.0%. Accordingly, EBITDA growth in Brazil was 39.6% and in OPLA it was 7.9%. The EBITDA margin for the period was 11.0%, with profitability in Brazil improving remarkably (+140 basis points) compared to 2018.

Closed business was Ch\$1,387 million, which represents growth of 11.0% compared to the previous year. The Chilean and Brazilian markets have experienced greater dynamism with increases of 34.4% and 10.8% respectively, compared to 2018.

Consequently, we are beginning to see the results of various initiatives and improvements implemented in foreign subsidiaries. Particularly in Brazil, where significant growth was achieved in revenue (+13.4%), EBITDA (+39.6%) and contract closures (+10.8%).

We are making progress with our 2019 – 2021 Strategic Plan. We are shaping the planned organizational structures and developing specific solutions to serve the transport, retail, financial services and governmental verticals. We implemented several measures related to the strategic pillars supporting integral customer management, regional positioning, an agile organization and operational excellence, which will strengthen SONDA's position in the market. We will continue to build an ecosystem that will strengthen partnerships with leading companies and cement relationships with niche and startup companies, which will strengthen our value proposition.

Furthermore, our highest priority this year was the Transformation unit, which brings together various business areas involved in emerging and new technology, such as Analytics, Internet of Things, Machine Learning, Robotics, Cloud Hybrid, Smart Cities and Cybersecurity in particular. We have formed a team of professionals in cybersecurity, as this is one of the most sensitive strategic aspects of today's organizations. They are qualified to deal with all our customer's requirements, from proactive first class consulting to incident detection and remediation services. We have also launched our Cyber Security Center (SOC) in Colombia, which has a regional service scope.

We signed major contracts with some important customers in Brazil during 2019, and incorporated the know-how of two Brazilian firms into our business: M2M Solutions, who specialize in technological solutions for urban transport and mobility, and TR Process, who will strengthen our robotic process automation solutions. We are also fully engaged in constructing our first TIER IV data center in Santiago, which is expected to open during the first four months of 2020.

The milestones for the year include two corporate bond issues totaling UF 4,500,000, which took place in July (UF 3,000,000) and October (UF 1,500,000). They attracted significant interest and achieved excellent placement rates, which reflects financial market and investor confidence in SONDA. Particularly, the successful bond issue in October, which was our first green bond issue and the first for a technology company in Latin America, which is a clear demonstration of our commitment to sustainability.

We have again prepared an Annual Integrated Report that integrates in one document the financial and management aspects with environmental, social and governance aspects. We are convinced that the sustainability of the company and its ability to generate long-term value depends on overall management that is genuinely concerned for all its stakeholders, and that leads, innovates and adapts using best practice, while caring for and developing its customers and employees who are its principal assets. This was reflected in renewing our place in the renowned Dow Jones Sustainability Index (DJSI) Chile and DJSI MILA, which we joined in 2017.

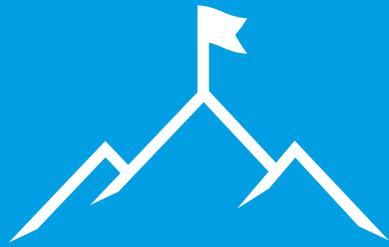
We are grateful to our customers, shareholders and business partners for trusting us and especially our employees who have played a fundamental role in consolidating us as leaders in the region.

“The revenue increase has mostly arisen from organic growth, particularly Brazil with 13.4% and Other Latin American Countries (OPLA) with 14.0%. Accordingly, EBITDA growth in Brazil was 39.6% and in OPLA it was 7.9%. The EBITDA margin for the period was 11.0%”.

Yours sincerely,



Mario Pavón Robinson
Chairman



2019 Milestones



SONDA signs a huge contract with Banco do Brasil

The contract signed with Banco do Brasil is for Managed Print Services (MPS) under a full outsourcing model. This contract involves providing 17,000 pieces of equipment to 100,000 employees, distributed across 6,000 facilities worldwide and over 3,000 municipalities.



New "Electro-corridor" on Grecia Avenue launched, using Smart City Transport solutions

The first of 40 new high standard bus-stops began operating that will be built on this important Santiago artery using technological contributions from SONDA. They will be equipped with self-sustaining validators, LED lighting and information screens, with other solutions designed to optimize public transport safety and efficiency.



SONDA complies with the highest standards of cyber-security for its customers

The company has joined the Center for Internet Security (CIS) as a Service Partner. CIS brings together cyber-security organizations and professionals, to share best industry practice, in order to protect public and private entities against cyber-attacks.



Major Awards at Cisco Partner Summit 2019

SONDA received the following awards during the Cisco Partner Summit 2019: Global Enterprise Partner of the year in Mexico, Internet of Things Partner of the year and Multi Country Operation Partner of the year in the MCO category for Latin America, and Social Impact Partner of the year in Colombia.



SONDA inaugurated the first Tier IV data center in Chile and Latin America

The Uptime Institute has officially awarded TIER IV certification for the design of the new data center built by the company in Santiago. Tier IV certification ensures continual service availability, as well as efficient management of the huge volumes of information generated by the global economy.



SONDA launched “Connected Cow”, which is a traceability solution for the dairy industry

Milk travels a long way between leaving cows and arriving at processing plants, where it is pasteurized and packaged and then distributed to consumers. SONDA's Brazilian branch developed a solution based on Internet of Things, Cloud, Artificial Intelligence and Machine Learning, to monitor every step of this process and guarantee the quality of the final product, as it efficiently monitors and controls the milk production cycle.



SONDA and Electronic Exchange Partnership: Integration milestone in Chile, which reduces operational risks and operating workloads for stockbrokers and the financial system

This partnership forms a mutual cooperation framework, which has resulted in integrating the services provided by the Chilean Electronic Exchange and our RealAIS CDB solution, which is specifically designed to improve integrated management for stockbrokers. Therefore, RealAIS CDB customers will have direct access to stock markets, and provide their users with a fluid and streamlined user experience for all their daily transactions on the Electronic Exchange.



SONDA launched an Innovation Center in Brazil for over 350 professionals

The first Innovation Center was launched in Joinville southern Brazil during 2019, which is the result of a partnership between Univille, the regional university, and Inovaparq, the Joinville Technology Innovation Park. This center focuses on creating disruptive technology and generating business centered on innovation, while contributing to the professional development of students and professionals from the partnership entities.



Tech and The City Challenge selected revolutionary and innovative proposals for security and transport

This is an open innovation initiative jointly organized by SONDA and OpenBeauchef of the Universidad de Chile, which is co-financed by CORFO. It gave industry and the entrepreneurial ecosystem the opportunity to unite and create advanced technological solutions for two issues in the city, which are how to increase people's perception of security and improve their mobility experiences.



Corporate Bond Issue for UF3,000,000 to drive the 2019 – 2021 Strategic Plan

We successfully placed a 10-year corporate bond in the local market for UF3,000,000 in July, which forms part of the financing structure of our 2019 – 2021 Strategic Plan. The transaction placed the Series H bonds, structured with a 10-year bullet repayment, which achieved excellent and historical conditions for SONDA, as the placement rate was 1.34% and demand was 2.5 times supply. This issue was rated “AA-” by Fitch Ratings and ICR (Moody's).



First placement of SONDA green bonds

We issued our first green bonds in October, due to the same requirement and within our commitment to a sustainable business model, where we successfully placed UF 1,500,000 with a 5 year term. The bonds were certified by Sustainalytics, a globally recognized consultant in ESG matters, as aligned with the 2018 Green Bond Principles (GBP) published by the International Capital Market Association (ICMA) and the UN Sustainable Development Goals. The commitment to the investors who purchased these bonds is to develop Tier IV data centers, which includes constructing green buildings, using renewable energy and efficiently using electricity.

SONDA in figures

We currently have presence in
10 countries of the region



Employees

16,119
people



● Chile	19%
● Brazil	50%
● Mexico	9%
● OPLA	22%



● Under 30 years	31%
● Between 30 and 40 years	39%
● Between 41 and 50 years	20%
● Between 51 and 60 years	8%
● Above 61 years	2%



● Women	28%
● Men	72%



Customers

+5,000

corporate customers



Cities

+3,000

In Latin America



SONDA, with more than 45 years of history, is the main Latin American network for IT services and solutions in the region, operating in 10 countries, 3 thousand cities and benefiting the life of over 500 million people.



● Chile	46%
● Brazil	31%
● Mexico	5%
● OPLA	18%



● Chile	56%
● Brazil	21%
● Mexico	3%
● OPLA	20%


Economic Value Generated

674

US\$ million


Investment

95.5

US\$ million





Chapter 02



#WeareSONDA

Digital transformation has changed the way and speed with which society develops. We are a company of people and an agent of change in this digital age.



#WeareSONDA

Our world, as we knew it, has changed. Societies are no longer the same, nor are consumer and customer requirements, nor how companies and organizations should respond to them. Today we see that people are facing more complex and dynamic globalized issues.



Globalization has transformed our habits and established new paradigms. The world would appear to have no frontiers anymore. What used to be a local problem is now global and forces us to think that way, in order to plan ahead.

New technologies have driven these changes and agile tools that can support us and simplify processes are key for those of us who are agents of change.

SONDA has taken this situation as a challenge and it has inspired us to evolve during our own transformation process. This reinvention has enabled us to lead our customer's digitalization processes, as we can support them throughout this process and provide them with the tools required to overcome the challenges to come.

We have over 45 years of experience, we operate in 10 countries and 3,000 cities, and employ over 16,000 people across the region. So we are proud to be numbered among those driving technological transformation in Latin America, as we have dedicated ourselves to becoming a strategic partner with the expertise required to address the most difficult business tasks in any country or industry.

We have implemented many important modernization projects over the years that have contributed to meeting the objectives of thousands of organizations and improved the quality of life of millions of citizens. We are a highly professional team that is passionate about our services, supported by an ecosystem of world-class partners, who can deliver the most appropriate solutions to our customers.

We are a multicultural company, founded on collaborative work, mutual respect, innovation, ethics, sobriety and seriousness in meeting our commitments. The foundation of our business has been and will be our team and its vocation to transform and deliver value to our customers.

We are passionate about technology and transformation.

#WeareSONDA

Purpose and Commitment



Our Purpose

To improve people's quality of life, by innovating and adding value through technological solutions that develop and transform our customer's businesses.

Commitments to our customers

A flexible
supplier



Wide range of IT solutions that add value to your business

Business partner with an
intense service vocation



Outstanding experience in developing projects of varying magnitude and complexity, by a team full of passion, enthusiasm and service vocation

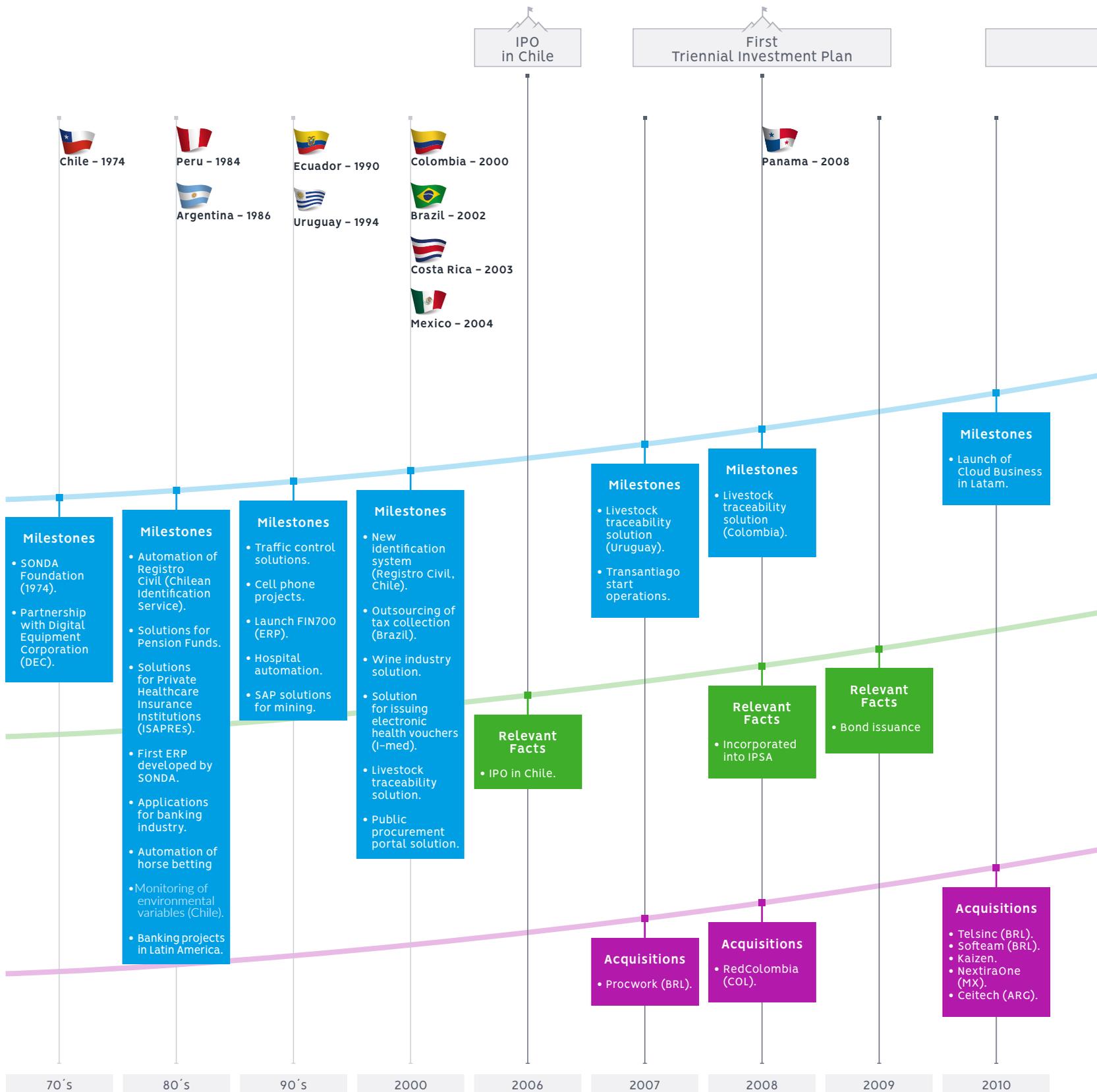
Rapid
solutions

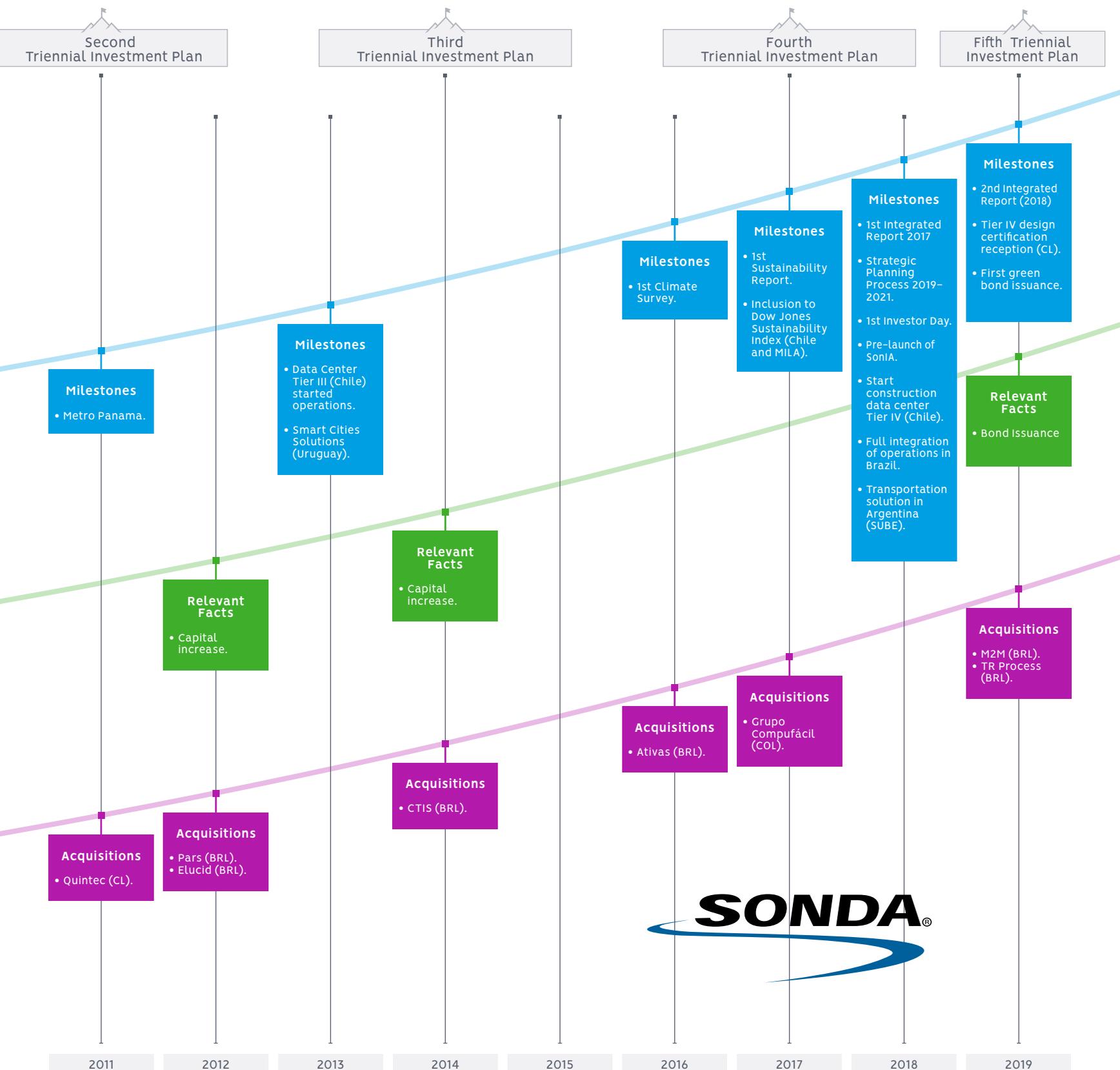


World class services based on industry best practices and certified as meeting the principal technology standards



A story of growth





Differentiators and Pillars

A world that is rapidly evolving, driven by emerging new technologies, needs technology partners who can support organizations as they design their digital strategies and processes. This is how our company can generate value as a strategic partner who supports companies and institutions in the region.



Fortunately, we have implemented large projects and innovative solutions, and during these projects we have developed several differentiating attributes that support our customer's transformational processes.

Differentiators



Integrated business model

We can deliver local and regional integrated solutions that resolve challenges with varying degrees of complexity and magnitude. We can guarantee the quality of the solutions that we provide to our customers.



Multi-brand company

We are brand independent, so we can provide the best technological solutions in the market that meet the requirements of our customers and that resolve their specific business situations and challenges.



Partnerships with leading technology manufacturers

We have agreements with world leaders in the technology industry and partnerships focused on developing large integration projects that require combining digital technologies as well as applications for strategic markets.



Capacity to undertake large contracts and projects

Since our inception we have been committed to developing large technological projects that modernize public and private enterprises and institutions and contribute to improving the quality of life of millions of people.



Service vocation, commitment and flexibility

We aim to be technological partners, which requires us to build long-term relationships with our customers. We anticipate their requirements and challenges, and can streamline or adapt their business and operational models, as necessary.



Specialized and experienced team

Our team has vast experience and their professional and technical qualifications enable us to make the best use of information technology, in order to integrate, deploy, develop, manage, support, and operate the wide range of solutions and services that our customers require.



Our services are innovative and continually evolve

Innovation has been part of our DNA since the beginning. Our industry is continually evolving, we are constantly updating our technologies and solutions to ensure that they meet the requirements and challenges of our customers, in an expanding process of adding value.



Financial strength

Financial solidity has been a differentiating aspect of SONDA, and allowed us to sustainably develop our business since our foundation, and our three-year investment plans since 2007. These plans have encapsulated an ambitious growth strategy based on acquisitions and organic growth, without putting the company's financial stability at risk.



We operate in emerging markets with a low IT penetration rate

Our region has attractive growth opportunities, as IT penetration in the public and private sectors is still low.

SONDA pillars



Project replicability

Huge integration projects are complex processes that require significant investments. Therefore, we try to replicate these projects for new customers, in order to benefit from efficiencies and economies of scale that benefit both our customers and SONDA.



Integrated service network

We have the unique ability to provide IT services throughout Latin America, due to our regional penetration and an appropriate organizational structure. Accordingly, we can provide solutions certified to a high standard in over 3,000 cities.



Scalable solutions and services

The solutions and services we provide to our customers are generally scalable, so we can naturally expand our business and mitigate the risks that this usually entails. Our solid computational infrastructure is managed by a network of first class professionals, which provides tremendous flexibility as our customers grow.



Good corporate governance

Our Board consists of nine members and six of them are independent directors. Our Directors' Committee is comprised of three independent directors. Furthermore, we have an Executive Committee that supports the company's management in various areas.



Processes and tools

We have certified and mature processes that enable us to appropriately address changing business requirements. We use the best IT tools on the market, in order to always respond to our customers in a rapid, effective and reliable manner.



Unique and recognized brand

Our leadership has strengthened over time and SONDA now holds an undisputed leadership position in Chile and the region. We are recognized as the principal Latin American IT services company and one of the most respected companies in Latin America.



Experience and service vocation

Our employees have extensive experience of the information technology industry, having successfully completed innumerable systems integration projects, many of which were highly complex and had a substantial impact. Similarly, the service vocation of our teams has been cultivated in a sustained manner and is recognized and valued by our customers, in particular their unwavering commitment to each project. Our customer's success is also ours.



Presence in Latin America



Mexico

- Central offices in Mexico City.
- Network of services with coverage in all most relevant states and cities.
- Field support nationwide (238 localities).

since

2004

customers

+200

employees

1,373



Costa Rica

- Central offices in San José.
- Network of services with nationwide coverage.

since

2003

customers

+100

employees

86



Panama

- Central offices in Panama City.
- Coverage of services nationwide.

since

2008

customers

+50

employees

327



Colombia

- Central offices in Bogotá.
- Network of services with nationwide coverage (1,000 cities).
- 1 data center Tier IV (under construction).

since

2000

customers

+200

employees

1,953



Ecuador

- Central offices in Quito.
- Field support with nationwide coverage.

since

1990

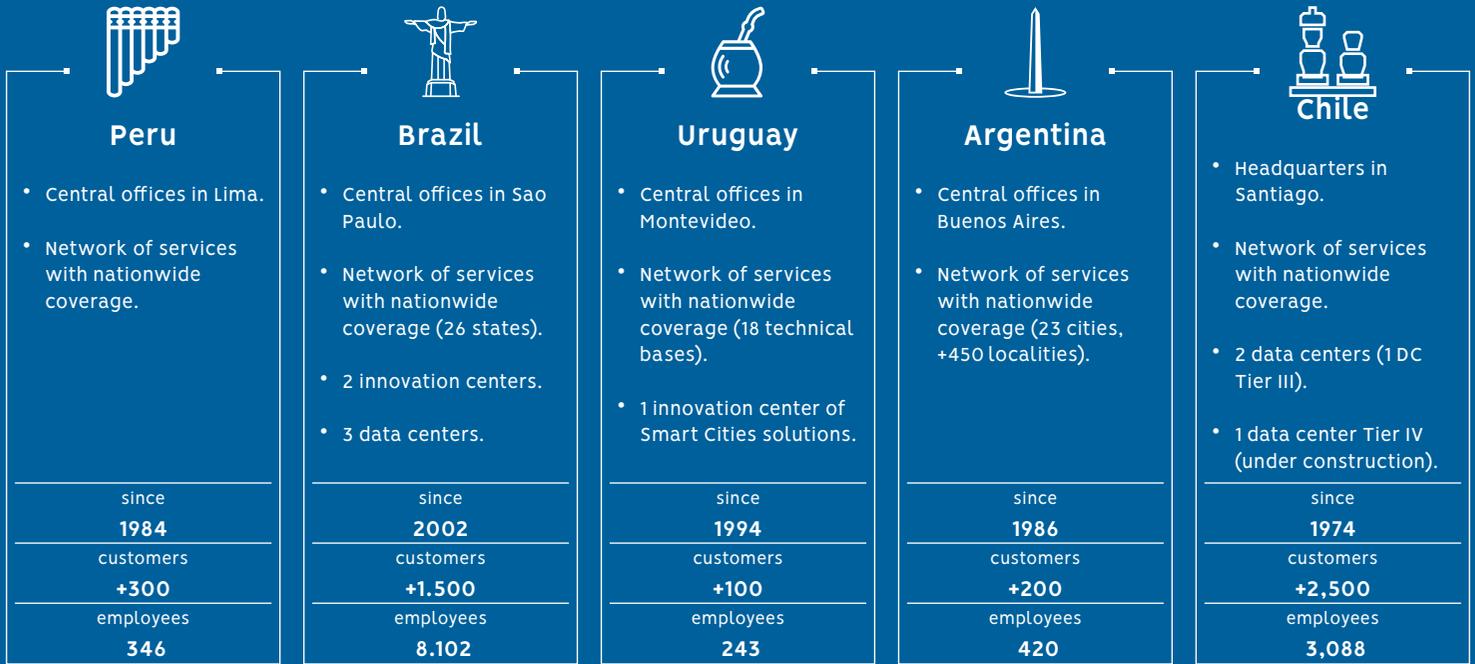
customers

+200

employees

181





SONDA S.A.







Chapter 03



Corporate Governance

Solid corporate governance forged with values and principles that govern our business and ensure that we achieve our objectives with a profound commitment to ethics and social responsibility.



Corporate Governance

Strong corporate governance is essential to appropriately guide our development strategy, address future challenges, and ensure that the company's value grows. It is also required to define strategies and ad-hoc priorities, monitor performance, efficiently use resources, and establish effective management structures. This is particularly relevant for SONDA as we operate in several countries.



SONDA operates within a multiplicity of cultures and environments, which creates the challenge faced by every multinational company of ensuring that the entire organization is aligned with its corporate purpose, values and objectives, and fully complies with its internal guidelines and with the laws and regulations that apply in each country.

SONDA is a publically-quoted company and it has been listed on the Chilean Stock Exchange since 2006. Therefore, it has to comply with the regulations issued by the Financial Market Commission (FMC), formerly the Superintendent of Securities and Insurance (SVS). These obligations include General Regulation 385 regarding best corporate governance practice.



Mario Pavón Robinson
Chairman

Industrial Engineer
Universidad Católica de Chile

Chilean ID Number:
5,386,757-K

Date last re-appointed:
04/21/2017



María del Rosario Navarro Betteley
Vice Chairwoman

Degree in Aesthetics
Universidad Católica de Chile

Chilean ID Number:
12,720,922-7

Date last re-appointed:
04/21/2017



Enrique Bone Soto
Director

Industrial Engineer
Universidad Católica de Chile

Chilean ID Number:
6,056,216-4

Date appointed:
04/21/2017



Mateo Budinich Diez
Director

Civil Electrical Engineer
Universidad de Chile

Chilean ID Number:
6,522,204-3

Date last re-appointed:
04/21/2017



SONDA's financial information is subject to instructions and inspections by the FMC, and we must report our financial statements and relevant operational information to the public.

Board of Directors



Our Board is responsible for the company's strategic direction, approving its policies, monitoring value creation and efficient resource use, and monitoring its performance, risks and management control systems.

The nine Board members are appointed at an Annual General Shareholders' Meeting for a period of three years. Currently, there are six independent directors. The Board has ordinary meetings every month, and extraordinary meetings as required.

The Board is responsible for monitoring and managing the sustainability programs and offers recommendations to senior management, to ensure that ethical, financial, environmental and social factors are considered in their decision-making.

The Annual General Shareholder's Meeting held on April 21, 2017 appointed the Board members for the next statutory three year period.

The members of the Board for 2017 to 2019 are:



Alfonso Gómez Morales
Director

Civil Engineer
Universidad Católica de Chile

Chilean ID Number:
5,478,723-5

Date appointed:
04/21/2017



Juan Antonio Guzmán Molinari
Director

Industrial Engineer
Universidad Católica de Chile

Chilean ID Number:
5,123,918-0

Date last re-appointed:
04/21/2017



René Javier Lehuedé Fuenzalida
Director

Civil Constructor
Universidad Católica de Chile

Chilean ID Number:
5,523,074-9

Date appointed:
04/21/2017



Hernán Carlos Marió Lores
Director

Business Administrator
Universidad de Santiago

Chilean ID Number:
7,019,964-5

Date last re-appointed:
04/21/2017



Andrés Navarro Betteley
Director

Industrial Engineer
Universidad Católica de Chile

Chilean ID Number:
13,830,732-8

Date appointed:
04/21/2017

* The following directors were members of the Board for the period from 04/24/2014 until 04/21/2017, when the entire Board was re-elected: i) Pablo Navarro Haeussler, Chilean ID Number: 6,441,662-6, ii) Francisco Gutiérrez Philippi, Chilean ID Number: 7,031,728-1, iii) Jaime Pacheco Matte, Chilean ID Number: 6,371,888-2, and iv) Christian Samsing Stambuk, Chilean ID Number: 6,731,190-6.

The Directors' Committee is composed of three independent directors appointed by the Board of Directors, in accordance with current regulations. Mr. Juan Antonio Guzmán Molinari, Mr. Mateo Budinich Diez and Mr. René Lehuedé Fuenzalida have been appointed as members of this Committee. Similarly, the Directors' Committee has appointed Mr. Juan Antonio Guzmán Molinari as its Chairman.

The Board of Directors delegates company management to a Chief Executive Officer, who is responsible for the company's business. All the business units and support units report to him.

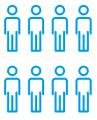
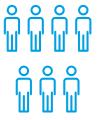
The company has an Executive Committee composed of directors and senior executives that advises management regarding strategy design, business and performance analysis, investment plans, customer satisfaction, quality management, marketing, corporate communications, etc.

The company also has an Ethics Committee, which comprises the Chairman of the Board, an independent director, the Chief Executive Officer, the Chief Human Resources Officer and the Internal Control, Risks, and Governance Officer. (More information on page 28).

The company has prepared a Market Sensitive Information Manual (*Manual de Manejo de Información de Interés*), in order to establish the corporate policies and standards for handling information pertinent to the company, its proper disclosure to the market and best corporate governance when handling confidential information. The latest version of this document is available to download from the corporate website (<http://www.sonda.com>), or at the headquarters, located at Teatinos 500, Santiago, Chile.

SONDA's Board of Directors responded to the questionnaire on March 19, 2019 that was issued by the Financial Market Commission (FMC) in the appendix to General Regulation 385. This questionnaire establishes the disclosure standards for corporate governance practices adopted by publicly traded companies.

Composition of the Board of Directors

Gender		Independence		Age (years)		Directors with executive positions within the company	
Men	Women	Independent	Not Independent	31 to 50	Over 51	Executive	Non-executive
							



Sustainability guidelines and priorities

A Sustainability Declaration was published at the end of 2019, which includes roles and objectives. The sustainability priorities were updated to align them with the business as it evolves and with corporate climate change challenges, the United Nations 2030 Agenda for Sustainable Development, the new demands from citizens arising from the recent social unrest in Chile, the financial market requirements regarding ESG issues (Environment, Social, Governance), and the latest developments in the Information Technology sector.

A list of issues emerged from this exercise that were evaluated for their impact on SONDA's sustainable development and their importance to society, and we selected the most relevant to our business for our Materiality Matrix. A corporate plan for each ESG aspect was prepared covering: i) Corporate governance and risk management, ii) Climate change mitigation and adaptation in the technological solutions provided by SONDA and its internal practices, and iii) Inclusion, diversity and dignity within SONDA.



Risk Management

The Board is responsible for appropriately identifying and managing SONDA's risks, including its sustainability risks, and for establishing controls and responsibilities to mitigate or eliminate them.

The Internal Control, Risks and Corporate Governance Department is responsible for monitoring and coordinating the corporate risk identification and assessment process, including sustainability risks, and for reviewing compliance with the action plans to mitigate or eliminate them. Therefore, SONDA uses standards-based methodologies and best international practices.

Critical risks: The Board and all SONDA subsidiaries in the region actively participated in the critical risk assessment process that took place between late 2017 and early 2018. This process produced thirteen critical corporate risks. Associated indicators and mitigation measures have been established to mitigate them. A Dashboard was created, which is updated quarterly and reviewed by the Board and corporate managers at each subsidiary. This matrix will updated again during 2020.

Internal control model maturity: After evaluating the internal control mechanisms in 2018, a roadmap was prepared based on the COSO standard (Committee of Sponsoring Organizations of Tread Way Commission), which introduces stricter internal control measures. This will close the gaps and achieve greater control maturity. Implementation of the roadmap began during 2019, for example by monitoring the Key Risk Indicators (KRI) that measure how far each risk is under control. These results were presented to the Board. The priorities for 2019 were the control environment, self-assessment and supplier management processes.

Internal Audit: The Internal Audit Department was created in 2018, in order to improve the maturity of the internal control model. Its plan is based on good internal control and generally accepted IT control practices, such as the COSO standard (Committee of Sponsoring Organizations of Tread Way Commission), which is approved annually by the Board.

The aspects that we evaluated in order to measure the maturity of the internal control model and establish the roadmap:



2019 Results

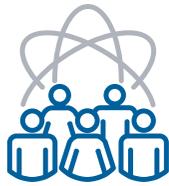
Corporate Governance		Compliance
11%	67%	0
of Directors	of Independent Directors	No fines for breaches of social, environmental or financial standards

1. International Standard that contains guidelines on implementing and managing an internal control system.



Ethics and Compliance

A major asset is the trust we have built with our employees, customers, investors, technology partners, suppliers, authorities and local communities. Our business is based on this trust.



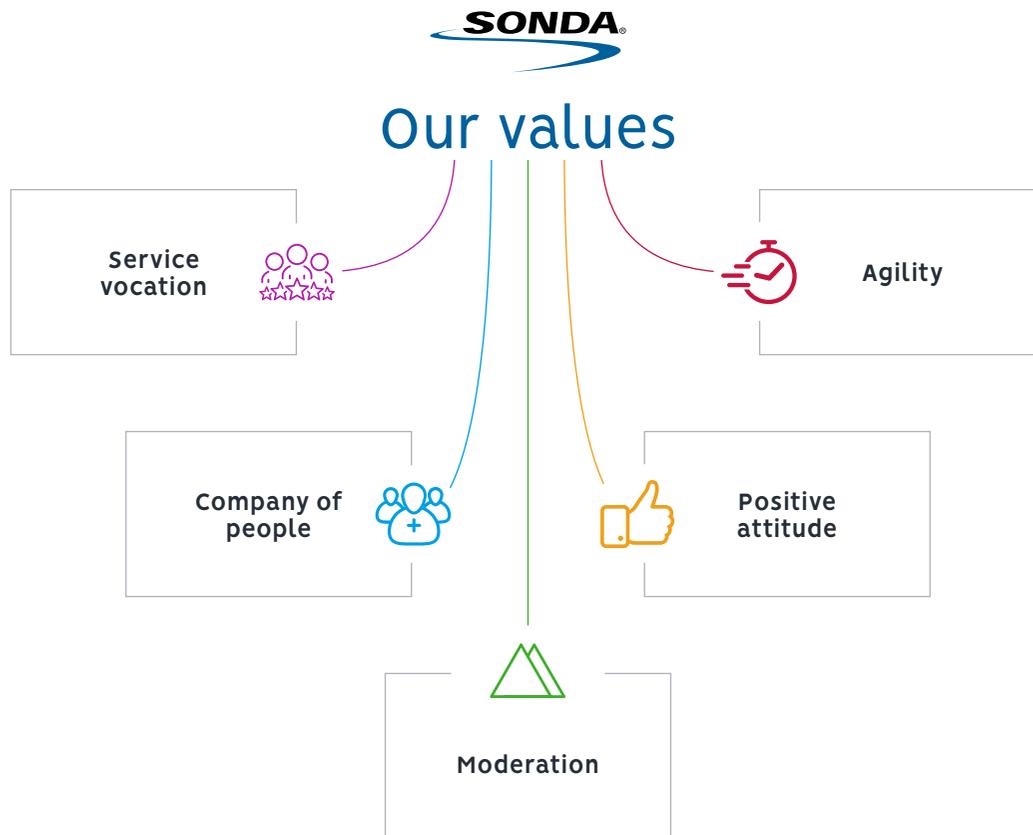
Achieving our goals is just as important in SONDA as the manner in which we achieve them. Therefore, our behavior must comply with the highest ethical standards. We must be true to our values and always fulfill our commitments.

We are currently a multinational company operating in ten countries and employ over 16,000 people. Our tremendous challenge is to continually evolve, as we need to supply the best technological solutions, while maintaining our original inspiration and the values that distinguish us. How can we ensure that these values are reflected in the daily behavior of people from different cultures and backgrounds? How do we incorporate into our evolution the accelerated changes in citizens' expectations and demands that arise from social unrest? Citizens are demanding higher ethical standards from companies, as well as greater transparency across the board, so want to be treated respectfully, fairly and inclusively.

A sustainable business has been built on our values and principles and by creating value for various stakeholders, while caring for social and environmental aspects through solid corporate governance.



We have a Compliance System, a Code of Ethics and Behavior, and a Crime, Corruption and Bribery Prevention Manual, to ensure that we conduct our business correctly. We have developed processes that guarantee the integrity and quality of our services.



Compliance System

A policy and fundamental principle at SONDA is that all employees must behave in accordance with established ethics, laws, regulations, policies and procedures. Accordingly, compliance issues are reported and discussed regularly by the Board.

Our Compliance system uses mechanisms to monitor the business and any breaches to the Code of Ethics or the Crime Prevention Model. As SONDA operates in various countries, its consolidated financial statements and the internal controls of each Chilean and foreign subsidiary are audited every year, in compliance with International Financial Reporting Standards (IFRS), and the laws and regulations that apply in each country. We have appointed a third party consultancy to identify our material risks, including environmental and social risks.

We analyzed the maturity of our internal control model (See page 25) and evaluated our compliance processes and practices, specifically those that relate to our organizational structure, our integral compliance program, the compliance risks, and our policies and procedures. We continued to implement our roadmap during 2019, to close our gaps while focusing particularly on the control environment.



Code of Ethics and the Complaints System

Code of Ethics and Behavior: It was updated in 2019 and brings together the principles and values that have guided us since the beginning, to ensure compliance with the highest standards and legal regulations. It includes guidelines on fundamental principles, conflicts of interest, competitors and fair competition, relationships with stakeholders, prohibited behavior, relationships and responsibilities with respect to the local community and the environment. Also monitoring and compliance with the Diversity and Non-Discrimination Policy and the complaints procedures.



It applies to directors, executives, advisors and employees of SONDA S.A. and its subsidiaries, and its guidelines apply to suppliers of goods and services. This code applies to all employees, who take an e-learning course on the intranet to understand its guidelines.

The code was relaunched during the first half of 2019, and published across all SONDA subsidiaries.

Ethics Committee: It ensures that the Code is widely published and fully complied with. It keeps the Code up to date and resolves any uncertainty about its application. It receives, records and evaluates information regarding any breaches. Its members are the Chairman of the Board, an independent director, the Chief Executive Officer, the Chief Human Resources Officer and the Internal Control, Risks, and Governance Officer.

Conflicts of interest: We have guidelines and procedures to avoid and manage conflicts of interest. The Code of Ethics contains a chapter on this issue, which describes the corporate law requirements, in addition to other conflicts not covered by this law. All directors and senior executives sign a declaration of interests every year.

Complaints Platform: This is available at the [web site www.sonda.com](http://www.sonda.com), so that any employee, customer, supplier, service provider, shareholder, director, senior executive or any other third party stakeholder of SONDA and its subsidiaries can report their comments or a breach in the Code. The platform is administered by an external company that specializes in these issues. This independence guarantees total confidentiality for the complainant.

In 2019, 79 complaints were received through this platform. They were all duly addressed and resolved during the year.

Crime, corruption and bribery prevention

We introduced a crime prevention model in 2013 covering bribery, receiving stolen goods, money laundering and financing terrorism, in accordance with Chilean Law 20,393. The model was updated to include new provisions regarding the crimes of receiving stolen property, bribery between individuals, unfair administration, improper negotiation and misappropriation. Each rule and prohibition applies to members of the Board and the employees of SONDA and its subsidiaries in Chile. It also monitors the relationship between SONDA and its subsidiaries with their customers, suppliers, service providers, contractors and subcontractors in Chile. We have adapted the internal regulations regarding crime prevention to the laws in Peru and Brazil. In Peru, we are seeking certified compliance with ISO 37001².

We provide e-learning training courses to all employees joining the company in Chile, to ensure that they all understand and comply with this model's requirements. Since 2013 we have reviewed our relationships with Politically Exposed Persons (PEPs) in Chile. During the first half of 2020 we expect to implement our corporate Interest Verification System. This includes Chilean Law 20,393, monitoring our relationships with PEPs and our employees' declarations of interest.

2. ISO 37001 is a new international standard that provides guidance to organizations implementing an anti-bribery management system.



Responsible supply chain management

We use processes in standards and best practices, to identify our supply chain risks and assess their potential impact. We also systematically evaluate supplier behavior, in order to identify any risks that may affect the fulfillment of our business plan or the quality of goods and services supplied to our customers. We use a system to monitor relationships with Politically Exposed Persons among suppliers and contractors.

Our Roadmap to increase the maturity of our Internal Control Model involves evaluating our gaps and establishing action plans covering the following issues: Code of Ethics for suppliers, selection procedure for critical suppliers, risk assessment for suppliers, and identification of critical suppliers.

Our Code of Ethics and Crime Prevention Model apply to all suppliers of goods and services.

The critical service suppliers in our supply chain are represented by technical agents, communications and network experts, IT consultants and software developers, etc. The most important consumables are spare parts for equipment, hardware and software, and management and monitoring tools.



Milestones in 2019

Code of Ethics and the Crime Prevention Model

100%

All employees covered by the Code of Ethics and Behavior.

100%

All of the 79 complaints received were resolved in the period. None of these complaints related to discrimination, corruption or unfair competition.

Our Management



Our corporate management is headquartered in Santiago, Chile, and management of all our business units is distributed throughout Latin America. This enables us to be agile and flexible, whilst maintaining efficient control mechanisms and ensuring that business strategy is correctly executed, as defined by the General Management Department.



Raúl Véjar
Chief Executive
Officer
SONDA Corporate



Rafael Osorio
Chief Financial
Officer



José Orlandini
Senior Vice President
IT Services Division



Alberto Merino
Vice President
Latam Business
Development



Roberto Jana
Vice President
Human Resources



Christian Onetto
Vice President Digital
Transformation



Juan Aristizábal
Vice President End
User Support



Juan Carlos Cartes
Vice President
Managed Device
Services



Alberto Aguilera
Vice President
Outsourcing Services



Heidy Bauer
Vice President
Data Center Cloud
Services



Raúl Sapunar
Gerente General
SONDA Chile



Affonso Nina
General Manager
SONDA Brazil



Salvador Cabral
General Manager
SONDA Mexico



Ricardo Rodríguez
General Manager
SONDA Colombia



Gerardo Cruz
General Manager
SONDA Argentina -
Uruguay



Miguel Angel Guerrero
General Manager
SONDA Peru



Eduardo Sandoval
General Manager
SONDA Costa Rica

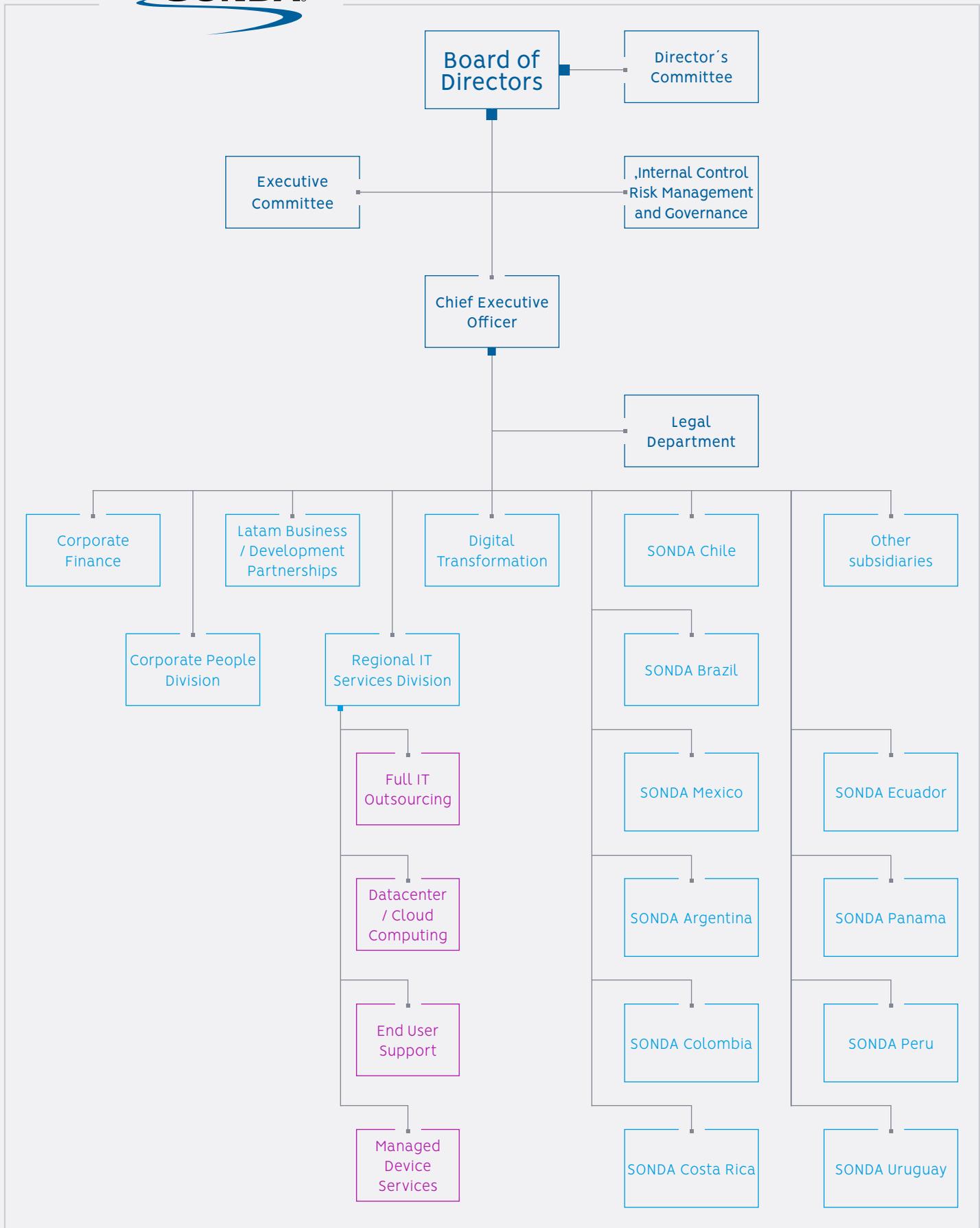


Fabián Mena
General Manager
SONDA Ecuador



Víctor Betancourt
General Manager
SONDA Panama

Organizational chart





Chapter 04



Strategic Vision and Plan

The digital revolution has captured the attention of organizations around the world and SONDA has been no exception. Both adaptation and innovation are part of our DNA. These attributes that have been success factors in our history and are fundamental in achieving our objectives.

Strategic Vision and Plan

SONDA's history has always been full of learning, evolution, change, adaptation and above all innovation, which has been key to positioning us as Latin American leaders in IT transformation services and solutions.



The digital revolution has captured the attention of organizations around the world and SONDA has been no exception. Both adaptation and innovation are part of our DNA. These attributes that have been success factors in our history and are fundamental in achieving our objectives.

SONDA's history has always been full of learning, evolution, change, adaptation and above all innovation, which has been key to positioning us as Latin American leaders in IT transformation services and solutions.

Reinvention is key. An ability to direct our customer's transformation also means being able to manage our own transformation, to adapt to the challenges presented by new technologies and new competitive scenarios.

We have contributed to regional development for 45 years, helping to resolve business problems for many organizations, always as a strategic partner and agent of change, by creating innovative solutions that can adapt to the challenges to come.

Our constantly evolving world is being driven by disruptive technologies that reinvent our daily interactions, driving radical changes in societies, companies, government entities and other organizations. Increasing phenomena such as globalization, environmental awareness and regulations, force us to prepare ourselves. Being resilient and agile is essential to survive.

Trends in Latin America indicate that the IT services and solutions market will grow at 6.7%³ between 2018 and 2021, bringing total investment in the region to US\$85,240 million in 2021. Countries and governments will invest in large public IT projects. The private sector will take advantage of new technologies, optimizing efficiency and maximizing resources through automated processes, robotics, analytics and cybersecurity, etc.

This increase in private sector investment will generate more opportunities and new challenges that force us to leave our comfort zone and abandon the status quo. We must reinvent ourselves to become agile and dynamic and must keep the customer and their business as our only focus.

Therefore, we have made significant progress in addressing the challenges presented by this digital era. We have completed a regional strategic planning and reorganization process in 2018, which reinvented our business approach. For example, agile, resolute and multidisciplinary teams have been created, who can tackle the future problems of our customers in any country or industry, and contribute to achieving the company's challenging objectives.

3. Source: IDC 2018.

We have defined an aspiration...



Be the leader in the adoption of new technologies



Be the strategic partner of our customers



Be the leader in business solutions in key verticals

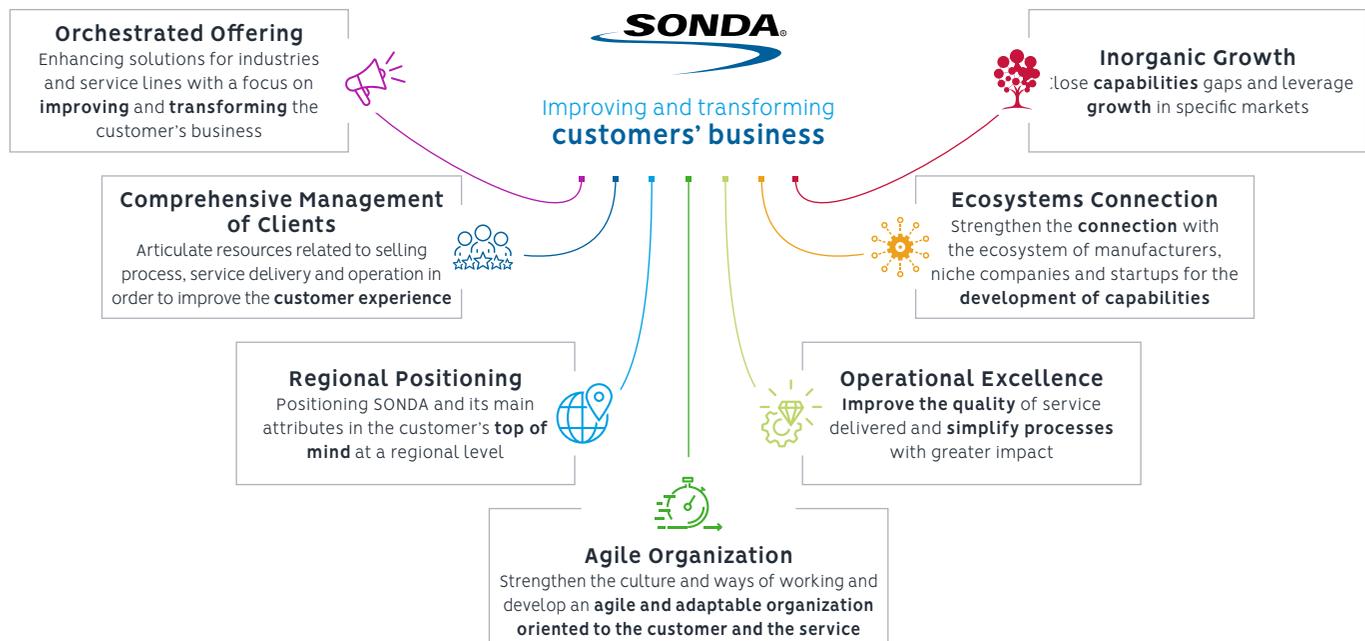


Be recognized as an attractive place to work



Becoming a global company

Seven strategic pillars



Our 2019 – 2021 Strategic Plan represents our roadmap and transformative process to ensure that we adapt to the accelerated evolution of the IT industry, and to contribute and successfully respond to our customer's digital and technological transformation challenges throughout the region.

SONDA will place special emphasis on four industries across the region: transport, retail, financial services and government, which will be addressed in a customized manner by developing specific high-value solutions. Meanwhile, our services will be reorganized into four areas: Platforms, Applications and solutions, Management of operational and technological processes, and Operational and technological digital transformation, which will improve our customers' transformation processes.

Our 2019 – 2021 Strategic Plan contains significant growth and profitability challenges, as we propose increasing the EBITDA margin by 500 basis points by 2021 and doubling revenue in 5 years. This requires investing US\$360 million on organically growing our business.

New acquisitions will target opportunities that accelerate the organic growth plan by closing skills gaps in specific industries or services, strengthening growth in markets such as Peru, Colombia and Mexico, and actively participating in global innovation and technology hubs.

... and challenging goals for 2021





Orchestrated Offer

These days, companies and organizations are constantly faced with the pressure to change. Threats such as equipment obsolescence, loss of competitiveness, or even decreased productivity, can be transformed using the appropriate support and technology into exciting growth and development opportunities.



The core of our Orchestrated Offer addresses various issues and brings lasting value to organizations. It will enable us to become a key strategic partner for our customers and provide them with complete, efficient, agile, innovative and scalable IT services and solutions for their business models and future challenges.

Our Orchestrated Offer focuses on the transport, retail, financial services and governmental sectors, by integrating all our services to achieve an optimal resolution of our customer's requirements and transform their businesses.

	 Transport	 Retail	 Financial Services	 Government	
Improving and transforming customer's business	Platforms Services	✓	✓	✓	Focus in service lines of higher added value
	Applications and solutions	✓	✓	✓	
	Operative and technological process management	✓	✓	✓	
	Digital, operational and technological transformation	✓	✓	✓	

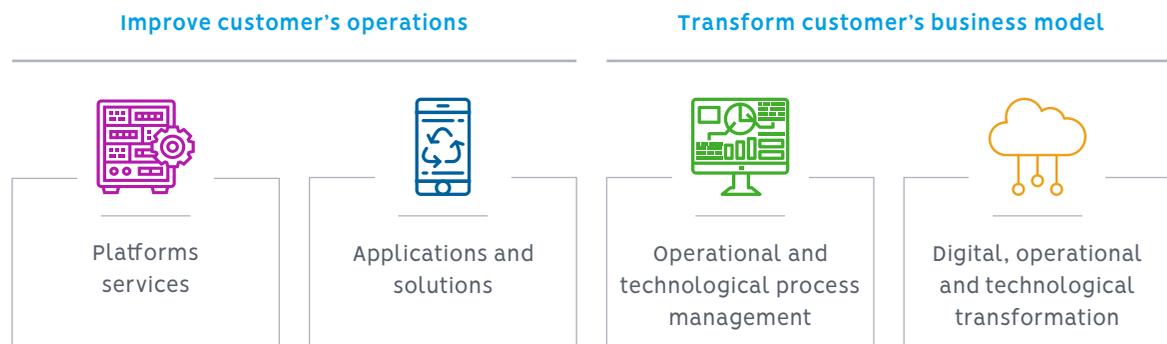


IT Solutions and Services

Customer focused innovation

SONDA has end to end solutions that provide an integrated response to our customer's business problems and successfully address market changes.

Our consultancy service supports our customers throughout the adoption and technological transformation of their business in all its cycles, and supports their transactions by optimizing processes and identifying best practices for each industry and requirement. We also have a network of world-class technology partners, so we can guarantee that our service standards and quality fulfills the expectations of a true strategic partner and technological change manager.



Digital Transformation

Our objective is to support each customer throughout the technological improvement process for their business, from understanding their challenges to developing, implementing, operating and supporting their technological transformation.

- Digital Infrastructure and Architecture**
 These are integration and design services for architecture, systems, networks and essential communications, to successfully complete our customer's digital transformation, considering their current and future business requirements.
- Analytics and Big Data**
 These are solutions that can analyze large volumes of data, which is key to discovering new opportunities, and safely and reliably taking complex decisions, based on a multitude of variables, behavior patterns, correlations and customer preferences. They enable us to create sophisticated predictive models for businesses.
- Disruptive Technologies**
 Cutting edge and innovative technological solutions that can add value to the understanding and integral transformation of our customers' businesses using Artificial Intelligence (AI), Internet of Things (IoT), Robotic Process Automation (RPA), Virtual Reality (VR), Augmented Reality (AR), Blockchain, Smart Security, Smart Lighting and many other disruptive technologies.
- Cybersecurity**
 Our solutions provide prevention strategies to address threats or cyber-attacks. They use security protocols that are reinforced with measures that guarantee operational continuity and safeguard business information assets. Our service produces a customized solution that fulfills the customer's requirements, which includes remote advice from our specialized security centers on the design and administration of all the services required throughout Latin America.



Operational and Technological Process Management

We support our customers' businesses, by automating and operating processes. Our Application Management Services (AMS) for proprietary or third party software generates efficiencies by providing maintenance and support services customized to each business.

- **AMS**
SONDA's Application Management Services (AMS) modernize and improve the management of our customers' business applications, regardless of whether they are proprietary or third party. We have a development and management model focused on adding value for our customers' businesses.
- **BPO**
Our Business Process Outsourcing services improve and optimize the performance of our customers' business processes.
- **SW Factory**
SONDA's software development service customizes software according to our customer's requirements. It benefits from our experience gained in major transformation processes, through our development centers.



Applications and Solutions

Our applications and solutions services support our customers' businesses using a wide range of proprietary or third party software tools, which computerize and automate business processes, resulting in agile management and a reliable and secure backup of critical information.

SONDA has the required experience, capability, equipment and partner support to address the problems faced by every industry and resolve their requirements in a decisive manner. We have specific solutions for the financial, utilities, governmental, transport, health, pension, construction and retail sectors, and other universal solutions, such as Asset Management, ERP, CRM, Tax Management, BPM, etc.



Platform Services

We support our customers' businesses with world-class IT infrastructure services and solutions, and we safeguard operational continuity and management efficiency using scalable solutions.

- **Data center**
We have a Latin American network of state-of-the-art data centers that comply with the highest global security standards, which can guarantee operational continuity for businesses at all times. These solutions include everything required to develop our customers' core technology infrastructure, which includes providing infrastructure design and architecture services whether hosted at SONDA or with third parties, selling technological equipment or providing it as a service, providing implementation and support services, and providing infrastructure management, monitoring and administration services.
- **Cloud**
SONDA's Cloud service is based on advice to identify the best combination of cloud environments, through to the solution design, whether this uses public, private or hybrid clouds, together with management, operation and continual optimization services.



- **Workplace Services**

Workplace solutions and services provide our customers with all the infrastructure they require for employee's to complete their daily duties. They make the induction, recruitment and on-boarding processes more efficient and maximize employee productivity, which adds value to our customer's businesses.

This service focuses on resolving digital challenges within organizations, including workstation deployment, supplying equipment as CAPEX or OPEX, on-site support services, help desk services, various alternatives for user support, and agile and efficient self-services.

- **Networking**

Many organizations need an efficient and secure internal communications network, which provides access to information and content control at anytime from anywhere.

Our end to end networking services are designed to provide organizations with an integral scalable solution with an optimal network design that meets the requirements of our customers. These services cover sourcing and managing this infrastructure, or simply providing the equipment as a service.

- **Transformational Outsourcing**

The objective of Transformational Outsourcing is to jointly create a strategy with the customer that will maximize the digital transformation of the business model. This could mean partially, incrementally or totally outsourcing IT services, either operating them, providing the service or the technological architecture, to subsequently proceed with implementation and management, which guarantees efficiently managed IT resources that support and add value to the business.

SONDA can address all IT processes within organizations, and manage resources according to key business issues. We can absorb IT staff or even provide capital for IT investments, so transforming CAPEX into OPEX, if necessary.



Smart Cities

Solutions for safer and smarter cities

In practice, we could say that a city is considered smart when it has integrated technological solutions into its citizen's daily lives, enabling them to efficiently interact with the city's services and productive sectors.

The challenge of contributing to the development of safer, more efficient and sustainable cities belongs to all of us who live in them. We are convinced that our solutions will contribute to the development of the region, and improve the welfare of millions of Latin Americans. We have developed projects that address critical aspects of life in cities: safety and lighting.

Smart Safety

Societies face a host of safety challenges that aim to reduce crime, manage and mitigate safety risks, shorten response times, rapidly produce accurate information, increase the perception of safety among people, and other challenges.

Some of the benefits provided by our solutions:



Safer areas with video surveillance



Optimized resource management applied to safety



Total traceability of all incidents



Real-time information through multiple channels



Lower costs and greater efficiency, due to centralization and reduced dependence on people



Open data, which supports open data policies

Case of Success

Video surveillance solution for the city of Montevideo

Challenge

Improve the real and perceived security by the citizen of Montevideo

Solution

- Equipment for 2 monitoring facilities and 180 operation centers
- 911 emergency system for all the country
- 18 analytics developed for the project
- Provision of central server equipment and image storage
- + 320 fixed and mobile LPR
- + 4,000 cameras

Benefits generated

Reduction of 50% of crime in video surveillance areas of the city

Internet of Things



The Internet of Things (IoT) technology helps us to understand and interact with the physical environment. Information is collected through sensors or devices that allow us to make decisions based on true and complete real time information.

IoT devices deployed in the field by themselves do not make environments smart. We need to analyze the collected data, in order to make decisions and prepare action plans, which are the fundamental pillars of smart environments.

SONDA has developed robust IoT solutions, which have several benefits:



Greater knowledge of our environment



Real-time warnings



Real-time information from all the areas covered



Data that can be made available to the public



Centralized management of all devices



Real-time notification and enhanced communication with citizens/employees



Smart Lighting

The driving force behind smart lighting solutions are LED lamps, which last longer, use less electricity and require less maintenance than conventional street lighting. As the cost of this technology has come down, the business case has become clearer and makes sense. LED will be the dominant technology for lighting, with energy saving being the main driver of these projects, making additional applications for smart cities feasible.

Adding intelligence to the lighting network using remote management can increase savings and improve safety. City governments agree that the first critical step towards a smart city is smart street lighting.

This is a dynamic market that presents specific challenges. Cities must begin working together with energy distribution companies and regulatory agencies to provide a framework for enabling these projects. Predictions indicate that LED technology will provide 85% of the world's lighting by 2028 and 24% will be controlled by smart lighting projects. This will open up opportunities totaling US\$ 50 billion over the next decade⁴.

4. Source: Global Smart Street Lighting and Smart Cities 2019–2028 from "Research and Markets".

The benefits of our solutions

The benefits achieved with our solutions:



Reduced electricity consumption: LED lights can save up to 60% in electricity usage.



More environmentally friendly: LED technology is not only free of pollutants, such as mercury, but also has a life span 8 times longer than conventional technologies.



Efficient maintenance: Remote management detects when lamps fail, so regular inspections to detect faults are no longer necessary, and maintenance costs can be reduced by up to 30%.



Business model based on savings: The electricity savings for long term contracts of at least 10 years can cover the costs of the entire project.



Facilitating infrastructure for Smart City solutions: Remote management requires a communications network that can be used to transmit data to various systems.



Simplified management and monitoring: Centralized, remote management and monitoring mean that lighting plans can be adjusted to take into account key variables such as the time, seasonality or prevailing weather conditions.



Data analysis: These solutions generate valuable information regarding their status and electricity consumption, which can be analyzed in order to respond faster to failures and develop lighting plans that optimize electricity consumption.



Increased security: Urban areas with good lighting can increase security, which improves the quality of people's public and private lives.

Uruguayan projects



Artigas

+4.000 lamps
with remote management



Paysandú

+12.000 lamps
with remote management



Salto

Smart lighting for
+9000 lamps



Cybersecurity

Organizations are racing towards an increasingly digital market these days. Many have invested in technology, people and processes that have enabled them to take their business to the cloud. These organizations are often unaware of the risks lurking in cyberspace.

According to the Global Risks Report 2020⁶ produced by the World Economic Forum, cyber-attacks on technological infrastructure occupy fifth place, and this is not surprising given the exponential increase in security incidents that have affected various organizations and individuals. Today cybersecurity is becoming the cornerstone of corporate digital strategy.

The numbers behind cybercrime are shocking. Volumetric⁷ attacks have reached 25% of total Internet traffic, and the estimated average damage from an organization's Internet service going down is around US\$220,000⁸. While malware has reached record levels, as just one campaign against banks in the USA totaled US\$33 million in 90 days and affected over 30,000 customers.

Cybercrime and IT threats will be increasingly targeted, personalized, organized and localized, using complex criminal structures with greater sophistication, specialization and organization, on a par with the most advanced companies.

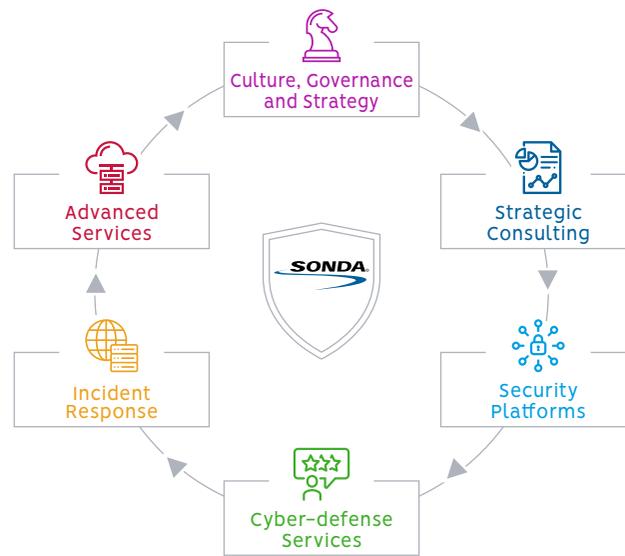
The cyber-defense priorities for an organization are very complex, because it requires a holistic vision of the problem that covers not only the required technology but also changes in the organization's culture. Such breadth is necessary to cover all the areas where a cybercriminal may access data and affect the organization's strategic goals.

Our approach to this problem is to design a unique cyber-defense strategy for each organization. Knowing what we are facing helps us to prepare organizations to change old paradigms. The important question is not whether there will be cyberattacks, but how and when they will happen. Being prepared is the key.

6. <https://www.weforum.org/reports/the-global-risks-report-2020>

7. http://www3.weforum.org/docs/WEF_Cybercrime_Prevention_ISP_Principles.pdf

8. NETSCOUT. 2018. 14th Annual Worldwide Infrastructure Security Report (WISR). <https://www.netscout.com/report/>, <https://www.ncsc.gov.uk/news/ncsc-publishes-new-report-criminal-online-activity>



Our broad portfolio of cybersecurity solutions and services provide an integrated approach that covers processes, people, and technology to protect IT environments. Furthermore, these procedures identify the new trends in attacks and take appropriate measures against these threats in a proactive manner. We perform external security audits in Chile – AT-205. ISAE 3402 – for our banking customers, in accordance with the legislation⁹, and in Colombia we launched our first Cyber Security Center ([see article](#)).



We launched our first Cybersecurity Center

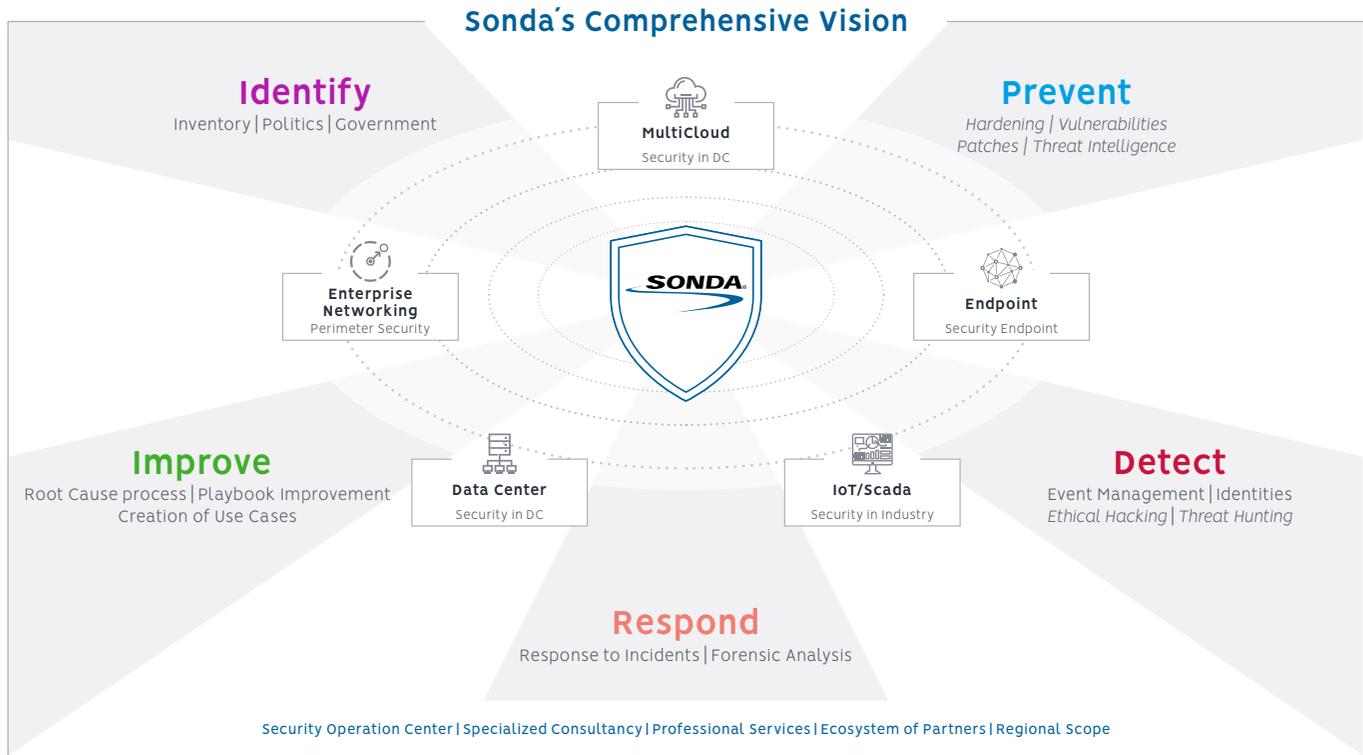


We launched our first Cybersecurity Center in Colombia in 2019. This Security Operation Center (SOC) uses modern user behavior analysis and Entity Behavior Analytics based on artificial intelligence.

It can provide services that address the entire life cycle of cyber-threats, while maintaining the integrity and inviolability of data.

Our solutions develop a strategy that must constantly evolve to match the environment and business objectives. It should connect the best technology, processes, people and culture, to unite the people who form an organization.

⁹ Required in Chile by the SBIF – Superintendent of Banks and Financial Institutions, and ABIF – Association of Banks and Financial Institutions.



The model used for our services is based in the best practices of the industry. Nevertheless our services and their associated processes are certified by the standard ISO 27,001: 2013. We have an information security policy, information security objectives and we cross-audit our management systems, while making external audit in this matter.



Successful Case

Cybersecurity strategic consulting services: Prepare a 3-year Cybersecurity Plan for a health care institution

Solution:

- Understand the organization's strategic objectives.
- Security analysis under the CIS / NIST / ISO framework.
- Security expert analysis covering events, vulnerabilities and identity treatment.
- GAPS analysis and develop security director's plan.

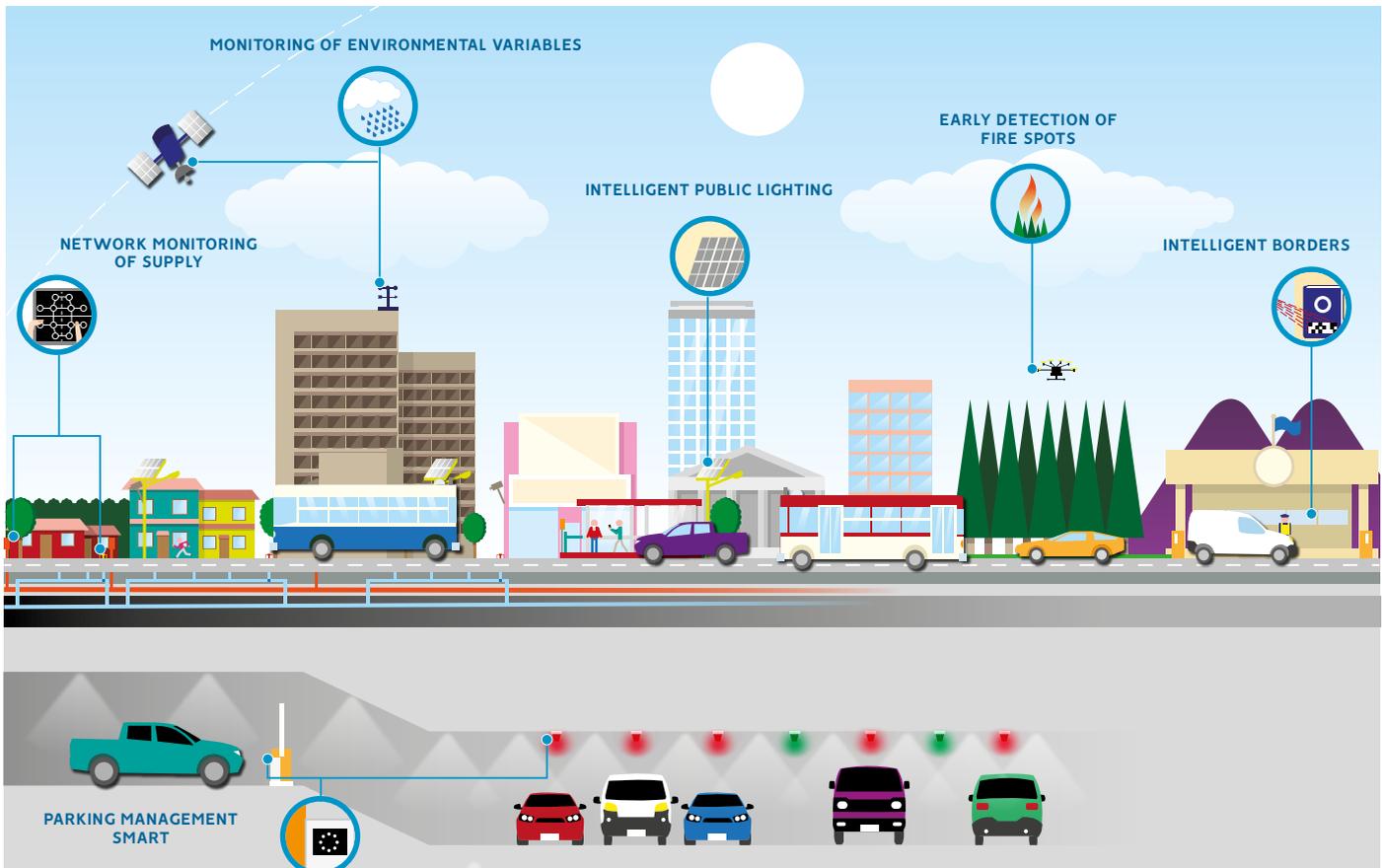


Information security

Lost customer data cases			Data security complaints			Data security complaints		
2017	2018	2019	2017	2018	2019	2017	2018	2019
0	0	3	0	2	4	0	2	0
Number of customer cases with privacy or lost data problems			Number of customer complaints for privacy or lost data issues			Number of authority/regulator complaints for customer privacy or lost data issues		

10. We are part of the CIS (Internet Security Center) as a Service Partner, in addition to adhering to the cybersecurity framework published by NIST (National Institute of Standards and Technology)
11. ISO 27001: Information security management system, certified in Brazil, Chile, Colombia, Mexico and Uruguay.





More innovations and solutions for sustainable societies in page 55.



Innovation, technologies and solutions Sustainable societies

World leaders adopted 17 global goals in 2015. These goals aim to eradicate poverty, protect the planet and ensure prosperity for all. Known as Agenda 2030, it is an ambitious action plan that will benefit people, the planet and prosperity. Each of these 17 Sustainable Development Goals (SDGs) has specific targets to be achieved by 2030 in a joint effort by multilateral agencies, governments, companies and civil society.

SONDA has aligned itself with these SDGs, as we understand that information technology plays a central role in achieving many of these objectives. Not only do they radically improve the way in which productive systems and society as a whole operates, but they also encourage the transmission of knowledge and ideas, which includes changing the way we learn, distribute work and interact. They also have an as yet untapped capacity to encourage collaborative work.

We have developed technological solutions that will help society to overcome the multiple challenges to achieving sustainability by 2030



We are developing and applying technological solutions to the challenges facing humanity as it adapts to climate change. For example, to use water more efficiently and monitor its quality, to prevent forest fires, to promote electro-mobility and to supply public transport

fleets with the latest technology resulting in greater efficiency and fewer emissions. We are also developing solutions that improve the quality of life of residents through intelligent and sustainable cities with efficient public lighting and public safety monitoring and protection systems, etc.



SDGs and their respective 2030 targets

Initiatives that contribute to achieving the goals

Nomenclature:

- Technological solutions provided by SONDA
- Initiatives within SONDA

SDG 1: No Poverty



- | | |
|--|---|
| <p>1.4 Ensure that all men and women, particularly the poor and vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control of land and other property, inheritance, natural resources, appropriate new technologies and financial services, including microfinance.</p> | <ul style="list-style-type: none"> • Technological solutions for institutions providing microfinance to small and medium-sized entrepreneurs. • Dual card for financial and transport services, to increase banking penetration (Banco Nacional de Panamá). |
| <p>1.5 1.Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.</p> | <ul style="list-style-type: none"> • IoT platform that detects problems caused by climatic or environmental phenomena, such as measuring environmental variables, monitoring effluents and watercourse levels, etc. |

SDG 2: Zero Hunger



- | | |
|---|--|
| <p>2.3 Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.</p> | <ul style="list-style-type: none"> • Livestock traceability that ensures food is safe and improves its quality • Sensors and analytics that protect plantations before the harvest. |
| <p>2.4 Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p> | <ul style="list-style-type: none"> • Smart Farming that promptly detects pests in crops. • Kupay solution that provides integrated and sustainable agricultural management. • IoT platform with sensors for monitoring environmental variables and detecting problems caused by meteorological phenomena. • Cold chain control when transporting or storing food. • Water quality control at fish farms. • Complete milk chain monitoring solution. • "Connected Cow" solution, dashboard using IoT and analytics that monitors milk quality throughout its production chain, from animal health through to milk storage, transport and production. |

SDG 3: good health and well-being



- | | |
|---|--|
| <p>3.6 Halve the number of global deaths and injuries from road traffic accidents.</p> | <ul style="list-style-type: none"> • Smart Cities Transport solutions that facilitate safe public transport. • Traffic incident management platform that reduces response times and saves lives. • Speed control on highways. • Lane control exclusively for public transport. • Traffic flow control. |
| <p>3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p> | <ul style="list-style-type: none"> • IoT platform with sensors for monitoring industrial effluents. • IoT platform with sensors for monitoring air quality. |
| <p>3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.</p> | <ul style="list-style-type: none"> • Telecommunication and telemedicine systems. • Artificial Intelligence that authorizes medical leave. • Solutions that improve hospital management. • Integral management of information regarding health insurance members, including disease prevention, control and management. • Dental prostheses solutions. • Cold chain control when transporting and storing food. • Blockchain. • Initiatives that promote healthy diets and lifestyles. • Agreements with health institutions that provide preventive health care and medical services for employees. |

SDG 4: quality education



- | | |
|--|--|
| <p>4.1 Ensure that all children complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.</p> <p>4.2 Ensure that all children have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.</p> | <ul style="list-style-type: none"> • Virtual classrooms for efficient and accessible education. • Technological platform support for the primary and secondary education enrolment system for the Ministry of National Education (Colombia). • Internet connectivity for urban and rural schools in Argentina. |
| <p>4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.</p> | <ul style="list-style-type: none"> • Virtualization, digital connectivity and e-learning that improves education for children and young people. • Transfer of transformation information to organizations, such as Data & Artificial Intelligence, Cybersecurity and Cloud. • Courses and outreach to schools, technical education centers and universities. • Diploma in data center management and administration. • Scholarships that develop the skills of young students in vulnerable situations. • Fresh Graduate Program that recruits graduates in Peru. • Internship program for students from technical schools and universities in Costa Rica. • SONDA Transformation Academy. |
| <p>4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for vulnerable people.</p> | <ul style="list-style-type: none"> • Assurance for the platform that validates degrees received outside Colombia, for the Ministry of National Education in Colombia. |



SDG 5: gender equality

- | | |
|---|---|
| <p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> | <ul style="list-style-type: none"> • Promotion of inclusion and diversity within SONDA. • Support for vulnerable women's enterprises through an agreement with "Mujeres de mi Barrio" (Neighborhood Women) in Peru. |
|---|---|

SDG 6: Clean water and sanitation



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| <p>6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.</p> | <ul style="list-style-type: none"> • IoT platform with sensors for monitoring industrial effluents. • Monitoring and prompt detection of cyanobacteria that safeguards the quality of drinking water. • Real-time monitoring and management of sewerage and water supply networks. • Detection of waste being dumped into water supplies using cameras and video analytics. |
| <p>6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p> | <ul style="list-style-type: none"> • Smart Metering that encourages efficient water use. • IoT platform with rainfall sensors. • Technologies that conserve and rationally use water. |
| <p>6.6 Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.</p> | <ul style="list-style-type: none"> • Management of aquifers by integrating data from web applications, geoportals, hydrological information systems and accounts in Colombia. • Smart Forest Fire Safety that rapidly detects forest fire outbreaks. |

SDG 7: Affordable and clean energy



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| <p>7.2 Increase substantially the share of renewable energy in the global energy mix.</p> | <ul style="list-style-type: none"> • Our electricity in Santiago, Chile is wholly generated from renewable energy sources. |
| <p>7.2 Double the global rate of improvement in energy efficiency.</p> | <ul style="list-style-type: none"> • Smart Lighting for energy saving and control intelligence. • New Tier IV data centers in Chile and Colombia with improved energy efficiency. • Printing and computing equipment that meets energy efficiency standards, such as Energy Star v3.0 in Colombia. |
| <p>7.B Expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries.</p> | <ul style="list-style-type: none"> • Smart Grid and artificial intelligence solutions for greater energy efficiency and service quality when distributing electricity. |

SDG 8: Decent work and economic growth



8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation , including through a focus on high-value added and labor-intensive sectors.	<ul style="list-style-type: none"> • SONDA's solutions improve the competitiveness and efficiency of thousands of businesses and governmental organizations, and provide solutions to challenges facing citizens or productive and service sectors.
8.5 Achieve full and productive employment and decent work for all women and men.	<ul style="list-style-type: none"> • SONDA's Employee Value Proposition. • Attraction and retention of talented people.
8.6 Substantially reduce the proportion of youth not in employment, education or training.	<ul style="list-style-type: none"> • "Mi Primer Empleo" (My First Job) corporate program that recruits young graduates. • Including staff in the teaching practice stage of the SENA National Learning System, in Colombia.
8.8 Protect labor rights and promote safe and secure working environments for all workers.	<ul style="list-style-type: none"> • Smart Safety that focuses on occupational safety. • Artificial vision that detects and prevents risks to employees. • Robotics with image recognition systems that inspect areas that are dangerous for people, using software to replace human tasks. • Robotics and analytics that work in unsafe areas or areas unfit for people. • Smart Lighting solutions that adapt the lighting for workplaces to meet the requirements for those tasks. • Implementation of ISO 45001 for an occupational health and safety management system. • Working climate management through surveys and improvement plans.
8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.	<ul style="list-style-type: none"> • Technological solutions for institutions providing microfinance to small and medium-sized entrepreneurs. • Dual card for financial and transport services, to increase banking penetration (<i>Banco Nacional de Panamá</i>).

SDG 9: Industry, innovation and infrastructure



9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure , to support economic development and human well-being.	<ul style="list-style-type: none"> • Smart Borders, integrated border control and customs solutions.
9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services , including affordable credit, and their integration into value chains and markets.	<ul style="list-style-type: none"> • Technological solutions for institutions providing microfinance to small and medium-sized entrepreneurs. • Factoring that strengthens small and medium-sized enterprises, such as the FIN700 solution.
9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.	<ul style="list-style-type: none"> • Electricity powering public transport in Chile. • Access control and video surveillance system for the Panama Canal Authority's logistics corridor, to improve the efficiency of overland cargo transportation. • Kupay solution providing integrated and sustainable agricultural management.
9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including encouraging innovation and substantially increasing the number of research and development workers.	<ul style="list-style-type: none"> • New Tier IV data centers in Chile and Colombia.
9.B Support domestic technology development, research and innovation in developing countries.	<ul style="list-style-type: none"> • Transfer of transformation information to organizations, such as Data & Artificial Intelligence, Cybersecurity and Cloud. • Training and development of IT professionals. • SONDA's open innovation model. • Programs with universities.
9.C Significantly increase access to information and communications technology and strive to provide universal and affordable access to the internet in least developed countries by 2020.	<p>SONDA's solutions improve the competitiveness and efficiency of thousands of businesses and governmental organizations, and provide solutions to challenges facing citizens or productive and service sectors.</p>

SDG 10: Reduced inequalities



10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	<ul style="list-style-type: none"> • Promotion of inclusion and diversity within SONDA.
10.3 Ensure equal opportunity and reduce inequalities of outcome.	<ul style="list-style-type: none"> • Promotion of inclusion and diversity within SONDA. • Support for vulnerable women's enterprises through an agreement with "Mujeres de mi Barrio" (Neighborhood Women) in Peru.
10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.	<ul style="list-style-type: none"> • Integral solutions that improve investment and pension fund management.



SDG 11: Sustainable cities and communities

11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety , notably by expanding public transport , with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.	<ul style="list-style-type: none"> • Smart Transport, smart and efficient public transport. • Electricity powering public transport in Chile. • Smart traffic control. • Self-service terminals for public transport. • IoT platform with gas sensors that registers usage, detects thresholds and issues warnings.
11.3 Enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	<ul style="list-style-type: none"> • Smart Cities, solutions for smart, safe cities. • Smart Parking. • Smart Grid, solutions for utilities.
11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.	<ul style="list-style-type: none"> • Prompt detection of vandalism in urban environments using video analysis that monitors street fittings, monuments, historical buildings, etc.
11.5 Significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters , including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.	<ul style="list-style-type: none"> • Smart Forest Fire Safety that rapidly detects forest fire outbreaks.
11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management .	<ul style="list-style-type: none"> • Measurement of contamination. • Real-time monitoring and management of sewerage and water supply networks.
11.7 Provide universal access to safe, inclusive and accessible, green and public spaces .	<ul style="list-style-type: none"> • Smart Lighting, smart solutions for public lighting. • Smart Safety, public and property safety. • IoT that feeds devices with solar energy.



SDG 12: Responsible consumption and production

12.2 Achieve the sustainable management and efficient use of natural resources .	<ul style="list-style-type: none"> • Kupay solution providing integrated and sustainable agricultural management. • Smart Farming that promptly detects pests in crops. • Smart Metering that encourages efficient water use. • Paperless solution that reduces paper usage by invoicing electronically. • Technologies that promote the conscious use of paper.
12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains , including post-harvest losses.	<ul style="list-style-type: none"> • Cold chain control when transporting and storing food. • "Connected Cow" solution, dashboard using IoT and analytics that monitors milk quality throughout its production chain, from animal health through to milk storage, transport and production.
12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil .	<ul style="list-style-type: none"> • Real-time monitoring and management of sewerage and water supply networks.
12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse .	<ul style="list-style-type: none"> • Solutions that reduce waste. • Enterprise content management that transforms printing into digital document management within companies. • Paperless solution that reduces paper usage by invoicing electronically. • The circular economy in our outsourcing services. • Alliances with business partners that recycle electronic waste. • Campaigns that promote recycling and efficiently using resources. • Responsible collection and integral final disposal of spare parts, supplies and electronic equipment by manufacturers in Colombia. • Participation in socio-environmental programs organized by municipal, healthcare and NGO institutions that support recycling clothes and waste in Peru.
12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	<ul style="list-style-type: none"> • SONDA Integrated Report. • Public procurement portals, such as ChileCompras and PanamaCompra. • E-Procurement solution in Argentina.
12.2 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.	<ul style="list-style-type: none"> • Public procurement portals, such as ChileCompras and PanamaCompra. • E-Procurement solution in Argentina.



Smart traffic lights

5.7 million vehicles cross intersections controlled by smart traffic lights implemented by SONDA, which saves those drivers close to 125 million waiting hours per year.



Fleet management

Buses that travel **495 million kilometers** a year in Latin America are monitored by the Sinoptic fleet management application by SONDA.



Public transport

The account statements of **50 million transport cards** in Latin America are updated daily using the SONDA system. Every day there are 5,900,000 payments for means of transport using a SONDA payment collection system.



SDG 13: Climate action

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| <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> | <ul style="list-style-type: none"> • Smart Forest Fire Safety that rapidly detects forest fire outbreaks. • IoT platform that monitors environmental variables, effluents in the water supply, rainfall, and other factors, which promptly detects problems caused by environmental or climatic phenomena. |
| <p>13.2 Integrate climate change measures into national policies, strategies and planning.</p> | <ul style="list-style-type: none"> • Decarbonize our energy matrix. |
| <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p> | <ul style="list-style-type: none"> • Participation in the Ministry of the Environment's "Huella Chile" (Chile Footprint) program that measures SONDA's carbon footprint and creates action plans to reduce it. • Awareness campaigns promoting environmental care. |



SDG 14: Life below water

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| <p>14.1 Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities.</p> | <ul style="list-style-type: none"> • IoT platform with sensors that monitor water quality variables in seas and lakes. • IoT platform with sensors for monitoring industrial effluents. |
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SDG 15: Life on land

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| <p>15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands.</p> | <ul style="list-style-type: none"> • Smart Forest Fire Safety that rapidly detects forest fire outbreaks. |
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SDG 16: Peace, justice and strong institutions



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| <p>16.1 Significantly reduce all forms of violence and related death rates everywhere.</p> | <ul style="list-style-type: none"> • Smart Safety that reduces crime and manages public safety risks. |
| <p>16.5 Substantially reduce corruption and bribery in all their forms.</p> | <ul style="list-style-type: none"> • Fraud prevention solution for State accounts. • SONDA's Crime Prevention Model. |
| <p>16.6 Develop effective, accountable and transparent institutions at all levels.</p> | <ul style="list-style-type: none"> • Automated payment system for municipal, state, and federal taxes. • Solutions that prevent money laundering. • Transparency and accountability within SONDA. • Monitoring and safeguarding compliance with legal and other requirements. |
| <p>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels.</p> | <ul style="list-style-type: none"> • Automated election systems. |
| <p>16.9 Provide legal identity for all, including birth registration.</p> | <ul style="list-style-type: none"> • Integral solution and digital biometrics for the civil register system. |
| <p>16.b Promote and enforce non-discriminatory laws and policies for sustainable development.</p> | <ul style="list-style-type: none"> • SONDA's Sustainability Declaration. |



SDG 17: Partnerships for the goals

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| <p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p> | <ul style="list-style-type: none"> • Connection with ecosystems that promote innovation and add value to society. • SONDA's open innovation model. |
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Foreign Trade

34% of Brazil's exports were managed by a SONDA system that performs all their foreign trade procedures.



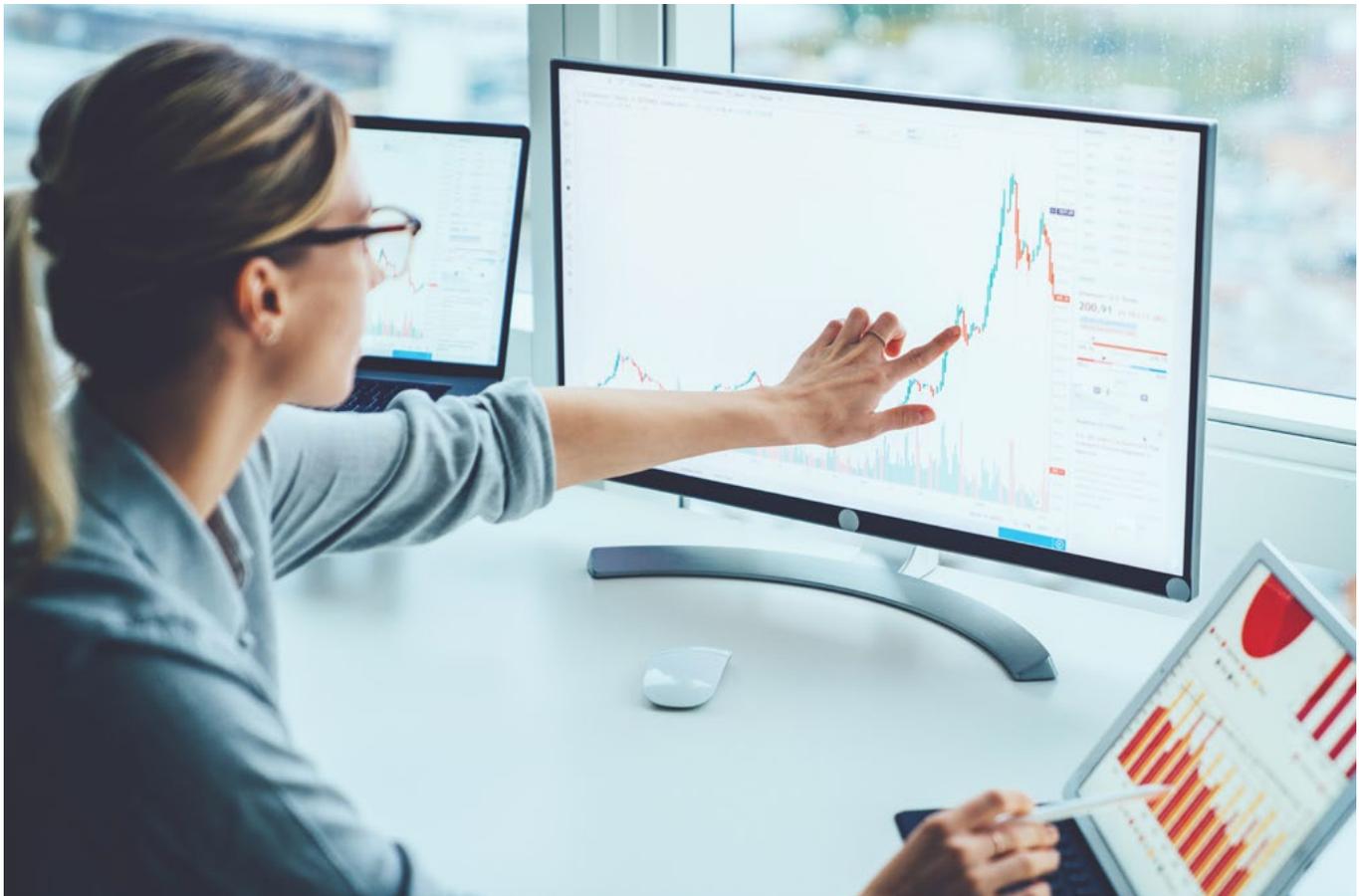
Taxation system

2/3 of tax revenues in Brazil are managed by SONDA systems that control payments of municipal, state and federal taxes.



Public transport

Public transport users in Latin America used their cellular phones **260 million times per month** to check when their bus will arrive. These enquiries take on average 2 seconds to be resolved with 98% accuracy using SONDA systems, due to the intensive use of IA systems.



Integral customer management

We aim to be a strategic partner for our customers, which requires supporting their strategic decision-making. We therefore need to be familiar with their business, have experience of their industry, and understand relevant new technology and how it can impact their business.



The integral customer management strategic pillar aims to integrate the resources that relate to sales, service delivery and operations, in order to improve our customer experience.

Our customers are at the center of our business. We must closely relate to them and provide them with excellent solutions, which is central to our daily work. This includes our response to emerging issues that may affect them, such as security, privacy and data protection, as well as ensuring continuity of service.

Customer trust and satisfaction

We designed and implemented a Customer Experience Management System in all ten countries during 2019, in accordance with our 2019–2021 Strategic Plan. Its objective is to improve customer satisfaction, which we measure using the NPS survey. The new system perfects the monitoring of results, and it evaluates how our customer relationships are reflected in the annual satisfaction measurement. A central aspect that we will emphasize in 2020 is suitable training, which will initially cover senior managers in all ten countries.

Customer satisfaction

For the fifth consecutive year we achieved a positive NPS, and we have improved by 18 percentage points since 2014.



Solutions by industry

We aspire to be experts in our customer's business. Therefore, we have reorganized our services to match these industries and to bring us closer to our customers. We made regional progress in 2019 by specializing in three sectors, which are transport, retail and financial systems. Furthermore, Brazil has specialized teams for two more industries, which are the public sector and utilities. Our focused teams of experts in these industries will strengthen our understanding of them, and generate specialized services and solutions that add greater value to each industry. We want to identify synergies, cross learning and replicability, in order to improve our services and solutions.

Focus on verticals



The Financial Services Vertical

The financial services vertical is mainly based on orchestrated offers, integral customer management, regional positioning and ecosystem connections, in line with the three-year plan.

This is a regional initiative that required a team of specialists in the target countries of Brazil, Mexico, Chile and Colombia. They began as the exclusive contact point to engage

This covers an integral relationship with the financial sector, which comprises an offer, pre-sale, sale and service management, and covers banking, finance, investments, insurance, pensions, etc. It is key to achieving the growth plans for this sector.



and manage the sector's customers, by analyzing at greater depth the business aspects of the financial sector and its technological trends.

We are customizing our traditional products and our powerful transformational services that were developed in 2019. The scope of our services is broad, covering generic regional infrastructure solutions and services, yet

at the same time it is deep, by providing niche solutions for specific sector processes and requirements in each country. These services are leveraged by a rich network of experienced partners, who complement SONDA's services with cutting-edge products aimed at specific requirements.

New initiatives include the integrated management of cyber-security associated with business processes, the banking branch of the future, and robotizing high volume processes for the sector. These lay the foundations for modern, in-depth products that solve problems inherent to the financial sector in the region.

The integral customer management team includes a Customer Success Manager, who is responsible for orchestrating the implementation of complex multi-product solutions, managing contracts and ensuring that all the customer's objectives are successfully achieved. This team will ensure that our solution performs correctly, and is crucial to deepening our business relationship with strategic customers.

Regional positioning is based on consolidating business relationships with multinational customers, strongly focusing our relationship where the customer makes most business decisions and corporate purchases. This familiarity provides greater strategic alignment to regional purchasing requirements and produces greater alignment with our company's commitment to the regional success of our solutions.

Participation in sector ecosystems challenges traditional services and feeds the financial services vertical with fresh, innovative and disruptive ideas. SONDA's relationship with innovation-focused groups and Fintechs is perceived as a catalyst, as it provides leadership and a rapid response to institutions that are called upon to transform their businesses in an increasingly open and competitive environment.



Transport

When we talk about transport in Latin America, we find common challenges and requirements, irrespective of the country or society.

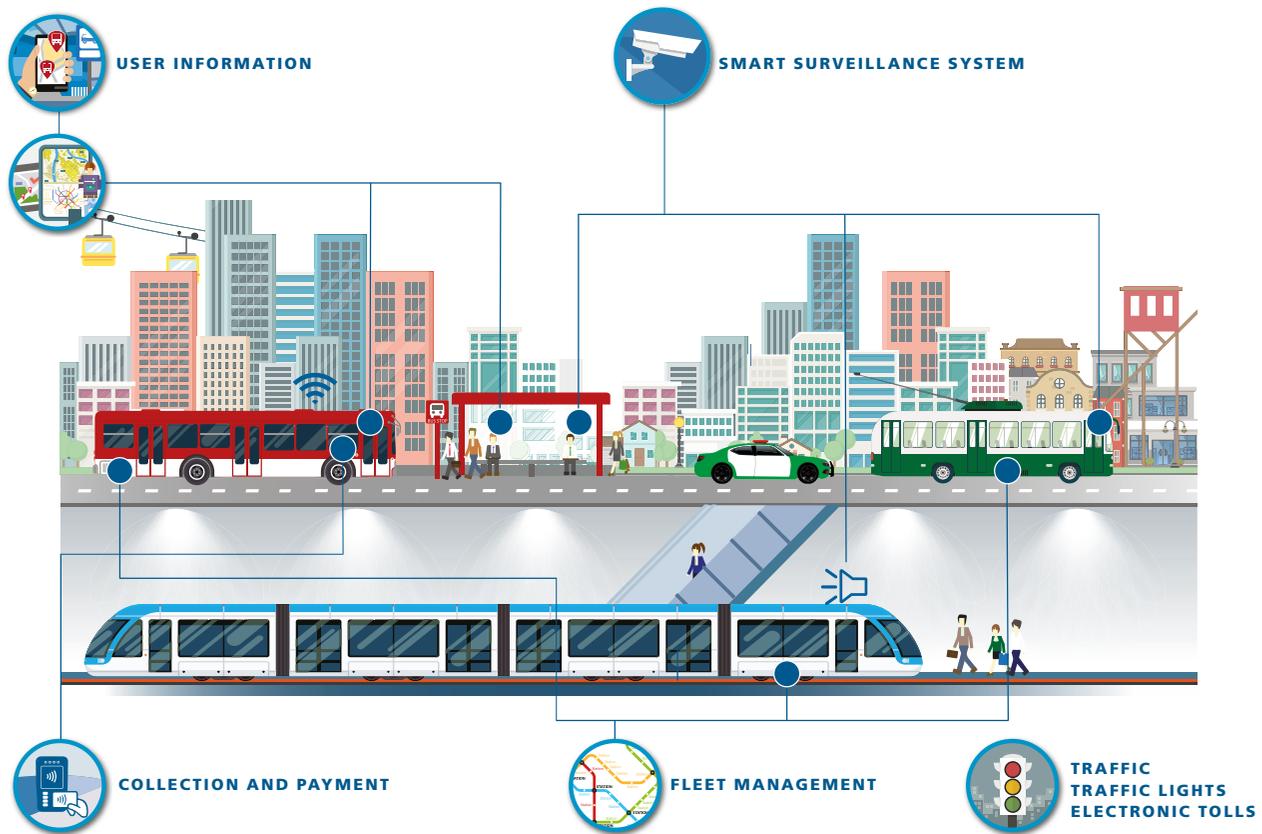
People view these services as a right, so demand integrated high quality services that encompass various modes of transport, not just the traditional modes. Together with high quality information that allows them to appropriately plan their trips.

Meanwhile, the Transport System must efficiently manage the bus fleet, minimize travelling and waiting times, and optimize investment and operational costs. Furthermore, the operation itself must be efficiently and safely managed, which must be based on agile technological solutions that can evolve over time.

High quality solutions that are designed and built to support transport systems, which intensively use SONDA technology.



We strengthened the collection systems solution that now uses the latest global technology, including open payments such as EMV, prepaid and ABT. We also strengthened the fleet management systems and business analytics that optimize transport services, reduce operating costs, and improve service efficiency in a Latin American environment, making it a robust solution and a regional benchmark.



The Transport Division was created during 2019 and it is now fully operational. We have also absorbed M2M Solutions. This Brazilian company was acquired in January and its technology, solutions and professional team complement and strengthen our transport solutions.

Significant contracts were awarded to SONDA, reinforcing our position as the main supplier of transport solutions in Latin America.



The Collection system for the **Guatemala City BRT**



Collection equipment for the **Medellin Metro**



ABT (Account Based Ticketing) System for the **Valparaíso Metro**



Expansion of the collection equipment and fleet management for **buses in Greater Buenos Aires**



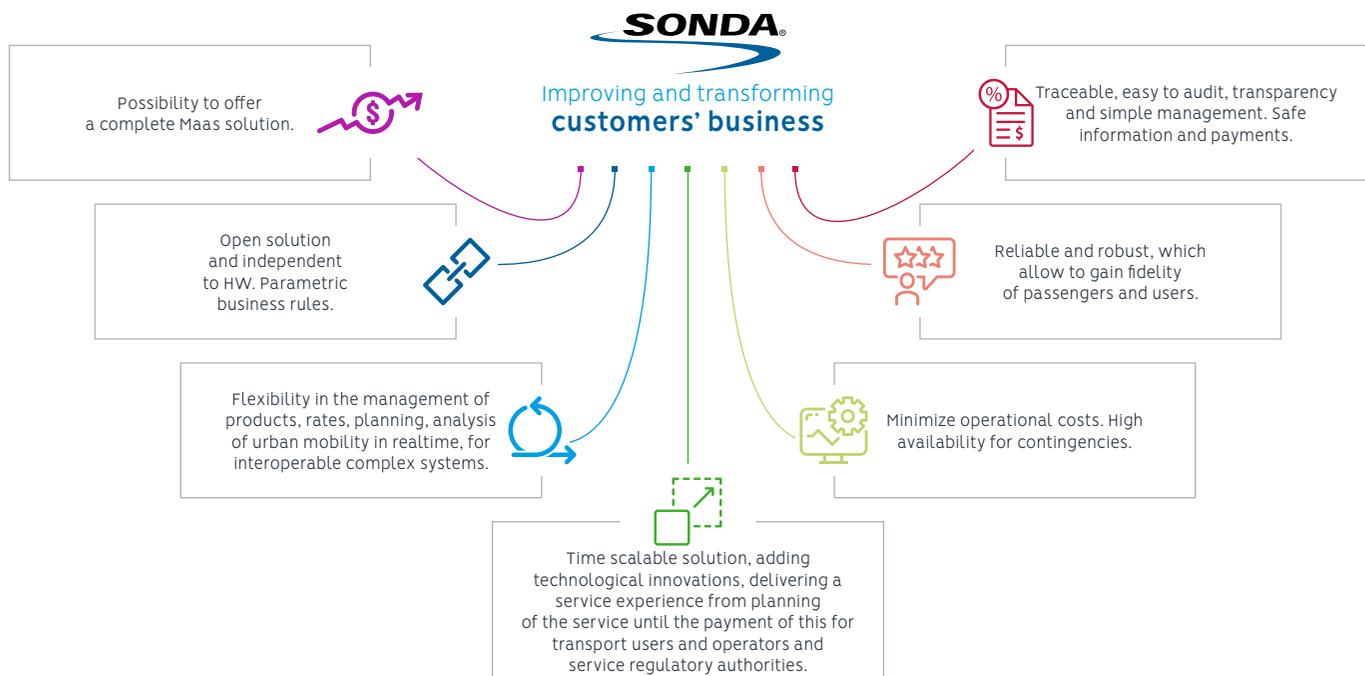
Extension of the **Transantiago service, currently known as RED**, by incorporating the latest technology that will permit new means of payment.



Some of the benefits for transport system users:



Some of the benefits of our solutions for our customers:





The Retail Vertical

The retail vertical is mainly based on coordinated and orchestrated offers, integral customer management, regional positioning, operating efficiency and ecosystem connections, in line with the three-year plan.

This strategic initiative required the formation of a regional team dedicated to retail with new business skills, mostly professionals with direct experience in the retail market who joined in the target countries of Brazil, Mexico, Chile and Colombia. This team is the exclusive contact point to engage and manage the sector's customers, by analyzing at greater depth the business aspects of the retail sector and its technological trends.

This strategic initiative covers an integral relationship with the retail sector, which comprises an offer, pre-sale, sale, and service management, and covers supermarkets, department stores, home improvement stores, convenience stores, shopping centers, etc. It is key to achieving the growth plans for this sector.



We customized our traditional products and services during 2019 to create a value proposal that is relevant to retail, and developed a transformational agenda with our customers. The scope of our services is broad, covering generic regional infrastructure solutions and services, yet at the same time it is deep, by providing niche solutions for specific sector processes and requirements in each country.

New solutions were launched in 2019 that address various aspects of the retail business, such as automating store processes to improve the shopping experience, integrating the physical channel into a real omnicanal platform, developing POS software and driving omnicanal promotions, developing self-checkout solutions, self-service kiosks and digital mobile experiences. We also launched several solutions that focus on efficiency, such as RPA (Robotic Process Automation) that automates all the repetitive tasks in the purchase process, from the back office to delivery and after-sales services. We provide analytical



solutions, which improve the understanding of the customer and improve online decision-making based on data from stores, suppliers, warehouses, dispatch, etc. Also solutions that prevent losses, audit sales, and improve the maintenance, certification and modernization of store systems.

These services are leveraged by a new and rich network of experienced specialized partners, who complement SONDA's services with cutting-edge products aimed at the specific requirements of the retail vertical. Various regional agreements were signed during 2019, and the main agreements include APTOS, a software company specializing in omnicanality, and Diebold-Nixdorf Retail specializing in automation.

The plan for 2020 is to extend our omnicanality value proposal by incorporating new partners and startups covering promotion systems and order fulfillment, to help our customers maximize sales using numerous channels.

The integral customer management team includes a Customer Success Manager, who is responsible for orchestrating the implementation of complex multi-product solutions, managing contracts and ensuring that all the customer's objectives are successfully achieved. This team will ensure that our solution performs correctly, and is crucial to deepening our business relationship with strategic customers.

Regional positioning is based on consolidating business relationships with multinational customers, strongly focusing our relationship where the customer makes most business decisions and corporate purchases. This familiarity provides greater strategic alignment to regional purchasing requirements and produces greater alignment with SONDA's commitment to the regional success of our solutions.

Accordingly, the combination of a dedicated team with business skills and knowledge, new solutions and a specialized partner ecosystem for retail, together these form the basis for our growth plans that we are resolutely committed to in 2020.

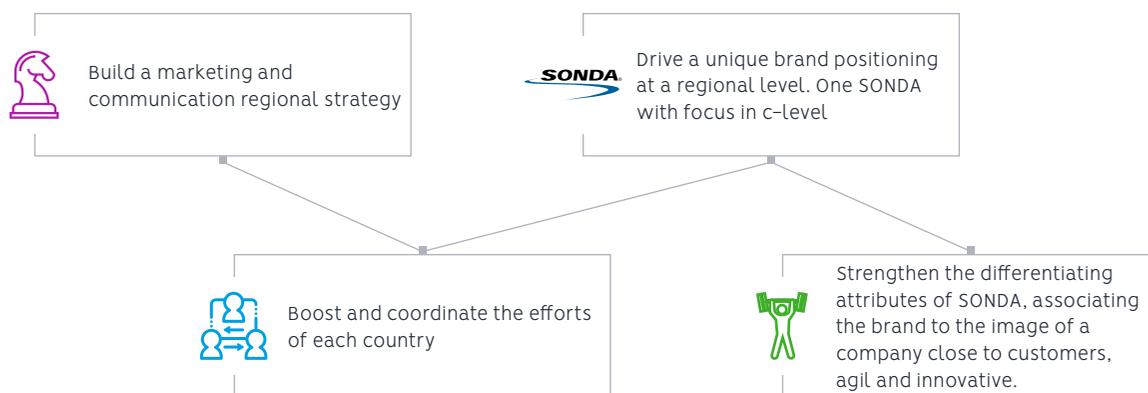
Regional positioning

Strengthen SONDA's position through its value proposal, as a leader in technological transformation within Latin American organizations



We want to direct the transformation of our customers, which is mostly influenced by our proven ability to deliver throughout the transformation process the innovation, trust, strength, agility, leadership and experience required by today's organizations.

Accordingly, the 2019 – 2021 Strategic Plan includes a unique regional marketing and communications strategy, which positions the SONDA brand as the leading strategic partner for technological transformations. This strategy is a road map, which will guide and coordinate the marketing campaign in each country, with the aim of strengthening the differentiating attributes that form our value proposal and contribute to creating new business opportunities. It will use a common identity and be focused on the customer.



We have defined three main pillars to drive our positioning strategy.



The **Customer Engagement** pillar covers the initiatives aimed at strengthening and unifying the brand image of SONDA across Latin America. These initiatives will be the result of regional advice that will unify and improve our corporate image, our internal culture and make SONDA an attractive company for customers and talented job-seekers.

The **Customer Acquisition** pillar covers the initiatives aimed at communicating and strengthening our range of services and solutions, with special emphasis on our value proposal for customers and SONDA's principal stakeholders, so will contribute to generating demand.

Finally, the **Customer Experience** pillar covers the initiatives aimed at developing and maximizing opportunities in our portfolio of current and potential customers. These initiatives will be jointly performed with our partner ecosystem, using Account Based Marketing methods that will improve our share of wallet of our customers.



Agile Organization

An agile organization is a key pillar in our proposed strategic plan for the next few years. The whole organization will be responsible for our transformation and driving the changes in this new chapter of SONDA's history.

We faced tremendous organizational challenges during 2019, so we have focused on three pillars: cultural support, structures and roles, and the value of agility.

Employees



We employ over 16,000 people at SONDA and they are incorporating transformation and agility into our DNA, since the IT sector is facing many challenges, with technologies that are evolving every second.

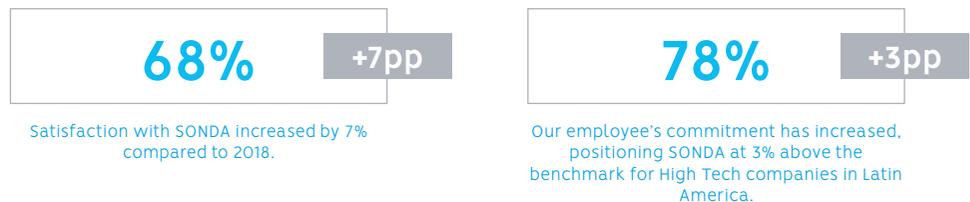
Therefore, attracting and retaining the most talented people is crucial for us. As is inclusion, since a wide spectrum of opinions, experiences and cultures enable us to be more flexible and enriches our ability to find innovative and appropriate solutions.

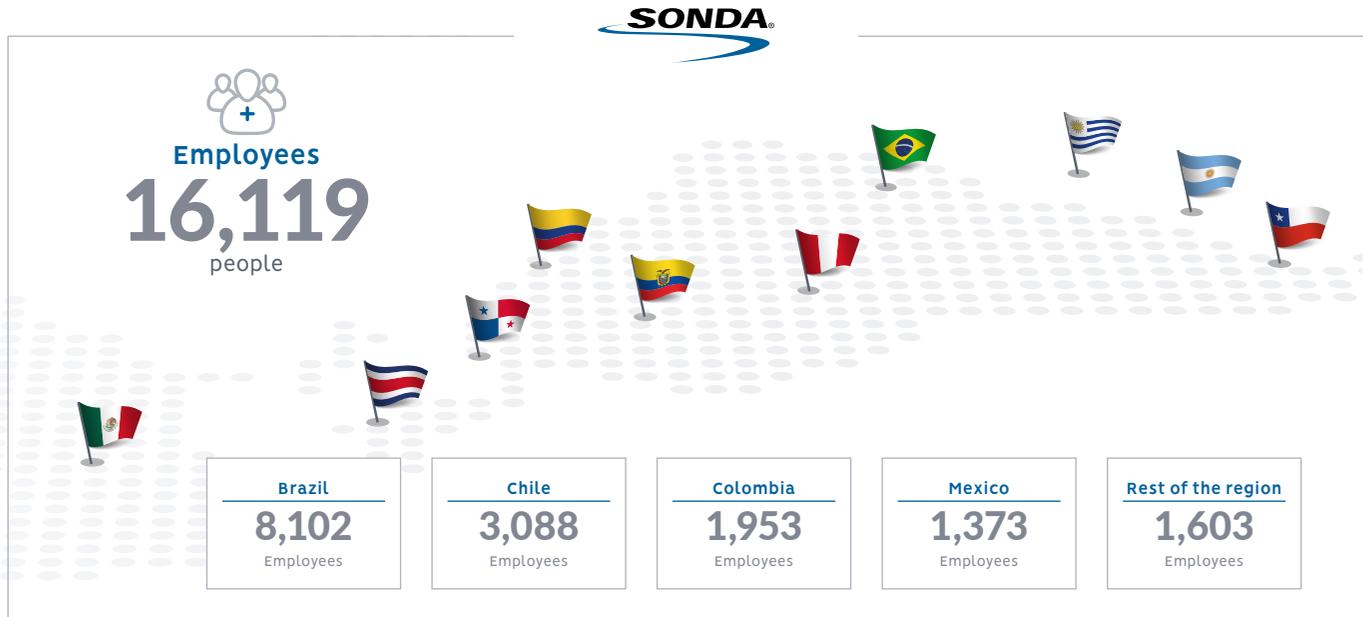
We are transforming SONDA, as is everyone working for our company. We are looking for employees committed to an agile organization, with a customer service vocation, who value people and human qualities.



Nearly 50% of SONDA's employees are under 35 years old, so our Employee Value Proposition, which was developed in 2019, aims to attract the younger generation, as they are more defiant and nimble, and have been immersed in the digital environment since birth. *(More information on page 62).*

We have regularly undertaken a working climate survey since 2016. The results for 2019 are as follows.





There are 53 questions in the survey, and the responses to 48 of them increased compared to the previous year.



SONDA Culture

Those aspects of our culture that differentiate us in the market and connect over 16,000 employees in the 10 countries where SONDA's businesses operate.

Our Purpose:

To improve people's quality of life, by innovating and adding value through technological solutions that develop and transform our customer's businesses.

SONDA's Values

Although we come from different backgrounds and cultures, we all share the same values which enable us to offer a unique and differentiated experience. They guide our behavior and decision-making, and how we relate to our customers and employees.

<p>Service Vocation</p>	<p>Company of people</p>	<p>Sobriety</p>	<p>Positive attitude</p>	<p>Agility</p>
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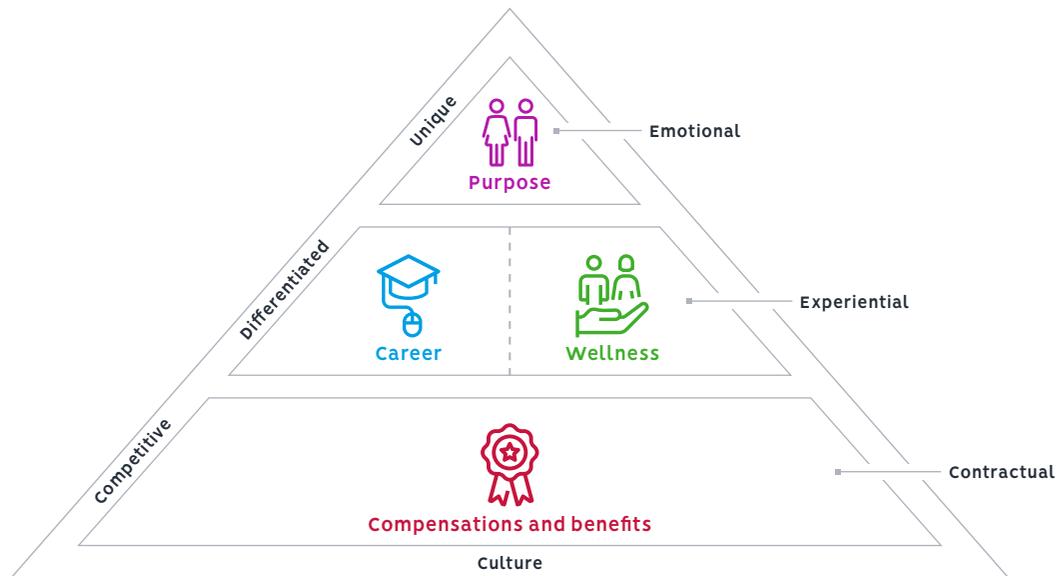


Employee engagement and welfare

We updated our Employee Value Proposition (EVP) in 2019, to emphasize what is already available and reaffirm our commitment to strengthen what we believe is important for our professionals.

SONDA's Employee Value Proposition is divided into four pillars: purpose, career, wellness, remuneration and benefits. We have integrated these concepts to communicate the advantages to our talented people and potential employees of being part of our team.

Employee Value Proposition



Based on MERCER's Employee Value Proposition model.



Purpose

We encourage initiatives that connect our people with SONDA's vision and values. This pillar emphasizes the strength of the brand, as a leading Latin American IT services company. We are over 16,000 employees with a common goal: to improve people's quality of life using technology.

(More information on page 61)



Career

We offer countless opportunities for learning and development that can be experienced by our professionals in wildly different projects. Some of our initiatives: Fresh graduates program, career planning, mobility between departments, etc. *(More information on page 63).*

SONDA's career planning model

We have defined seven professional career experiences within SONDA so that employees can develop according to their interests and skills.

This career plan includes various forms of professional development:

- **Vertical:** Mobility between various career branches. Expanding the breadth of knowledge.
- **Horizontal:** Expert / specialist. Expanding the depth of knowledge.









Reason to be/challenge

You stand out for your knowledge of the industry or technology generating alliances with clients and brands through the creation of a solution / product that allows to generate sales of high value to the organization. You build long term relationships winning the trust of new and captive clients.

 **Pablo Ulloa**

You know and analyze the market and potential clients generating consultative sales processes that maximize business opportunities.



Wellness

We appreciate the balance between personal and professional lives and we uphold the physical, mental and social aspects of healthiness, through our initiatives. For example, we have prepared flexible work programs, opportunities to collaborate, agreements with institutions to arrange sports activities, and the Employee Assistance Program, which offers professional support from experts in psychological, legal and financial issues to employees and their family groups, etc.



Remuneration and benefits

We follow the concepts and good practices found within SONDA's markets and we have adopted a meritocracy-based model.



Talent and skills management

We restructured the careers available within SONDA during 2019. Our career plans focus on the strategic disciplines for our business, for example, software development, project management and the behavior expected of professionals who want to develop their career in these disciplines.

We are driven by genuine service vocation, as over 80% of our employees provide services and most of them are professionals from various IT disciplines. Accordingly, education and training is an ever-present issue. We are currently developing the SONDA Academy, a technical knowledge management platform for employee development that is aligned with their career interests.



Transformation to achieve an agile organization

Progress during 2019 focused on successfully achieving transformation and achieving greater agility.

We progressed in adding knowledge and certifying agile working methods, to ensure that teams address their challenges in an agile manner. For example, the Scrum Method and the Agile Boot Camp taught by ASPE, a North American company specializing in IT education. We are planning to strengthen the knowledge that drives agile work in 2020.

Providing these tools was a significant change in virtual working methods in the 10 countries, and the Teams tool has been key, since it allows both individuals and groups to work virtually.

- Over 255 Scrum certificates across the region.
- 25 leaders certified in Agile Methods from a US Institute.
- Over 8,500 employees use Teams for their work.
- 3 units have adopted an agile cell organization.



Agility and the transformation of our culture and organization

We want our agility to become intense, so it is now a declared value and we are building it into our culture as we develop skills and knowledge. During 2019, we progressed with certifications and basic knowledge to include the agile method in the organization (*see article*).

We made some changes to the organization, in order to implement the agile method. We introduced a pilot project within three departments in 2019, which adopted the agile cell organization. It examines business knowledge, projects, timing, and other aspects. This initiative will be rolled out to the remaining units in Chile, Brazil and Mexico during 2020.



Specialized and experienced team

We must ensure that our teams are prepared to drive the business forward based on our new services organized around industries. (*More information on page 52*).

We are developing the leadership qualities and specialties required for each industry, and winning the commitment of our teams using incentives and people management.



Performance aligned with the strategy

The performance and development of our employees are essential, so they are all regularly evaluated by SONDA Plus, our performance management system. This digital tool comprehensively systemizes and manages the process, and it now produces valuable information for employee development. SONDA Plus also strengthens internal mobility, which our employees appreciate and 8% of vacancies in countries such as Chile, Mexico and Colombia were filled internally.

We have a Talented People Development Program differentiated by seniority and managed using a system that includes evaluations and continuous improvement. This initiative complements the SONDA Succession Program.



Testimony

Work in a technology company like SONDA has taught me how to cope with problems, not to focus on a failure, but find solutions, get ahead and be a better person.

 Natalia Chávez



Inclusion and diversity

Equal conditions for all and transparency in our professional development processes are very important at SONDA. We do not accept any prejudice based on ethnic origin, place of birth, religion, political choice, gender or disability. We encourage professional growth free from all forms of discrimination. Our positions can be filled on equal terms by both men and women of any nationality, without limiting the opportunities for those who meet the profiles we require. We provide our employees with an online complaints channel on our website, in order to safeguard this declaration. *(More information on page 26).*

Equal Opportunities



SONDA is focused on safeguarding equal access and treatment. Therefore, we are gradually aligning our businesses in each country to the "Equal Opportunity Employers" standard. It establishes non-discrimination and introduces an approach that only focuses on finding optimal profiles. For example, we select people by their ability to respond to critical incidents associated with each position, and we do not conduct traditional psychological interviews.



Testimonial

Working in IT is continually challenging. Leading numerous projects and dealing with such diverse customers forces me to innovate, to give my best, and to continuously research. I have to be very creative, in order to overcome the challenges at the UN WHA. Sometimes developments in this profession are so new that there is no reference or bibliography. There is no documentation either, which forces me to reflect, in order to create alternatives and solutions that meet customer demands.

 Amalia Yañez joined SONDA almost 6 years ago. She has now become a SAP expert within the AMS Business Unit.



Gender gap

We are proud that between 2016 and 2019 we reduced the gender pay gap by 19%, measured as the gap between salaries for men and women in the same job category. Specifically, we reduced the gap from 30.6% in 2016 to 11.6% in 2019.

Our challenge is to increase the number of women occupying senior positions within the company. Accordingly, we prepared a Diversity Policy in 2019 that will be associated with salary gap KPI's and goals.

Number of people	Board of Directors	General Management	Staff
By gender			
Women	1	2	4,454
Men	8	45	11,665
Total	9	47	16,119
By nationality			
Chile	9	23	2,769
Other nationalities	0	24	13,350
Total	9	47	16,119
By age			
Less than 30	0	0	5,016
Between 30 and 40	1	1	6,231
Between 41 and 50	1	14	3,262
Between 51 and 60	0	16	1,327
Between 61 and 70	3	16	273
Over 70	4	0	10
Total	9	47	16,119
By length of service			
Under 3 years	4	9	8,775
Between 3 and 6 years	2	9	3,949
Between 6 and 9 years	1	1	1,035
Between 9 and 12 years	2	7	1,026
Over 12 years	0	21	1,334
Total	9	47	16,119
Salary gap			
	2017	2018	2019
Senior executives and managers	35.5%	34.4%	29.6%
Professionals, sales, technicians and administrative staff	14.0%	9.8%	6.1%
SONDA S.A.	19.1%	15.9%	11.6%

2019 Results



Talented people

78%

of our employees are IT professionals.

8%

internal mobility

Engagement

28%

of our employees are women and 50% of all employees are under 35 years old.

100%

Every country conducted a working climate survey, and employee satisfaction improved by 7% with respect to 2018.





Operational excellence

We will be carrying out various transformations in this period, which will seek to simplify our operational processes, in particular those with the greatest impact, and put greater focus on the services delivered to our customers, in order to improve delivery quality and customer satisfaction.



We will encourage strict adherence to the good practices described in the world-class standards that we have adopted. We will strengthen our NPS management, with greater emphasis on daily monitoring. We will stop viewing it merely as a survey, and begin to manage it as an evolutionary and supportive process that will help us to improve our customer experience and increase their satisfaction with the solutions we provide.

We will redesign the processes that will improve our agility and reduce both internal and customer response times. We will identify opportunities to centralize and standardize processes, and leverage SONDA's size and regional market presence.



Service quality

Our quality strategy is based on various management systems in all countries, which are used to guarantee service quality.

We have achieved certified compliance with standards defined by our customers covering aspects such as quality, data protection, information security and service continuity. These certifications are required by several sectors such as banking, mining, oil, telecommunications, governmental, utilities, etc. In 2019 we will evaluate the contribution provided by these certifications and good practices to improve customer services.

Our customers and partners also require compliance with standards in areas such as corporate governance, ethics¹², employment, the environment, and occupational health and safety.

¹² Many of our customers ask us to comply with their Code of Ethics, Code of Conduct and anti-bribery agreements.



SONDA's Certifications

Model	 Argentina	 Brazil	 Chile	 Colombia	 Costa Rica	 Ecuador	 Mexico	 Panama	 Peru	 Uruguay
ISO 9001	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ISO 20000-1	✓	✓	✓	✓	■	✓	✓	■	✓	✓
ISO 27001	■	✓	✓	✓	■	■	✓	■	■	✓
ISO 22301 Continuity Plan	✓ ■	✓ ■	✓ ■	✓ ■	■ ■	✓ ■	✓ ■	■ ■	✓ ■	✓ ■
ISO 14001	■	✓	✓	✓	■	✓	✓	■	✓	■
ISO 45001 (Formerly OHSAS 18001)	■	■	✓	✓	■	✓	✓	■	✓	■
CISCO Resale Gold	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SAP (Hosting)	■	✓	✓	✓		✓	■		■	
AT 320; I and II			✓							
ISAE 3402; I and II		✓	✓							
CMMi, nivel 3		✓	✓	■						

✓ Certified ✓ BCP Implemented ■ Certification in process ■ To be scheduled

Glossary

- SONDA's IMS integrates three standard models ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007) across the whole of SONDA. Briefly, the purpose of the good quality practices in ISO 9001 is to achieve satisfied customers and efficiently use resources (profitability); the purpose of the good environmental practices in ISO 14001 is production that does not harm the environment; and the purpose of the good Occupational Health and Safety practices in OHSAS 18001 is production that does not harm people.
- ISO 22301: Business continuity management system.
- AT 801: Attestation audit. Reports on a service organization's controls. It was approved by the National Council of the Colegio de Contadores de Chile A.G. (Chilean Institute of Accountants) on July 21, 2011.
- ISAE 3402: International Standard on Assurance Engagements. This standard replaces the Statement on Auditing Standards 70 (SAS 70), Service Organizations (SAS 70), which was published by the International Auditing and Assurance Standards Board (IAASB) in December 2009, to standardize the requirements and use of reports from service organizations. This was supported by the IFAC (International Federation of Accountants), who agreed that the new standard should be adopted for all reporting on reviews that were completed on or after June 15, 2011, and replace the previous standards. Therefore, we have been unable to issue reports under the SAS 70 standard or similar since this date.
- SMETA: Sedex Members Ethical Trade Audit. Sedex is an on-line platform that enables companies to publish information on ethical and responsible business practices. SMETA requirements are based on the ETI (Ethical Trade) code and other aspects such as the environment.
- NPS: Net Promoter Score.



Personal data protection

Personal data is a very sensitive issue at present. Furthermore, Chile is processing a new Personal Data Protection Law, as a result of recommendations from the OECD. Therefore, in 2019 we are incorporating Personal Data Protection Certification into our Corporate Quality Strategy, aligning ourselves with the most advanced data protection standards. Our Personal Data Protection System will protect data three categories of personal data, for our employees, our customers and our suppliers.

Implementation will begin in Brazil and Chile, and subsequently the remaining countries. We will define guidelines, controls and those responsible.



Customer experience

Grievance rate			Service quality		
2017	2018	2019	2017	2018	2019
0.04%	0.06%	0.03%	92%	92%	91%
Percentage of complaints compared to total service orders			Percentage of cases resolved by help desks		



Service continuity

Losing the continuity of IT services is a critical issue for our customers. The collapse of these services can impact sensitive aspects of the business, such as financial transactions, billing processes, IT systems security, etc. We have operational continuity plans that guarantee the quality of our services, and we also design plans for our customers. We have a growth strategy for our data centers that offers maximum operational continuity, and our new centers will comply with the Tier IV standard. The new data center being built in Chile will be commissioned in April 2020, and during the year we will begin data center construction in Colombia.



Continuity Plan

Our Continuity Policy, Business Continuity Plan (BCP), and the ISO 20000-1 certification, guarantee continuity for the services we provide to our customers and minimize downtime.

In 2020 we intend to go further and certify our "Business Continuity Management System" based on ISO 22301:2012, thereby improving our continuity and disaster recovery plans. Therefore, we will update the corresponding objectives, policy, procedures, roles and responsibilities.

Compliance with the BCP is continuously monitored. Furthermore, tests are performed to detect potential failures and to train our staff how best to respond to incidents. Our regional service availability index was 97.4% in 2019, and there were no natural disasters that affected service continuity.



Service continuity

Service availability			Availability grievances			Uptime components		
2017	2018	2019	2017	2018	2019	2017	2018	2019
100%	99.8%	97.4%	1	5	10	98.0%	99.6%	98.1%
Service Availability Index: Percentage of time that services were available compared to total time			Number of customer complaints for failures in system availability			$(1 - ((T_d - T_m) / T_a)) * 100\%$ Td: Downtime during the period. Tm: Scheduled maintenance time during the period. Ta: Agreed service time during the period.		





The environment

We are responsible for preventing and mitigating our environmental impact. Therefore, we are committed to more efficiently using energy and natural resources, reducing the contamination emitted by our own and our customer's businesses, through greater control and improved management. We are also responsible for managing the technological waste produced by our business.

Our goal is to contribute to conserving the environment and mitigating the effects of climate change, through the technological services and solutions that we provide to our customers and through our business.



We have an Integrated Management System that contains an environmental management component based on the ISO 14001:2015 standard, and have achieved certified compliance in four countries. We prepare preventive and comprehensive environmental plans, covering water and energy resource consumption, waste management, etc. We are also improving the culture of environmental responsibility in all of our productive and support departments.



Climate change mitigation and adaptation

The effects of climate change are appearing with increasing intensity in our region and throughout the world, so internationally there is already talk of a climate crisis. Our countries were exposed to acute physical risks in 2019, such as melting ice, flooding, mud slides and avalanches, chronic risks such as drought, storm surges, other extreme weather phenomena and transition risks. Therefore, regulatory changes in Chile and the rest of the region are driving the decarbonization of energy matrices and the change to electric public transport solutions.

Climate change mitigation

Energy consumption is crucial for our business and we consumed 30,140 MWh of electricity in 2019, which was mainly supplied to the data center that represents 77% of the total. Electricity is our main consumable. This is used to operate equipment and to cool the equipment rooms, so energy saving depends to a large extent on the cooling system.

Chile is leading the region in renewable energies. Since 2018, our main facilities here have been supplied with electricity from these energy sources. However, regulatory and cultural barriers still exist in other countries, which has prevented us from rolling out this good practice to all of SONDA's facilities.

Decarbonizing our energy matrix

All the electricity consumed by SONDA in Chile comes from renewable sources.



By 2021 we expect to measure our carbon footprint, in order to define and prioritize initiatives that contribute to mitigating climate change. These measurements were stimulated in 2019, by participating in the "Huella Chile" (Footprint Chile) program organized by the Ministry of the Environment.

Smaller environmental footprint at our data centers

SONDA wants to lead the market, so we are investing in critical infrastructure that uses high performance technology with a smaller environmental footprint, such as at our data centers. We issued a green bond in 2019 ([see article](#)), which had never previously been contemplated in SONDA's history.



Green bonds for lower environmental footprint in new tier IV data centers

Efficient construction and energy use in accordance with best environmental practices were key to successfully issuing the US\$62 million green bond. Furthermore, the exclusive use of renewable energy in Chile has improved our strict compliance with the Green Bond Principles defined by the ICMA¹³ and certified by Sustainalytics¹⁴.

- We hope to achieve Green Building Leed Silver certification.
- We aim to achieve a PUE of 1.5 or less.
- The data center in Chile will be exclusively supplied by renewable energy.

The Green Bond issuance considered \$ 42,164,793,369, of which a total of \$ 18,064,976,512 were destined to the construction of the first data center (Chile, still under construction), leaving a remainder of \$ 24,097,816,857 to be assigned to the green projects defined in the issuance.

13: ICMA (International Capital Market Association)

14: Sustainalytics (Global leader in ESG who verified the green bond issue as an independent third party)

The energy efficiency of data centers is measured by an index known as PUE¹⁵ (Power Use Efficiency). The lower its value, the greater the efficiency of the system. Thus, the low PUE at our new data center was due to designing these facilities with low consumption hardware and systems, including free cooling technology that takes advantage of cold environmental conditions, which reduces mechanical cooling requirements and the corresponding energy expense.

The data center in Chile will become operational during the first half of 2020, and in Colombia construction will begin during the same period.

Best environmental practices by our customers

We help our customers to adapt to climate change and to mitigate their impacts, through

Fleet management

The fleet management systems implemented by our customers in Brazil and Chile avoid emitting 199,000 tons of CO2 per year. This is due to saving 76.5 million liters of diesel fuel in 17,000 buses. That reduction is equivalent to planting 10,000 trees.



our solutions. We create real opportunities to measure and manage their environmental impacts, through opportunities such as emissions monitoring, analytics to improve processes and reduce environmental impacts, activate remote working to reduce the carbon footprint caused by commuting, and reduce the environmental footprint by using our cloud services. *(More information on page 38).*

15. It measures the ratio of total energy consumption at the facility, to energy consumption by the IT equipment within that facility.



Climate change

SONDA's technological solutions
Initiatives within SONDA



Climate change adaptation



Increases/decreases in temperature, rainfall and extreme weather events, such as mud slides, avalanches, etc.



Changes in the physical conditions of seas and lakes, covering waves and average water levels.

- IoT platform with sensors for temperature, rainfall and sea/lake water quality variables, to detect thresholds, keep registers and issue warnings.
- Technology to deploy conservation and rational water use campaigns for the Bogota aqueduct in Colombia.
- Aquifer care management using the Paramos web application, geoportals, basins and the hydrological information system, which provide data on catchment sites, flow levels and hydrological conditions at sources.
- Dwindling water resources required our customer, the Panama Canal Authority, to introduce tolls on highways, in order to provide an alternative means to transport cargo that used to move through the Panama Canal. We implemented an access control and video surveillance system for this logistics corridor. Country: Panama

	Climate change mitigation	
	Efficient maritime, overland and public transport	<ul style="list-style-type: none"> Electric buses have been introduced in Santiago, Chile, to make progress towards carbon neutral public transport. SONDA participated in equipping these vehicles with state-of-the-art technology for fleet management and fare collection purposes. 200 electric buses had been introduced by the end of 2019. We supported the electric bus pilot project in Panama City, by initiating an access control and validation system. Chile and Panama. Gas distribution and sales control system in Peru.
	Energy efficiency	<ul style="list-style-type: none"> The new data centers have more efficient adiabatic cooling systems, which save electricity and water. Chile and Colombia. SONDA's Smart Lighting systems achieve substantial energy savings by using LED technology and use control intelligence to vary the intensity of lighting according to the time of day, movement of people and other variables. Uruguay
	Incorporation/substitution with less polluting energies for transport, electricity generation and heating.	<ul style="list-style-type: none"> SONDA's current data center in Quilicura, Santiago, Chile is fully powered by renewable energy. Phase 2 will use similar sources, which will be commissioned in April 2020. Chile
		<ul style="list-style-type: none"> The "Connected Cow": milk traceability, analytical solution, cloud and sensors to monitor the cold chain and find the most efficient routes for milk transport, safeguarding quality using IoT, fraud solutions, sensors, cloud and analytics. Brazil. Transforming business printing into digital document handling using Enterprise Content Management solutions.
	Waste reduction and lower consumable and product losses.	<ul style="list-style-type: none"> Implementing a waste separation system and waste recycling management. Chile and Colombia. Reducing printing requirements using a monitored printing system and printing awareness campaigns. Chile and Colombia. Comprehensive disposal management of electronic parts, supplies and equipment using a responsible collection system in conjunction with the manufacturers. Colombia. Practices regarding efficient paper use that reduce paper consumption at our customers. Colombia.
	Increases in reforestation	<ul style="list-style-type: none"> Tree planting campaign for our outsourced printing customers, to raise awareness of this issue. Colombia.
	Monitoring and reducing atmospheric emissions, such as CO ₂ , methane, nitrous oxide, etc.	<ul style="list-style-type: none"> Fleet management systems that reduce fuel consumption and greenhouse gas emissions. IoT platform with gas sensors that registers usage, detects thresholds and issues warnings. Participation in the Ministry of the Environment's "Huella Chile" (Chile Footprint) program that measures SONDA's carbon footprint and creates action plans to reduce it.



Electronic waste and the circular economy

The increased use of electronic equipment has produced many benefits for modern society, but this increase is also reflected in electronic waste, which is increasing globally by 8% each year. Less than a quarter of this waste is recycled or sent to a safe disposal location.

Each of our facilities has plans to responsibly deal with electronic waste, such as batteries, electronic equipment, printers, computers, monitors, etc. as this forms part of our Quality Strategy. These are reused, recycled or sent to a safe disposal location. We recycled 62% of our electronic waste in 2019, which represents growth of 184% in the weight recycled compared to 2018.



Waste recycling at the offices in Chile

We believe that we can and should benefit from waste. Therefore, we reinforced our Recycling Plan in 2019, by progressing towards centralized treatment, while investing in equipment and infrastructure and introducing new treatment processes. We disposed of over 130 containers of waste, holding paper, cardboard, plastic bottles, glass, aluminum cans, plastics, batteries, electronic waste and organic waste. We launched educational and awareness campaigns, to reinforce responsible behavior.



Smaller environmental footprint for outsourced IT equipment and infrastructure

We incorporate circular economy criteria in our IT infrastructure outsourcing services covering computers, printers, servers, etc., to reduce their environmental footprint:

- **Equipment lasts longer:** We extract the maximum useful life from the equipment we install for our customers. This requires regular preventative maintenance, and if it fails we prefer to try and repair it instead of discarding it.
- **Equipment with sustainable technology:** We select first class equipment when renewing it, by preferring technology with better energy efficiency, lower CO₂ emissions and noise, printers that efficiently use ink, and other aspects.
- **Safe disposal:** We ensure that when each piece of equipment reaches the end of its useful life, it will be disposed of in a safe location certified by a third party.
- **Cloud Services:** A smaller environmental footprint at our data center impacts the cloud services we provide to our customers. *(More information on page 87).*





Connection with ecosystems to create value

The world is experiencing unbridled dynamism as a result of the technological revolution, which is changing society as we know it. Disruptive technology is modifying industries, markets, business models and how we relate, in ways never seen before.



This constantly changing context means that our business is increasingly focused on developing answers to problems and challenges that we do not yet fully understand, as well as shaping the future and enabling the transformation of our customers towards that goal. How do we do it? We replicate the way nature works by collaborating, as everything is interconnected. During our evolution we have paid attention to how nature learns, incorporates, discards, reinvents and adapts.

Therefore, we believe ourselves to be within an ecosystem of technologies, innovation and experiences. The key to our business is the ability to integrate the expertise within the ecosystem to those who create, learn, transfer experience, innovate and inspire us.

SONDA replicates the way nature grows, using the collaboration between numerous ecosystem components.



We are a strategic advisory integrator for our customers ([more information on page 52](#)), where we build new solutions together with an ecosystem composed of startups, niche companies, innovation centers, universities and our technology partners. For example, SONDA's coverage and innovation experiences complement the time to market of startups and niche companies. Our partnerships and agreements with leading global technology suppliers have enabled us to provide state-of-the-art technologies to our customers and our professional staff.

Our customers, employees, suppliers, communities and local environments are all sources of ideas, learning and innovation. In recent years we have even incorporated expertise from some of our competitors, through corporate acquisitions.

We have also replicated this appreciation of diversity contributed by the ecosystem within SONDA's Transformation Division. For example, 80% of our team in Chile is comprised of people from other companies, so their experience has been gained under different visions and objectives, which contributes to diversity within the team and our company.

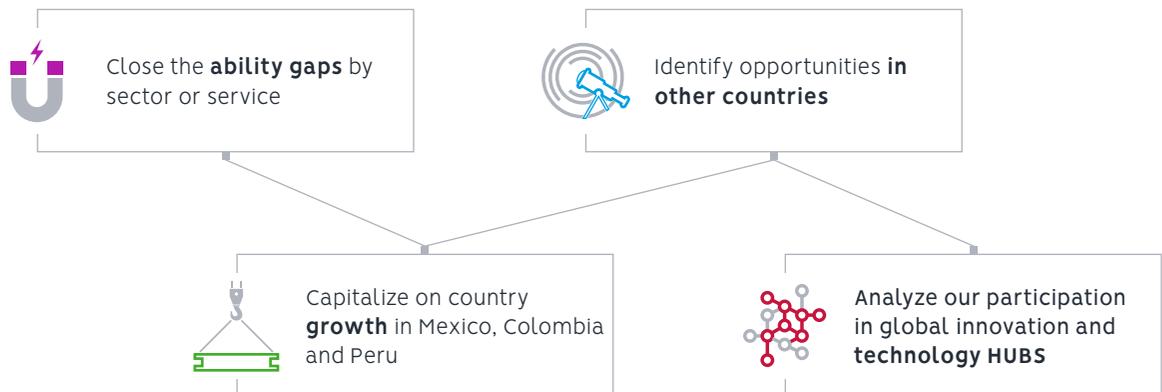




Inorganic growth

Inorganic growth has been an important factor in the regional consolidation of our company. It has enabled us to combine the organic growth of the business with a growing regional network of IT services and solutions, making us the leading Latin American IT company in the region.

The strategic plan for inorganic growth will continue to focus on strengthening and accelerating SONDA's organic growth, with a special emphasis on the following areas:



- **Close the potential ability gaps** for sector specific solutions or services, in order to accelerate the time-to-market of our solutions. There will be a special emphasis on investments in the Transformation Division, which is a fundamental part of our value proposal for our customer's digital transformation processes.
- **Capitalize on and accelerate growth** in those countries where we can still take advantage of significantly large opportunities in these markets, thus increasing our scale in these countries (Mexico, Colombia and Peru).

- **Analyze our direct attendance** at global innovation and technology hubs and evaluate which ones are worth attending. We can then transfer their knowledge and best practices to our organization.
- **Analyze and evaluate opportunities** that may arise in other countries outside the region.

We strengthened our solutions for the transport vertical in January when we acquired M2M Solutions. This is a Brazilian technology company that specializes in cloud-based technology solutions for transport and urban mobility. We acquired the Brazilian company TR Process in October, whose solutions will accelerate the time-to-market of solutions in the Digital Automation area. TR Process specializes in Robotic Process Automation solutions that take advantage of the opportunities provided by digital automation when capturing information, automating processes, managing content and digitally interacting with our customers.



Investment Plan (2007 – 2018)

The initial public offering and an ambitious three-year investment plan for 2007 enabled us to consolidate the regional expansion process started in the 1980s.

Our first investment plan generated a three year growth commitment to our shareholders and the market, which enabled us to strengthen our leadership and regional market penetration, amplify our range of services and increase our customer base.

SONDA has now executed four investment plans, and we are currently implementing the fifth.



2007 – 2009: US\$ 350 million plan.

This plan involved a total investment of US\$ 350 million for the period 2007 to 2009, with the purpose of identifying growth opportunities in Chile, Colombia, Brazil and Mexico. Financing was provided by SONDA's IPO, which took place on Santiago's stock exchange and raised US\$ 213 million. SONDA planned to invest US\$ 200 million acquiring companies, while the remaining US\$ 150 million was allocated to replacing investments and developing new projects.

This first plan finalized with the acquisition of Red Colombia and Procwork (Brazil).



2010 – 2012: US\$ 500 million plan.

The second plan involved an investment of close to US\$ 500 million for the period 2010 to 2012. It was financed by issuing debt on the local market for a total of US\$ 150 million, and the remaining finance came from internally generated company profits. The objective of this plan was to integrate projects across Latin America, strengthen SONDA's position in Brazil, develop value added business segments in the region, and acquire companies in Mexico, Brazil and Colombia.

Throughout these years, acquisitions represented 64% of the final investment, while the remaining 36% drove SONDA's organic growth.

Five companies were acquired in Brazil: Telsinc, Kaizen, Softeam, Pars and Elucid. The latter two companies have strengthened our position in the competitive Brazilian market by diversifying the sales mix in areas such as specialized software in engineering, architecture and geographical information systems, by providing software and application solutions to service companies and by adding an attractive customer portfolio.

In Chile, the acquisition of Quintec boosted local sales and expanded our presence in the Colombian and Argentine Markets.

The acquisition of Nextira One strengthened our company's position in Mexico, and expanded our range of services by incorporating visualization, communication and cloud computing services and solutions.

In Argentina, the acquisition of Ceitech expanded our geographical coverage and increased our portfolio of solutions and services.

In addition to these acquisitions, the plan included investments in organic growth, such as the construction of two high-tech data centers in Chile and Brazil, new offices in Brazil and implementing the public transport tariff collection system in Panama.



2013 – 2015: US\$ 700 million plan.

The third plan covered the period 2013 to 2015 with an investment of close to US\$ 700 million, which was aligned with expectations for IT expenditure growth in the region. It complemented and reinforced the initiatives and acquisitions executed during the previous investment plans, to become the main driver of SONDA's growth and consolidation strategy as a regional leader.

This plan was executed in a complex macroeconomic context where local currencies were depreciating against the US dollar. US\$ 500 million was channeled into new business acquisitions, and the remaining US\$ 200 million funded organic growth within the company, with an emphasis on Brazil, Mexico and Colombia. The plan was partly financed through issuing 100,000,000 shares of equal nominal value, which were placed in January 2013 and succeeded in raising US\$ 301 million. This source of financing was complemented by the company's own internal resources.

The most important highlight within this three-year plan was the acquisition of the Brazilian company CTIS in May 2014, a strategic acquisition that positioned our company among the four most important IT service companies in Brazil. We also strengthened services, expanded the customer base, extended geographical coverage and increased our presence into new economic sectors.



2016 – 2018: US\$ 790 million plan.

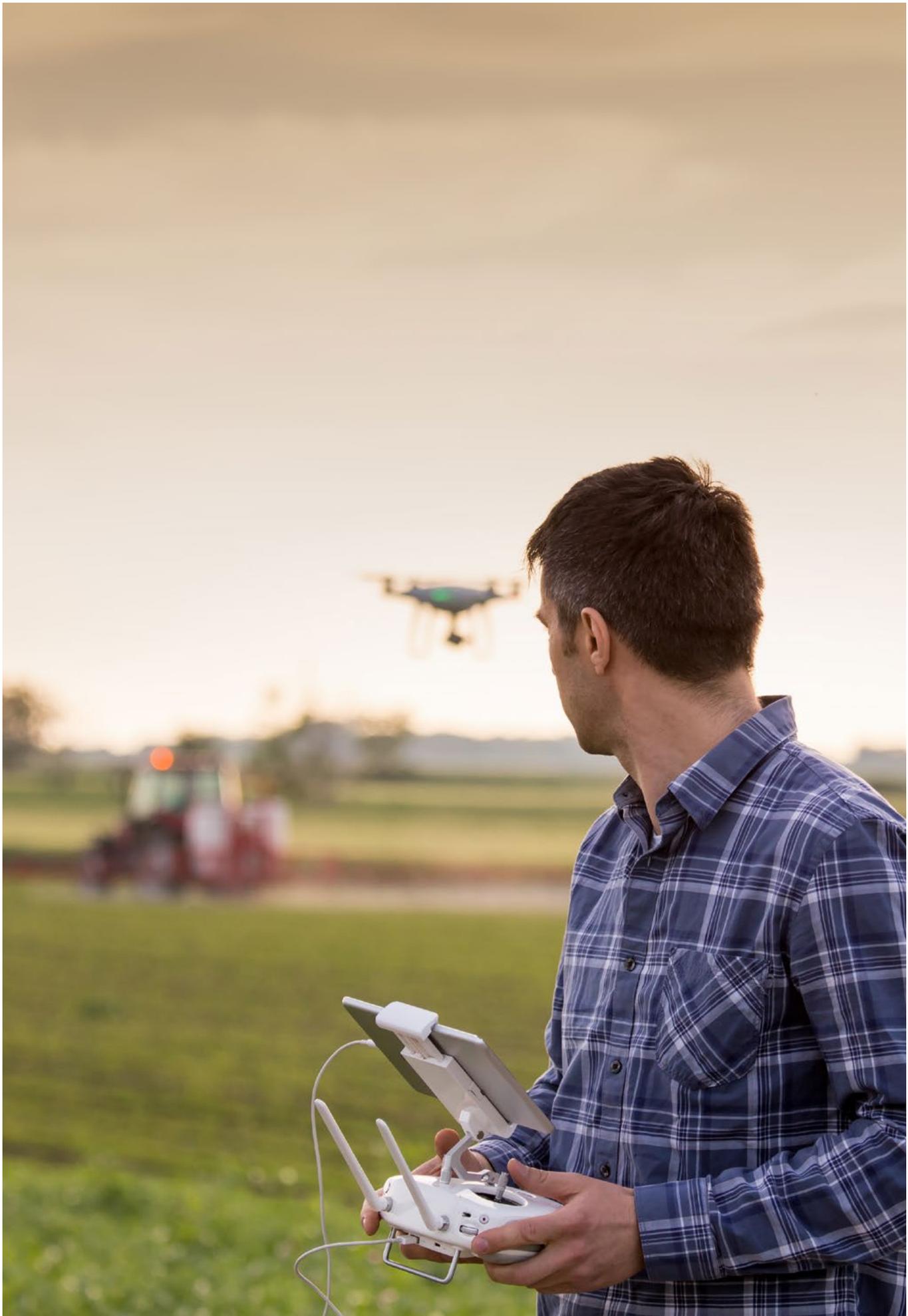
The fourth plan covered the period 2016 to 2018 with an investment of close to US\$ 790 million. It aimed to consolidate our growth with profitability strategy, while maintaining a healthy financial position and taking advantage of the growth opportunities within the regional IT industry. An estimated US\$250 million would be invested in organic growth and US\$540 million in acquisitions.

In general terms, this period was defined by a very complex macroeconomic and political context, with the political sphere causing the greatest complexities. We observed that some national administrations could not fulfil all their mandates, while significant changes were taking place in the governments of several countries in the region. This was accompanied by a difficult macroeconomic context, where exchange rate variations caused repercussions in the main Latin American markets.

The Brazilian company Ativas was acquired in 2016, which focuses on providing data center and cloud computing services, and owns the only world-class data center in Belo Horizonte, Minas Gerais State.

We announced the acquisition of Compufacil Group in 2017, a leading provider of IT Services in Colombia. It covers the major cities and has achieved recognized prestige in the market for IT services and solutions.

Both investments were financed using own resources and financial debt, and required a total investment of US\$49 million in inorganic growth during the period 2016 to 2018.







Chapter 05



Transformation

We live a perpetual transformation process and we are at the forefront of technological changes in order to understand and provide comprehensive solutions to our customer's requirements.



Transformation

The future is full of new adventures and we love exploring it, as this curiosity is in our DNA. Why? Since our inception, we have wanted to be part of the solution, so our business has constantly evolved. Accordingly, we can provide our customers with new solutions that draw on new technologies and innovations that are being created every minute.



An integrated service

As transformation is at the heart of our services, we are best suited to implement this process for our customers. The Corporate Transformation Division was created in 2018 and will be key to achieving our own transformation and our aspirations for our customers.

Over the next few years we plan to grow our solutions and services. Accordingly, we created a Transformation Service that has been launched and implemented using the SONDActivo platform in every country. We train all SONDA's sales and technical teams in Latin America. We maintain an active ecosystem with partners who strengthen this service
([More information on page 78](#)).



Cloud Journey / Hybrid Cloud Services

Flexibility for changing technological demands..

Education has always been a priority in every country. While there is a consensus that there is no perfect formula, educational institutions must live with ambiguity in a very challenging and dynamic environment. Therefore, technology can accelerate access to good quality education, by creating customized educational models based on hyper-flexible services. However, streamlining these technology services requires a transformation process to adapt applications and exploit the agile and flexible services provided by cloud technologies.

SONDA's Cloud Journey supports the customer from the very beginning. It identifies the customer's capacity and the GAP that will develop during their journey to the cloud. It plans the situations that will be beneficial for performance, continuously optimizing fixed and variable consumables, and guiding the customer to develop new skills and competencies that maximize the performance provided by the cloud.

A key aspect of SONDA's Cloud Journey is its technical ability to transform applications into flexible services, by taking applications from Infrastructure as a Service (IaaS) to Platform as a Service (PaaS), and thereby connect modern services to legacy systems.

Benefits of SONDA's Cloud Journey

 <p>Access to educational content improved</p>	 <p>Technology services aligned with business demand</p>	 <p>Technological obsolescence minimized</p>
 <p>Innovative projects rapidly deployed</p>	 <p>Services modernized, in order to differentiate and satisfy the customer experience</p>	 <p>Operational costs reduced, based on the cloud's automation capabilities</p>
 <p>Access to support specialists achieved, who can take advantage of the cloud's benefits</p>	 <p>Centralization of cloud expertise achieved</p>	 <p>Agile features activated, which will save development teams over 50% of their direct costs</p>

Successful Business Case: Santo Tomas Corporation

Business challenge: Initiate the service modernization process to improve the experience of the Corporation's students, and open up access to content using technology.

Technical Challenge: Move the core business services that are already in the cloud, using a process that safeguards the transition and service quality, while minimizing the impact on students and the Corporation's staff.



Santo Tomas Corporation
Educates over 100,000 students every year

Solution



Transform a solution that currently uses dedicated infrastructure to a hybrid and multicloud model using / Hosting / SONDA Cloud Enterprise / Microsoft Azure.

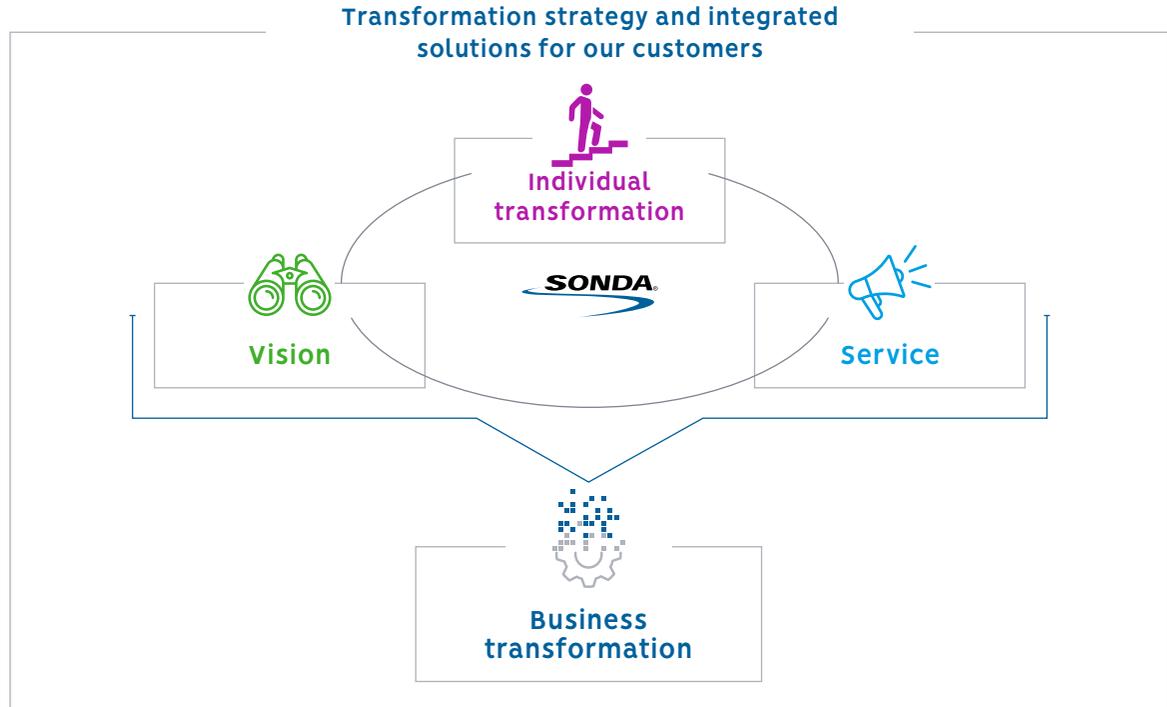


Cloud Journey advice for nine months to migrate the services, train the customer and optimize the static and flexible resources using ad hoc services.



Partners and specialists in our customer's businesses

As our solutions are typically implemented by a company that is undergoing change, and as innovation and new technologies are evolving at unimaginable speeds, we have specialized in four sectors, which are transport, financial services, retail and government, in order to secure the agility required by our customers.



Technological transformation vision

Our customers define where their business is heading. Our expertise lies in supporting them on this journey, and designing a digital transformation strategy that will expedite it.



Individual transformation

We know that successful transformation requires staff that are prepared, as they are key to this process. This transformation will be limited if suitable skills and abilities are missing, and if inertia and a short-term perspective prevail.

We want to maximize the impact of the transformation, so we created the SONDA Transformation Academy.

We took the first steps in 2019 when we created a flexible curriculum that includes hard disruptive skills such as analytics, robotics, etc., and soft skills such as leadership, agility, etc.



Services that expedite our customer's transformation

We support our customers by expediting their digital transformation using five tremendous solutions:

1. **Cloud:** solutions based on hosting information on SONDA's private cloud and on public clouds.
2. **Digital experience (DX):** solutions based on disruptive technologies such as big data, artificial intelligence and even virtual reality in the future. They allow us to design very complex solutions that monitor and rapidly detect anomalies, and analyze data.
3. **Digital Automation (DA):** solutions based on process automation and robotics, image capturing robots, robot/customer experience, data generating robots, RPA (Robotic Process Automation), etc.
4. **Smart City:** cities of the future will be smart, so we use IoT solutions to generate inclusion and sustainability in cities. For example: smart safety, smart transport, smart wasting, smart lightning, etc.
5. **Cybersecurity:** technological disruption brings tremendous benefits to organizations, but at the same time makes IT systems vulnerable. ([More information on page 42](#)).







Capítulo 06



Stakeholder engagement

We know that our stakeholders are important, and we are aware of the implicit mutual benefits of a virtuous, long-term relationship.



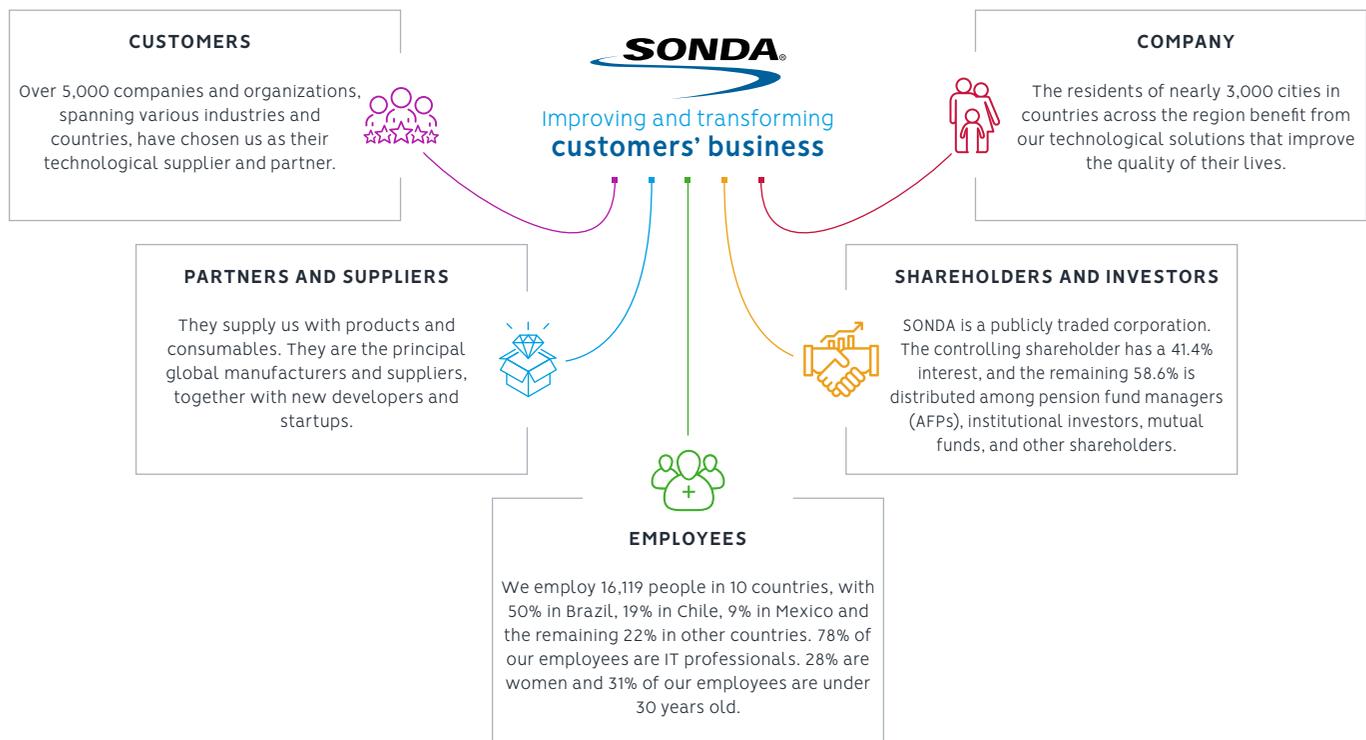
Main stakeholders, engagement mechanisms and concerns

SONDA's priority stakeholders are those who could be significantly affected by our business, or our products and services. They also include those who can influence our ability to successfully execute the company's business strategy.



Our principal stakeholders are our customers including companies, organizations, cities, countries, and our employees, suppliers, technological partners, shareholders and society in general.

The Board's mission is to identify, prioritize and implement stakeholder engagement mechanisms.



Main stakeholders

What are their main concerns?



Customers

Topics:

- Agile services.
- How IT can improve the efficiency of organizations.
- The opportunities and threats posed by digital transformation in business.
- Automation and simplification solutions, or creation of new business models.
- Their experience of our relationship and solutions.
- Our understanding of their industry.

Our response:

- Integrated teams focused on industries, sectors and customers.
- End-to-end solutions, with a broad perspective of the customer's requirements.
- The relationship with our customers is key and we want to improve their experience.
- Our transformation model provides innovative and better solutions.



Partners and suppliers

Topics:

- Capturing new customers.
- Achieving the account plan.
- Positioning new business solutions.
- Accessibility and implementing developed solutions.
- Expanding our presence in strategic markets.

Our response:

- We have reviewed and agreed plans, together with our technology suppliers and partners.
- We have presented new solutions provided by our technology suppliers and partners to customers.
- We regularly certify the staff involved in the services provided by our technology suppliers and partners.
- We regularly review the products and new solutions proposed by our technology suppliers and partners.



EMPLOYEES

Topics:

- SONDA's purpose
- Value proposition
- Interpersonal relationships and inclusion
- Personal life and work balance
- Personal and professional growth
- Recognition

Our response:

- We developed our Employee Value Proposition for those who focus on SONDA's Purpose.
- We focus on developing talented people, to build agile teams and professionals who are ready to deliver solutions that meet the requirements of our customer's industries.
- We create inclusive opportunities for people with disabilities.

See employee's section



Shareholders and investors

Topics:

- The company's performance, management and financial position. Particularly in countries in a complex macroeconomic or political situation.
- Detailing and deploying our strategy while emphasizing solutions that expedite digital transformation.
- Growth and investment plans, especially with regard to acquisitions.
- Business contract closures and revenue generation (net effect after contracts that are terminating).

Our response:

We introduced the NPS survey in 2017, to obtain information on how shareholders relate to the company and their perspective of SONDA.



Company

Topics:

- Impact of information technology on the development of countries and the quality of life of its inhabitants.
- Data security and information privacy.
- Cyber-security.

Our response:

SONDA is aligned with the 2030 Agenda. It has been established as the roadmap for our contribution to safeguarding sustainability in each country and for their residents. Accordingly, we are improving our contribution to economic development in each country.



Engagement and feedback mechanisms

Our corporate and country teams engage with our stakeholders using various methods in the countries where our businesses operate. Due to the nature of our business, the most commonly used mechanisms are face-to-face meetings with customers and partners, as we are frequently in contact with them. We hold our own corporate events and participate in those organized by our partners, suppliers and market leaders. We arrange technology lectures and conferences, where we exchange information and knowledge. We have implemented a transformation model, where our customers and their business challenges are the main source of innovation, in order to develop new services and solutions.

We have set up formal communication channels, such as business proposals, presentations, brochures and annual reports. We use websites, where the extranet is for the general public and the intranet is for our employees. We use the SONDA CONECTA application for employee communication, and we publish information on social networks, such as LinkedIn and Youtube.

As an institution, we are in continuous communication with regulatory bodies and state agencies in each country. Our press relationship is managed by external media agencies.

We have a specialist investor relations department, who communicate with the market. Their engagement mechanisms include face-to-face meetings, participating in conferences in Chile and abroad, telephone calls, breakfast meetings, sending company information



and our financial performance to the market, sending emails, keeping our website up-to-date, and preparing annual reports.

We use several feedback mechanisms to listen to the opinion of our stakeholders and optimize these communication processes. For example, customer satisfaction surveys, working climate surveys, differentiated web contacts for customers, investors and suppliers, an anonymous complaints channel, intranet feedback and the app for employees.



Our participation in other organizations

SONDA participates in various organizations, in order to contribute to discussions and reflections on IT, innovation, and business development:



Organizations in sustainable development

- Business Association for Integrated Electronic Waste Management (ASEGIRE, Costa Rica)
- UN Global Compact Signatories (Brazil)

Innovation and transformation organizations

- Anacleto Angelini Innovation Center, at the Pontificia Universidad Católica de Chile. We are Lithium members.
- Informatics and Information Company of Belo Horizonte Municipality (Prodabel): SONDA innovation hub for Smart Cities in collaboration with Prodabel.
- Inovabra Habitat: Bradesco bank co-innovation project with the SONDA innovation hub.
- Joinville and Region Technological Innovation Park (Inovaparq): eThe SONDA Innovation Center is located within the Joinville Regional University (Univille) campus and develops disruptive technology, consulting and software quality projects.
- Technological Research Club (Costa Rica)

Trade and industry organizations

- Chilean Association of Information Technology Companies (ACTI)
- The Chilean Manufacturing Development Society (SOFOFA, Chile): The SONDA Director, Ms. Maria del Rosario Navarro Betteley, is Elective Councillor for 2017 to 2021.

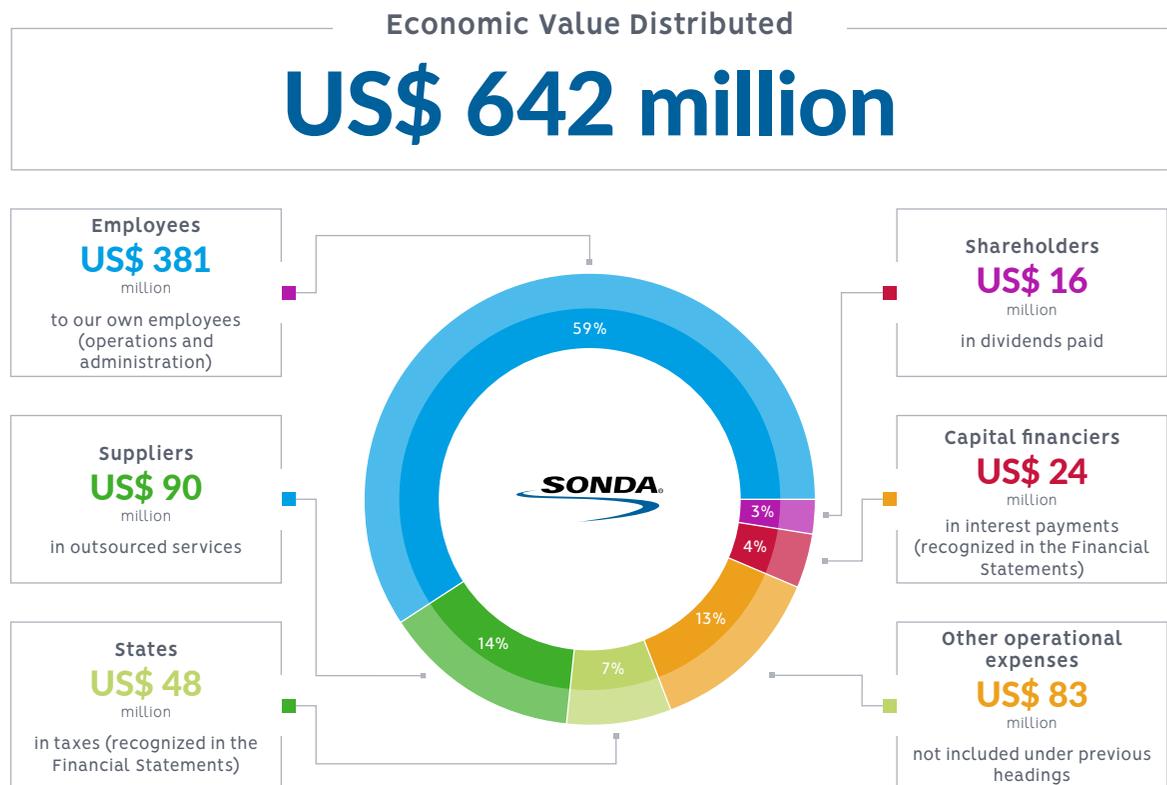
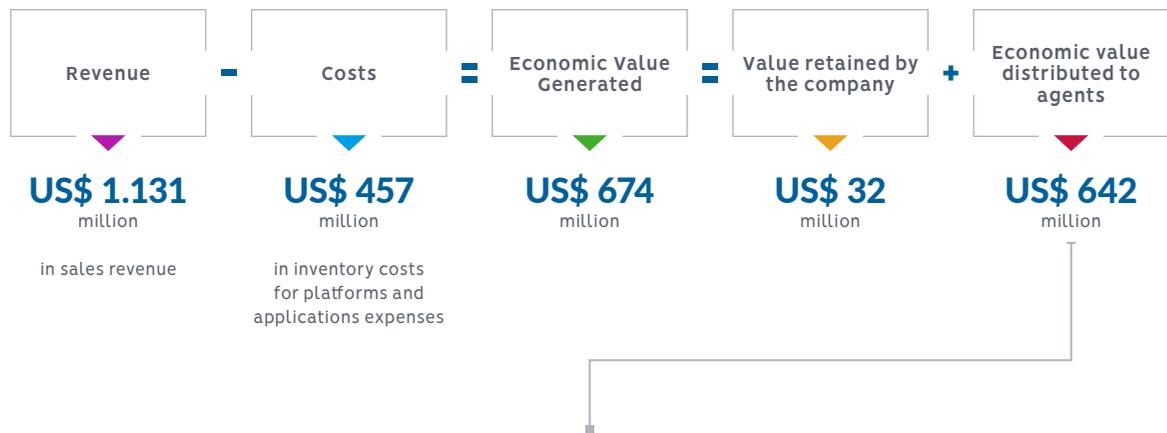
- Brazilian Association of Information Technology and Communication Companies (Brasscom): It promotes public policies in the ICT sector together with public authorities that encourage market growth.
- Colombian Chamber of Informatics and Telecommunications (CCIT)
- Bogota Chamber of Commerce
- Colombo Chilean Chamber of Commerce
- Colombian Software and IT Industry Federation
- Uruguayan Chamber of Information Technology (CUTI)
- Information and Communication Technologies for Verticals (ICT4V, Uruguay)
- Argentinian Chamber of the Software Industry – CESSI
- Business Foundation for Quality and Excellence (FUNDECE, Argentina)
- National Society of Industries (SNI): Mr. Miguel Angel Guerrero, General Manager of SONDA Peru, is a Director of the Information and Communication Technologies Industry Committee.
- Costa Rican Chamber of Industries
- Chamber of Information and Communication Technologies (CAMTIC, Costa Rica)
- Panamanian Chamber of Industries
- Panamanian Chamber of Information Technologies (CAPATEC)

Direct Economic Value Generated and Distributed

The Economic Value Generated by SONDA is the difference between its sales revenue and its inventory costs.



This value was US\$ 674 million in 2019. The company retained US\$32 million and the remaining US\$642 million was distributed among its agents, such as employees, suppliers, states (taxes recognized in its financial statements), shareholders (dividends), capital financiers (interest); and other operational expenses.



Note: The 2019 closing exchange rate was used.: US\$ 1 = Ch\$ 748.74





Chapter 07



Financial information

A differentiator element, and at the same time decisive to our growth, has been the solid financial position that has characterized us through our history.

Consolidated statements of financial position

As of December 31, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

ASSETS	12.31.2019 ThCh\$	12.31.2018 ThCh\$
CURRENT ASSETS		
Cash and cash equivalents	138,739,365	49,392,706
Other current financial assets	19,344,775	16,077,835
Other current non-financial assets	19,546,888	19,986,378
Trade and other current receivables	279,004,918	240,001,400
Account receivables from related parties	1,709,514	763,865
Inventories	40,619,089	54,684,616
Current tax assets, current	26,773,232	32,161,756
Current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners	525,737,781	413,068,556
CURRENT ASSETS	525,737,781	413,068,556
NON-CURRENT ASSETS		
Other non-current financial assets	19,008,637	15,803,230
Other non-current non-financial assets	7,400,697	7,237,234
Non-current receivables	75,888,042	51,428,147
Account receivables from related parties	850,358	1,953,980
Investments accounted for using the equity method	7,144,535	6,480,159
Intangible assets other than goodwill	18,979,759	18,088,617
Goodwill	247,345,413	230,972,860
Property, plant and equipment	165,947,221	122,792,037
Investment property	3,364,781	3,550,854
Deferred tax assets	22,905,935	26,392,044
NON-CURRENT ASSETS	568,835,378	484,699,162
ASSETS	1,094,573,159	897,767,718

LIABILITIES AND EQUITY	12.31.2019 ThCh\$	12.31.2018 ThCh\$
CURRENT LIABILITIES		
Other current financial liabilities	89,272,728	113,290,232
Trade and other current payables	99,319,777	97,402,954
Account payable to related parties	2,295,047	3,141,242
Other short term provisions	6,677,920	5,128,697
Current tax liabilities, current	22,538,378	22,224,755
Current provisions for employee benefits	28,240,060	27,962,763
Other current non-financial liabilities	26,171,981	20,050,017
Current liabilities other than liabilities included in disposal groups classified as held for sale	274,515,891	289,200,660
CURRENT LIABILITIES	274,515,891	289,200,660
NON-CURRENT LIABILITIES:		
Other non-current financial liabilities	228,367,166	70,079,737
Non-current payables	11,772,054	4,137,051
Other long term provisions	15,147,459	10,742,156
Deferred tax liabilities	24,443,732	19,719,940
Non-current provisions for employee benefits	3,448,995	2,840,040
Other non-current non-financial liabilities	1,949,980	2,221,250
NON-CURRENT LIABILITIES	285,129,386	109,740,174
LIABILITIES	559,645,277	398,940,834
EQUITY		
Capital issued and paid	373,119,044	373,119,044
Retained earnings	253,735,837	242,232,100
Other reserves	(94,698,927)	(120,562,928)
Equity attributable to owners of parent	532,155,954	494,788,216
Non-controlling interests	2,771,928	4,038,668
EQUITY	534,927,882	498,826,884
LIABILITIES AND EQUITY	1,094,573,159	897,767,718

Consolidated statements of comprehensive income

For the years ended December 31, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

	12.31.2019 ThCh\$	12.31.2018 ThCh\$
PROFIT		
Revenue	846,550,488	800,141,897
Cost of sales	(703,612,655)	(659,448,867)
GROSS PROFIT	142,937,833	140,693,030
Other income	36,875,030	1,884,912
Administrative expenses	(89,468,435)	(84,941,073)
Other expenses, by function	(14,430,145)	(10,262,748)
Profit from continuing operations	75,914,283	47,374,121
Finance income	7,389,607	8,146,488
Finance costs	(17,852,395)	(14,157,346)
Share of profit of associates accounted for using the equity method	983,996	157,871
Foreign currency exchange differences	(1,084,928)	452,031
Gain from indexed assets and liabilities	(5,062,577)	(2,142,340)
PROFIT BEFORE TAX	60,287,986	39,830,825
INCOME TAX EXPENSE	(35,807,835)	(28,712,880)
PROFIT FROM CONTINUING OPERATIONS	24,480,151	11,117,945
PROFIT	24,480,151	11,117,945
PROFIT ATTRIBUTABLE TO		
Owners of parent	23,106,793	10,685,472
Non-controlling interests	1,373,358	432,473
LOST (PROFIT)	24,480,151	11,117,945
EARNINGS PER SHARE		
Earnings per share – Basic		
Earnings per share from continuing operations – Basic (Ch\$/Share)	26.53	12.27
Earnings per share – Diluted		
Earnings per share from continuing operations – Diluted (Ch\$/Share)	26.53	12.27

TOTAL COMPREHENSIVE INCOME	12.31.2019 ThCh\$	12.31.2018 ThCh\$
PROFIT	24,480,151	11,117,945
Components of other comprehensive income that will not be reclassified to profit or loss, before tax		
Other comprehensive income before tax gains (losses) on remeasurements of defined benefit plans	(262,155)	186,065
Other comprehensive income before tax gains (losses) on remeasurements of defined benefit plans	-	-
Other comprehensive income that will not be reclassified to profit or loss, before tax	(262,155)	186,065
Other comprehensive income that will be reclassified to profit or loss, before tax		
Exchange differences on translation		
(Losses) gains on exchange differences on translation before tax	22,791,360	2,352,681
Cash flow hedge		
Gains (losses) on cash flow hedges, before tax	1,258,076	(2,687,033)
Other comprehensive income that will be reclassified to profit or loss before tax	24,049,436	(334,352)
Other comprehensive income, before tax	23,787,281	(148,287)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(97,072)	28,690
Income tax relating to new measurement defined benefit plans of other comprehensive income	(97,072)	28,690
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	-	-
Income tax relating to components of other comprehensive income that will be reclassified to the result of the period	-	-
Income tax related to exchange conversion differences of comprehensive income	-	-
Income tax relating to cash flow hedges of other comprehensive income	-	-
Other comprehensive income	23,884,353	(176,977)
COMPREHENSIVE INCOME	48,364,504	10,940,968
Comprehensive income attributable to		
Owners of the parent	46,991,146	10,508,495
Non-controlling interests	1,373,358	432,473
COMPREHENSIVE INCOME	48,364,504	10,940,968

Consolidated statements of cash flows, direct

For the years ended December 31, 2019 and 2018

(Cifras en miles de pesos – M\$)

	12.31.2019 ThCh\$	12.31.2018 ThCh\$
Statements of Cash Flows		
Cash flows from (used in) operating activities		
Receipts from sales of goods and rendering of services	931,615,630	894,992,641
Other cash receipts from operating activities	7,090,486	11,194,548
Cash receipts from operating activities	938,706,116	906,187,189
Payments to suppliers for goods and services	(522,446,281)	(521,842,629)
Payments to and on behalf of employees	(269,859,974)	(259,505,465)
Other cash payments from operating activities	(65,917,786)	(64,168,011)
Classes of cash payments	(858,224,041)	(845,516,105)
Cash flows from (used in) operations	80,482,075	60,671,084
Income taxes paid	(28,744,263)	(20,321,905)
Other (outflows) inflows of cash	(876,222)	(691,992)
Cash flows from operating activities	50,861,590	39,657,187
Cash flows from (used in) investing activities		
Cash flows proceeds from loss of control of subsidiaries or other businesses	37,464,361	30,313,089
Cash flows used in obtaining control of subsidiaries or other businesses	(7,598,265)	(4,551,585)
Other cash receipts from sales of equity or debt instruments of other entities	1,894,055	992,865
Other cash payments to acquire equity or debt instruments of other entities	(1,862,550)	(1,598,395)
Other cash receipts from sales of equity or debt instruments of other entities	1,408,292	20,223
Dividends received	49,020	14,253
Purchase of property, plant and equipment	(61,658,800)	(26,666,056)
Purchase of intangible assets	(3,624,205)	(1,351,432)
Interest received	59,543	179,316
Other outflows of cash	(1,384,117)	(122,451)
Cash flows (used in) from investing activities	(35,252,666)	(2,770,173)

	12.31.2019 ThCh\$	12.31.2018 ThCh\$
Cash flows from (used in) financing activities		
Proceeds from the issuance of other equity instruments	127,295,956	-
Proceeds from issuing shares	-	1,000
Proceeds from long-term borrowings	16,891,293	15,084,603
Proceeds from short-term borrowings	106,467,339	46,215,956
Payments for other equity interests	(36,300,000)	-
Repayments of borrowings	(105,640,083)	(45,971,691)
Payments of finance lease liabilities	(14,821,631)	(9,420,967)
Payments of loans to related parties	-	(9,071)
Dividends paid	(11,084,416)	(28,404,805)
Interests paid	(11,742,079)	(7,491,695)
Interests received	-	45,785
Other inflows (outflows) of cash	(424,659)	172,919
Cash flows used in financing activities	70,641,720	(29,777,966)
Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	86,250,644	7,109,048
Effect of exchange rate changes on cash and cash equivalents		
Effect of exchange rate changes on cash and cash equivalents	3,096,015	1,438,537
Increase (decrease) in cash and cash equivalents	89,346,659	8,547,585
Cash and cash equivalents at beginning of year	49,392,706	40,845,121
Cash and cash equivalents at end of year	138,739,365	49,392,706

Consolidated statements of changes in equity

As of December 31, 2019 and 2018

(In thousands of Chilean pesos – ThCh\$)

	Issued capital ThCh\$	Other reserves		
		Reserve of exchange differences on translation ThCh\$	Reserve of gains and losses on hedging instruments that hedge investments in equity instruments	Reserve of cash flow hedging ThCh\$
Equity previously reported	373,119,044	(116,596,419)	(828,746)	(2,687,033)
Increase (decrease) through changes in accounting policies	-	-	-	-
Equity at the end of period 01.01.2019	373,119,044	(116,596,419)	(828,746)	(2,687,033)
Changes in equity				
Comprehensive income				
Profit	-	-	-	-
Other comprehensive income	-	22,791,360	-	1,258,076
Comprehensive income	-	22,791,360	-	1,258,076
Equity issuance	-	-	-	-
Dividends	-	-	-	-
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-
Increase (decrease) through transfers and other changes, equity	-	-	-	-
Changes in equity	-	22,791,360	-	1,258,076
Equity at end of period 12/31/2019	373,119,044	(93,805,059)	(828,746)	(1,428,957)
Equity at 01.01.2018				
Equity at 01.01.2018	373,119,044	(118,949,100)	(828,746)	-
Increase (decrease) through changes in accounting policies	-	-	-	-
Patrimonio al 01.01.2018	373,119,044	(118,949,100)	(828,746)	-
Changes in equity				
Comprehensive income				
Profit	-	-	-	-
Other comprehensive income	-	2,352,681	-	(2,687,033)
Comprehensive income	-	2,352,681	-	(2,687,033)
Equity issuance	-	-	-	-
Dividends	-	-	-	-
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-
Increase (decrease) through transfers and other changes, equity	-	-	-	-
Changes in equity	-	2,352,681	-	(2,687,033)
Equity at end of period 12/31/2018	373,119,044	(116,596,419)	(828,746)	(2,687,033)

	Other reserves		Total Other reserves ThCh\$	Retained earnings ThCh\$	Equity attributable to owners of parent ThCh\$	Non-controlling interests ThCh\$	Total equity ThCh\$
	Reserve of actuarial gains or losses on defined benefit plans ThCh\$	Other miscellaneous reserves ThCh\$					
	339,033	(789,763)	(120,562,928)	242,232,100	494,788,216	4,038,668	498,826,884
	-	-	-	(49,659)	(49,659)	-	(49,659)
	339,033	(789,763)	(120,562,928)	242,182,441	494,738,557	4,038,668	498,777,225
	-	-	-	23,106,793	23,106,793	1,373,358	24,480,151
	(165,083)	-	23,884,353	-	23,884,353	-	23,884,353
	(165,083)	-	23,884,353	23,106,793	46,991,146	1,373,358	48,364,504
	-	-	-	-	-	-	-
	-	-	-	(11,553,397)	(11,553,397)	(2,640,098)	(14,193,495)
	-	-	-	-	-	-	-
	-	1,979,648	1,979,648	-	1,979,648	-	1,979,648
	(165,083)	1,979,648	25,864,001	11,553,396	37,417,397	(1,266,740)	36,150,657
	173,950	1,189,885	(94,698,927)	253,735,837	532,155,954	2,771,928	534,927,882
	Other reserves		Total Other reserves ThCh\$	Retained earnings ThCh\$	Equity attributable to owners of parent ThCh\$	Non-controlling interests ThCh\$	Total equity ThCh\$
	Reserve of actuarial gains or losses on defined benefit plans ThCh\$	Other miscellaneous reserves ThCh\$					
	181,658	(4,906,281)	(124,502,469)	235,792,437	484,409,012	5,329,095	489,738,107
	-	-	-	94,260	94,260	-	94,260
	181,658	(4,906,281)	(124,502,469)	235,886,697	484,503,272	5,329,095	489,832,367
	-	-	-	10,685,472	10,685,472	432,473	11,117,945
	157,375	-	(176,977)	-	(176,977)	-	(176,977)
	157,375	-	(176,977)	10,685,472	10,508,495	432,473	10,940,968
	-	-	-	-	-	-	-
	-	-	-	(5,342,735)	(5,342,735)	(1,722,900)	(7,065,635)
	-	-	-	-	-	-	-
	-	4,116,518	4,116,518	1,002,666	5,119,184	-	5,119,184
	157,375	4,116,518	3,939,541	6,345,403	10,284,944	(1,290,427)	8,994,517
	339,033	(789,763)	(120,562,928)	242,232,100	494,788,216	4,038,668	498,826,884



Chile



Brazil



Mexico



OPLA

2019 Financial Performance

Consolidated revenue for 2019 was Ch\$846,550 million (US\$1,131 million), an increase of 5.8% over 2018, driven by growth in most of the countries hosting SONDA businesses, particularly Brazil with 13.4%, Other Latin American Countries (OPLA) with 14.0% and Chile with 5.0%. Net operating income was Ch\$53,469 million (US\$71.4 million), falling by 4.1% yoy, and EBITDA was Ch\$93,197 million (US\$124.5 million), falling by 2.1% yoy.

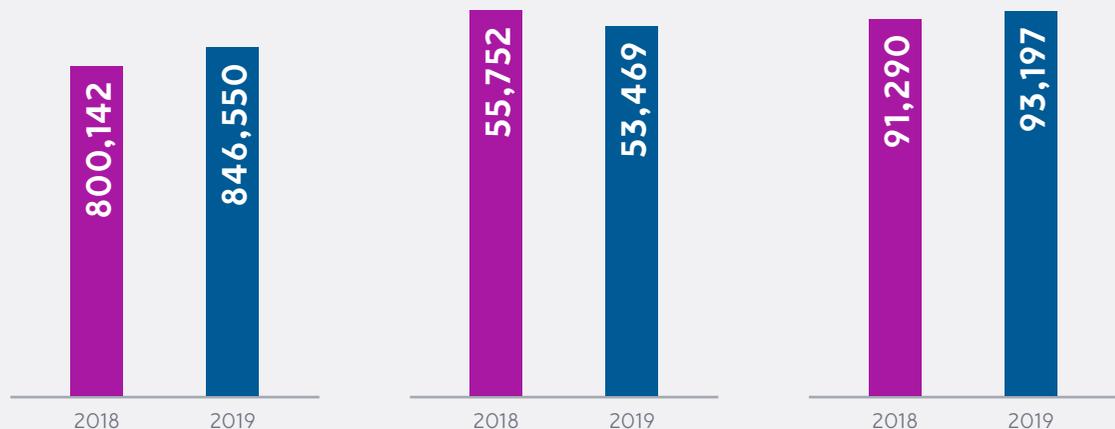


The EBITDA margin for the year was 11.0%, as a result of progressive improvements that were achieved during the year. In fact, margins in Brazil improved throughout most of 2019, and compared to 2018 yoy. Thus, profitability in the Brazilian business improved, with an increase of 140 basis points in the EBITDA margin compared to 2018.

Consolidated Revenue
(million Chilean pesos)

Operating Income
(million Chilean pesos)

EBITDA
(million Chilean pesos)



Revenue in Chile increased by 5.0% yoy, totaling Ch\$386,664 million (US\$516.4 million), while EBITDA fell by 3.9% yoy, and reached Ch\$52,573 million (US\$70.1 million). Excluding the effect of selling the subsidiary Transacciones Electrónicas Dos S.A. in September 2017, which was not consolidated in Q4 2019, revenue would have grown by 6.2% and EBITDA would have fallen by 1.6%.

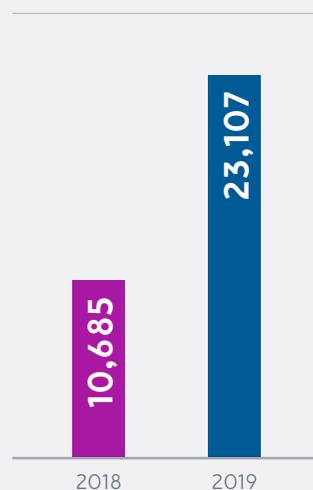
Revenue outside Chile increased by 6.5% yoy, totaling Ch\$459,886 million (US\$614.2 million), which represents 54.3% of total consolidated revenue. EBITDA increased by 10.9% compared to 2018, reaching Ch\$40,724 million (US\$54.4 million). Revenue in comparable currency would have grown by 6.8% yoy and EBITDA by 9.6% yoy without foreign currency translation effects.

Net income attributable to the parent company was Ch\$23,107 million (US\$30.9 million), an increase of 116.2% over 2018, influenced by the sale of the subsidiary Transacciones Electrónicas Dos S.A. of US\$34.5 million after taxes. The income tax calculation for 2019 included an exchange loss of US\$15.0 million.

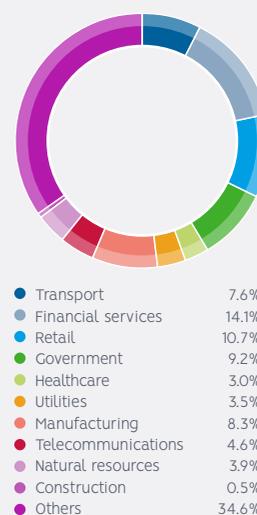
Closed business was US\$ 1,387 million, which represents growth of 11.0% compared to the previous year. Brazil contributed 37.6% of closed business. Commercial activity reached record heights in the Chilean and Brazilian markets, with increases during 2019 of 34.4% and 10.8% respectively.

The current liquidity ratio was 1.9, the financial leverage ratio was 0.6, and the financial expenses ratio was 5.2, which all reflect a healthy financial position.

Net Income
(million Chilean pesos)



Revenues Breakdown
(by industry)





Financial Performance in Chile

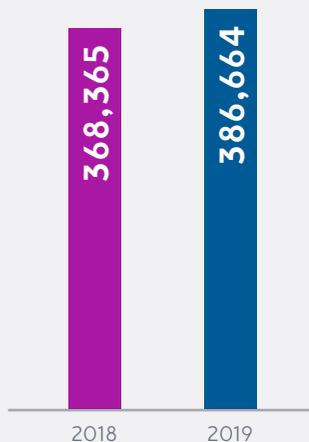
Revenue was Ch\$386,664 million (US\$516.4 million), an increase of 5.0% yoy. This increase is mainly due to the Platforms business (+9.3%) and the Applications business (+15.5%) offset by a decrease in the IT Services business (-8.7%). Excluding the effect of selling the subsidiary Transacciones Electrónicas Dos S.A., whose results were consolidated until September 30, 2019, revenue would have increased by 6.2% compared to 2018.

Net operating income was Ch\$37,660 million (US\$50.3 million / -10.4% yoy) and EBITDA was Ch\$52,476 million (US\$70.1 million / -3.9% yoy). Excluding the effect of selling the subsidiary Transacciones Electrónicas Dos S.A., net operating income and EBITDA would have decreased by 7.9% and 1.6% respectively, compared to 2018.

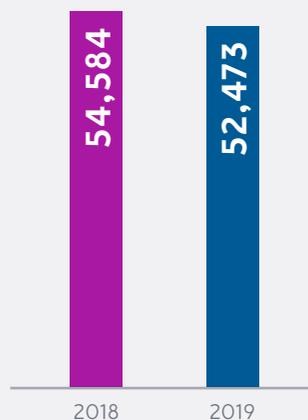
The net operating margin was 9.7%, 170 basis points lower than in 2018, and the EBITDA margin was 13.6%, 120 basis points lower. Excluding the effect of selling the subsidiary Transacciones Electrónicas Dos S.A., the EBITDA margin would have been 100 basis points lower (yoy).

The core business, excluding the wholesale and retail business, achieved high margins and mix of high added value revenue, so the EBITDA margin was 21.7%.

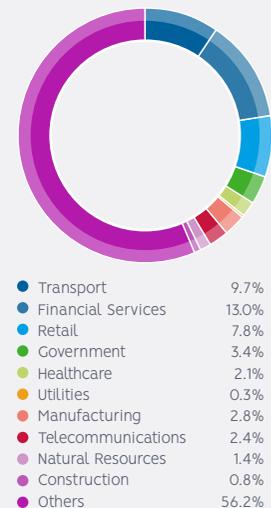
Consolidated Revenues
(million pesos)



EBITDA
(million pesos)



Revenues Breakdown
(by industry)





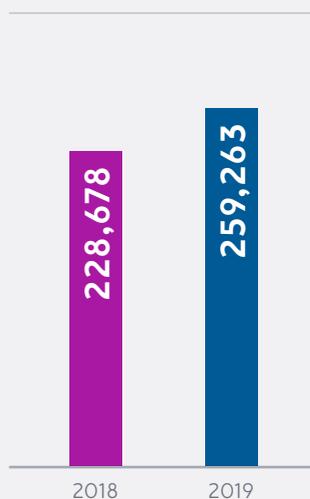
Financial Performance in Brazil

Revenue in comparable currency increased by 11.6%, mainly due to higher revenue from the Platforms business (+56.7%, in comparable currency), which is mainly associated with the infrastructure required for its service contracts. Revenue in the presentation currency was Ch\$259,263 million (US\$346.3 million), an increase of 13.4% over 2018.

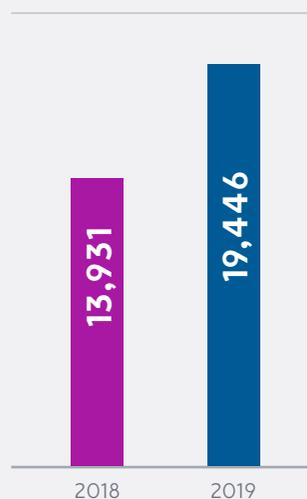
Net operating income in comparable currency increased by 324.8% and EBITDA by 35.5% yoy. Net operating income in the presentation currency was Ch\$2,982 million (US\$4.0 million / +355.5% yoy) and EBITDA was Ch\$19,446 million (US\$26.0 million / +39.6% yoy).

The operating margin was 1.2%, an increase of 170 basis points compared to 2018, and the EBITDA margin was 7.5%, an increase of 140 basis points.

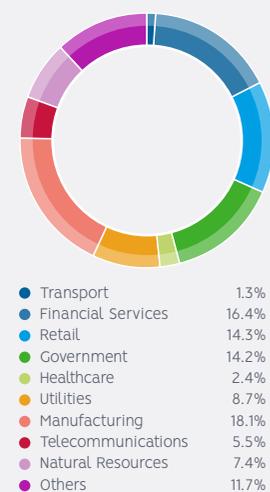
Consolidated Revenues
(million pesos)



EBITDA
(million pesos)



Revenues Breakdown
(by industry)





Financial Performance in Mexico

Revenue for 2019 and in comparable currency decreased by 38.5% yoy, due to the Platforms business (-56.3% in comparable currency). Revenue in presentation currency decreased by 32.4% compared to 2018, totaling Ch\$45,073 million (US\$60.2 million).

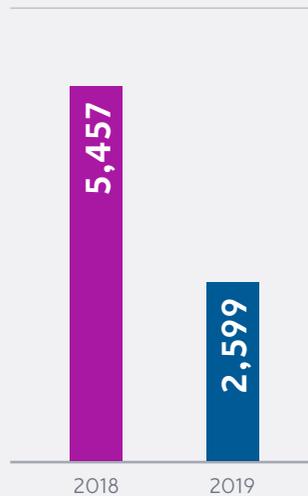
Net operating income in the presentation currency was Ch\$36 million (US\$0.5 thousand / -99.1% yoy) and EBITDA was Ch\$2,599 million (US\$3.5 million / -52.4% yoy), due to lower closed business. Net operating income and EBITDA in comparable currency decreased by 98.9% and 56.2% yoy, respectively.

The operating margin was 0.1%, a decrease of 600bp compared to 2018, and the EBITDA margin was 5.8%, a decrease of 240pb.

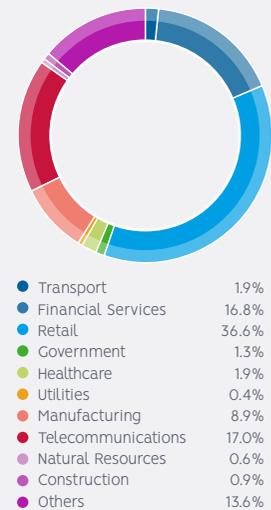
Consolidated Revenues
(million pesos)



EBITDA
(million pesos)



Revenues Breakdown
(by industry)





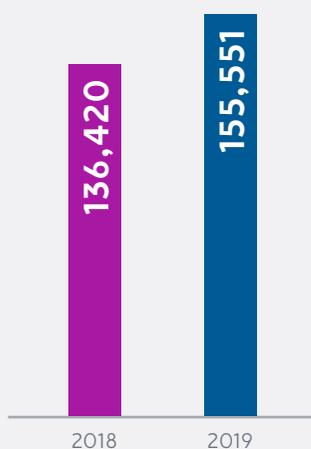
Financial Performance in OPLA

Revenue for 2019 in comparable currency increased by 20.7% yoy, mainly due to the Platforms business (+33.4% yoy) and IT Services business (+11.3% yoy). Revenue in presentation currency increased by 14.0% compared to 2018, reaching Ch\$155,551 million (US\$207.7 million).

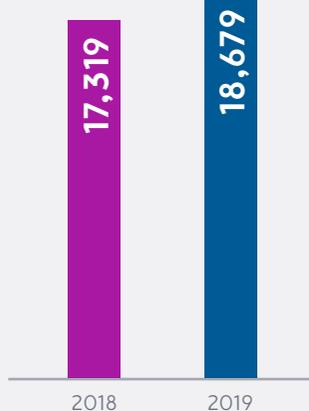
Net operating income in comparable currency increased by 21.8% yoy, and EBITDA increased by 9.5%. Net operating income in the presentation currency was Ch\$12,792 million (US\$17.1 million / +18.5% yoy) and EBITDA was Ch\$18,679 million (US\$24.9 million / +7.9% yoy).

The operating margin was 8.2% an increase of 30pb, and the EBITDA margin was 12.0%, a decrease of 70pb compared to 2018.

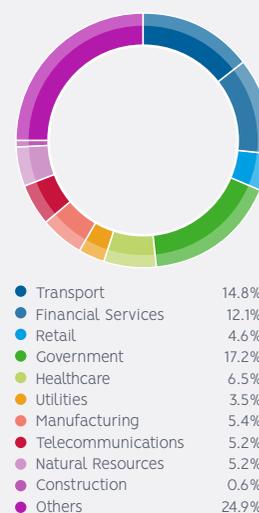
Consolidated Revenues
(million pesos)



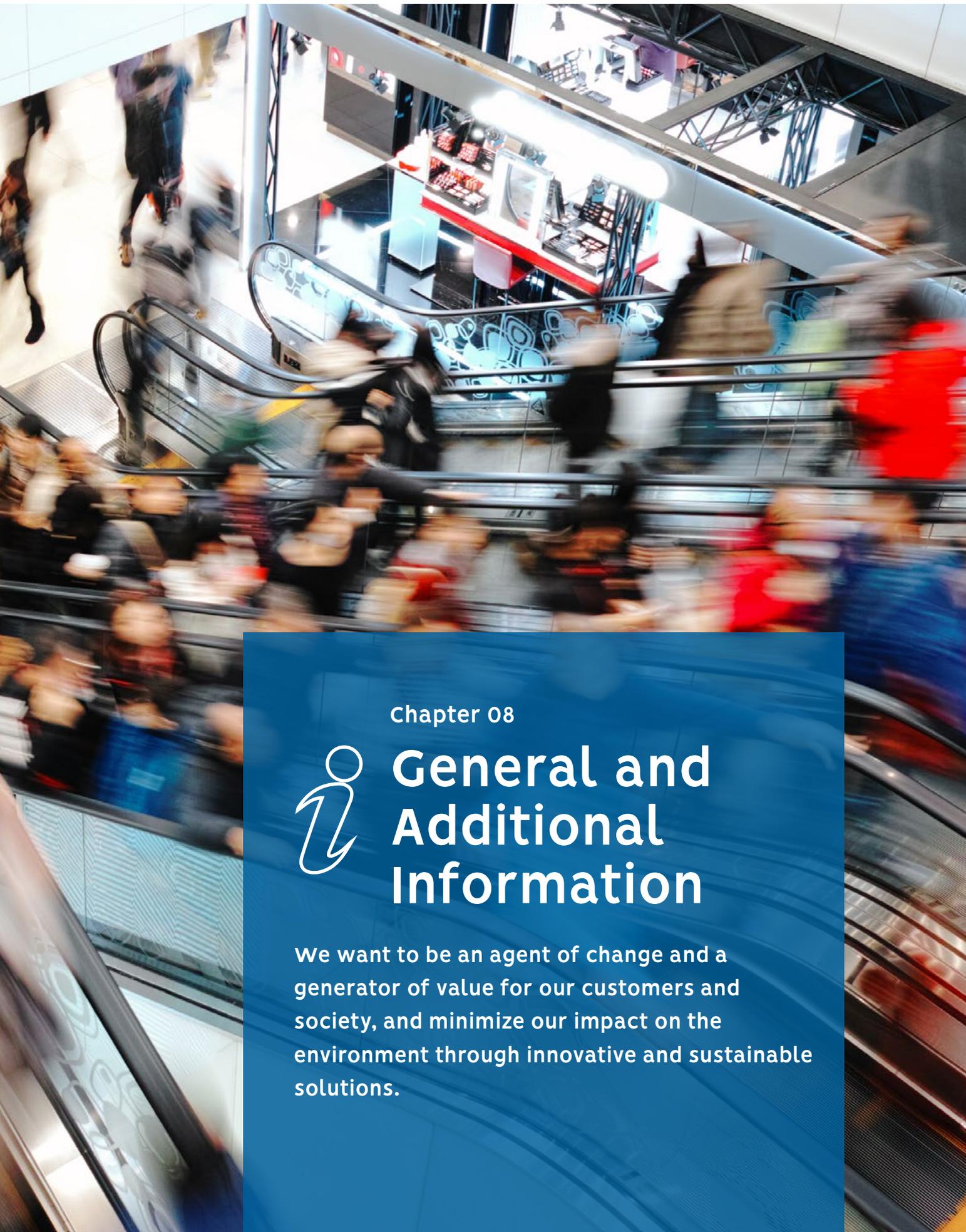
EBITDA
(million pesos)



Revenues Breakdown
(by industry)







Chapter 08



General and Additional Information

We want to be an agent of change and a generator of value for our customers and society, and minimize our impact on the environment through innovative and sustainable solutions.



Information on the company and its subsidiaries



Information on the company and its subsidiaries

Incorporation

SONDA S.A. was incorporated as a limited liability company with the legal name "Sociedad Nacional de Procesamiento de Datos Limitada", by public deed on October 30, 1974 granted by the public notary of Santiago, Mr. Herman Chadwick Valdes. An excerpt of such deed was registered on page 11,312 number 6,199 of the Trade Register of the Real Estate Registry of Santiago in 1974 and published in the Official Gazette on December 28, 1974.

The company became a corporation, maintaining its legal name but establishing the brand name SONDA S.A. by public deed dated September 16, 1991, granted by the Santiago Notary Mr. Humberto Quezada Moreno, and its excerpt was registered on page 28,201 number 14,276 of the Trade Register of the Real Estate Registry of Santiago in 1991 and published in the Official Gazette on September 24, 1991. Later, the legal name became SONDA S.A. by public deed dated May 27, 2004, granted at the Santiago Notary

of Mr. Rene Benavente Cash, and its excerpt was registered on page 15,640 number 11,777 of the Trade Register of the Real Estate Registry of Santiago in 2004 and published in the Official Gazette number 37,873 dated May 31, 2004.

Since its incorporation, the bylaws of the company have been subject to several modifications. The current bylaws are established in: (i) a public deed dated July 4, 2006, granted at the Santiago Notary of Mr. Rene Benavente Cash, and its excerpt was registered on page 27,555 number 19,250 of the Trade Register of the Real Estate Registry of Santiago in 2006 and published in the Official Gazette on July 17, 2006; (ii) a public deed dated August 31, 2012 granted at the Santiago Notary of Mr. Andres Rubio Flores, which reports on the capital increase agreed at the Extraordinary Shareholders Meeting held on August 30, 2012, and its excerpt was registered on page 61,522 number 42,921 of the Trade Register of the Real Estate Registry of Santiago in 2012 and published in the Official Gazette on September 4, 2012.



Legal Name

SONDA S.A.

Legal Address

Santiago district, Metropolitan Region

Chilean Identification Number

83,628,100-4

Legal Status

Publicly Traded Corporation

Registration in Securities Registry

950

External Auditors

Deloitte Auditores y Consultores Ltda.

Main Office Address

Teatinos 500, Santiago, Chile

P.O. Box

275 v - Correo 21, Santiago

Telephone

(56 2) 2657-5000

Fax

(56 2) 2657-5410

Website

www.sonda.com

E-mail

corporativo@sonda.com

Corporate Purpose

1. Develop electronic computing, information and data processing systems and general information technology, automation and communications, for internal use or for third parties;
2. Create, construct, develop, apply, import, export, trade, maintain, update, operate, install and represent hardware, software and related services;
3. Purchase, sell, import, export, represent, distribute and generally trade electronic computing and data processing equipment, spare parts, components, accessories and other related items;
4. Directly use the same goods by offering services, renting these goods, or in any other manner;
5. Provide occupational training, mainly in the automation or information technology fields, through courses, seminars, conferences, publications, events or other forms of systematic transfer of knowledge and technology;
6. Provide business management consulting services, market research, feasibility studies and operational analysis;
7. Develop any other business directly or indirectly related to information technology and computer science.

Subsidiaries in Latin America

TAX ID	Company name	Country	Currency
96,919,050-8	ACEPTA COM S.A. Y FILIALES	Chile	CLP: Chilean Pesos
Foreign	ATIVAS DATACENTER S.A.	Brazil	BRL: Brazilian Real
96,916,540-6	BAZUCA INTERNET PARTNERS S.A.	Chile	CLP: Chilean Pesos
Foreign	COMPUFACIL S.A.S.	Colombia	COP : Colombian Pesos
Foreign	CONSORCIO SONDA COLOMBIA	Colombia	COP : Colombian Pesos
Foreign	CONSORCIO SONDA ECUADOR	Ecuador	USD : Dollar
Foreign	CTIS TECNOLOGÍA S.A.	Brazil	BRL: Brazilian Real
96,803,810-9	FACTORING GENERAL S.A.	Chile	CLP: Chilean Pesos
Foreign	INGENIERIA SERVICIOS INFORMATICOS S.A. DE C.V.	Mexico	MXN: Mexican Pesos
76,240,462-1	INMOBILIARIA SERVIBANCA S.A.	Chile	CLP: Chilean Pesos
78,936,330-7	INNOVACIÓN Y TECNOLOGÍA EMPRESARIAL ITEM LTDA.	Chile	CLP: Chilean Pesos
77,122,745-7	INVERSIONES INTERNACIONALES S.A.	Chile	CLP: Chilean Pesos
Foreign	INVERSIONES QUINTEC COLOMBIA LTDA.	Colombia	COP : Colombian Pesos
Foreign	M2M SOLUTIONS S.A.	Brazil	BRL: Brazilian Real
88,579,800-4	MICROGEO S.A. Y FILIAL	Chile	USD : Dollar
96,967,100-K	NOVIS S.A.	Chile	CLP: Chilean Pesos
76,246,247-8	NOVIS S.P. SpA	Chile	CLP: Chilean Pesos
Foreign	PARS PRODUTOS DE PROCESSAMENTO DE DADOS LTDA.	Brazil	BRL: Brazilian Real
Foreign	PRICELESS COLOMBIA S.A.S	Colombia	COP : Colombian Pesos
86,731,200-5	QUINTEC CHILE S.A.	Chile	CLP: Chilean Pesos
96,723,760-4	QUINTEC DISTRIBUCION S.A.	Chile	CLP: Chilean Pesos
76,376,955-0	QUINTEC FILIALES OPERATIVAS S.A.	Chile	CLP: Chilean Pesos
76,656,910-2	QUINTEC INVERSIONES LATINOAMERICANAS S.A.	Chile	CLP: Chilean Pesos
Foreign	QUINTEC SAC (PERU)	Peru	PEN: Peruvian Soles
96,515,590-2	QUINTEC SERVICIOS DE VALOR S.A.	Chile	CLP: Chilean Pesos
96,571,690-4	SERVIBANCA S.A. Y FILIALES	Chile	CLP: Chilean Pesos
Foreign	SERVICIOS DE APLICACIÓN E ING. NOVIS S.A. de C.V.	Mexico	MXN: Mexican Pesos
78,072,130-8	SERVICIOS EDUCACIONALES SONDA S.A.	Chile	CLP: Chilean Pesos
99,551,120-7	SERVICIOS FINANCIEROS UNO S.A.	Chile	CLP: Chilean Pesos
76,903,990-2	SOC. PROD. Y SERV. REDES MOVILES S.A.	Chile	CLP: Chilean Pesos
96,725,400-2	SOLUCIONES EXPERTAS S.A. Y FILIALES	Chile	CLP: Chilean Pesos
Foreign	SONDA ARGENTINA S.A.	Argentina	ARS : Pesos Argentinos
Foreign	SONDA DE COLOMBIA S.A.S.	Colombia	COP : Colombian Pesos
Foreign	SONDA DEL ECUADOR ECUASONDA S.A.	Ecuador	USD : Dollar
Foreign	SONDA DEL PERU S.A.	Peru	PEN: Peruvian Soles
Foreign	SONDA DO BRASIL S.A.	Brazil	BRL: Brazilian Real
76,041,219-8	SONDA FILIALES BRASIL S.A.	Chile	CLP: Chilean Pesos
76,039,505-6	SONDA FILIALES CHILE LTDA.	Chile	CLP: Chilean Pesos
96,987,400-8	SONDA INMOBILIARIA S.A.	Chile	CLP: Chilean Pesos
Foreign	SONDA MEXICO S.A. DE C.V.	Mexico	MXN: Mexican Pesos
Foreign	SONDA PANAMA S.A.	Panama	USD : Dollar
Foreign	SONDA PROCWORK INF. LTDA.	Brazil	BRL: Brazilian Real
Foreign	SONDA PROCWORK OUTSOURCING LTDA.	Brazil	BRL: Brazilian Real
76,030,421-2	SONDA REGIONAL S.A.	Chile	CLP: Chilean Pesos
99,546,560-4	SONDA SERVICIOS PROFESIONALES S.A.	Chile	CLP: Chilean Pesos
Foreign	SONDA SERVICIOS S.A.S.	Colombia	COP : Colombian Pesos
76,035,824-K	SONDA SPA	Chile	CLP: Chilean Pesos
Foreign	SONDA TECNOLOGIAS DE COSTA RICA S.A.	Costa Rica	USD : Dollar
Foreign	SONDA URUGUAY S.A.	Uruguay	USD : Dollar
96,823,020-4	TECNOGLOBAL S.A.	Chile	USD : Dollar
Foreign	TELSINC COMERCIO DE EQUIPAMIENTO DE INF. LTDA	Brazil	BRL: Brazilian Real
Foreign	TELSINC PREST. DE SERV. PARA SIST. DE INF. LTDA.	Brazil	BRL: Brazilian Real
76,415,784-2	TRANSACCIONES ELECTRONICAS DOS S.A. Y FILIALES	Chile	CLP: Chilean Pesos

	Percentage of ownership interest in the subsidiary							
	12.31.2019				12.31.2018			
	Direct Controlling Interest	Indirect Controlling Interest	Total Controlling Interest	Share of Interest Maintained by Non Controlling Share	Direct Controlling Interest	Indirect Controlling Interest	Total Controlling Interest	Share of Interest Maintained by Non Controlling Share
	0.000000	0.000000	0.000000	0.000000	0.000000	50.000081	50.000081	49.999919
	0.000000	60.000000	60.000000	40.000000	0.000000	60.000000	60.000000	40.000000
	0.005545	99.885095	99.890640	0.109360	0.005545	99.885095	99.890640	0.109360
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	20.000000	80.000000	100.000000	0.000000	20.000000	80.000000	100.000000	0.000000
	70.000000	30.000000	100.000000	0.000000	70.000000	30.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	1.000000	99.000000	100.000000	0.000000	1.000000	99.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	86.750000	86.750000	13.250000	0.000000	86.750000	86.750000	13.250000
	0.000000	99.822752	99.822752	0.177248	0.000000	99.822752	99.822752	0.177248
	99.990000	0.010000	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	0.000000	99.822755	99.822755	0.177245	0.000000	99.822755	99.822755	0.177245
	0.000000	100.000000	100.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	0.000000	80.000000	80.000000	20.000000	0.000000	80.000000	80.000000	20.000000
	0.000000	60.000000	60.000000	40.000000	0.000000	60.000000	60.000000	40.000000
	0.000000	60.000000	60.000000	40.000000	0.000000	60.000000	60.000000	40.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	99.823106	99.823106	0.176894	0.000000	99.823106	99.823106	0.176894
	0.000000	99.822752	99.822752	0.177248	0.000000	99.822752	99.822752	0.177248
	0.000000	99.822752	99.822752	0.177248	0.000000	99.822752	99.822752	0.177248
	0.000000	99.822755	99.822755	0.177245	0.000000	99.822755	99.822755	0.177245
	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
	0.000000	99.823183	99.823183	0.176817	0.000000	99.823183	99.823183	0.176817
	0.000000	86.750000	86.750000	13.250000	0.000000	86.750000	86.750000	13.250000
	0.000000	60.000000	60.000000	40.000000	0.000000	60.000000	60.000000	40.000000
	0.674000	99.326000	100.000000	0.000000	0.674000	99.326000	100.000000	0.000000
	0.000000	99.823106	99.823106	0.176894	0.000000	99.823106	99.823106	0.176894
	0.000000	67.000000	67.000000	33.000000	0.000000	67.000000	67.000000	33.000000
	0.000000	50.000200	50.000200	49.999800	0.000000	50.000200	50.000200	49.999800
	5.256133	94.743577	99.999710	0.000290	5.256133	94.743577	99.999710	0.000290
	4.981384	95.018616	100.000000	0.000000	4.981384	95.018616	100.000000	0.000000
	0.000008	99.999992	100.000000	0.000000	0.000008	99.999992	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	99.999998	99.999998	0.000002	0.000000	99.999998	99.999998	0.000002
	99.999845	0.000155	100.000000	0.000000	99.999845	0.000155	100.000000	0.000000
	99.995000	0.005000	100.000000	0.000000	99.995000	0.005000	100.000000	0.000000
	0.000098	99.999902	100.000000	0.000000	0.000098	99.999902	100.000000	0.000000
	50.104156	49.895844	100.000000	0.000000	50.104156	49.895844	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	99.999997	0.000003	100.000000	0.000000	99.999997	0.000003	100.000000	0.000000
	0.076903	99.923097	100.000000	0.000000	0.076903	99.923097	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	100.000000	0.000000	100.000000	0.000000	100.000000	0.000000	100.000000	0.000000
	0.000000	100.000000	100.000000	0.000000	0.000000	100.000000	100.000000	0.000000
	49.897924	50.101930	99.999854	0.000146	49.897924	50.101930	99.999854	0.000146
	0.000000	100.000000	100.000000	0.000000	0.000001	99.999999	100.000000	0.000000
	0.950028	99.049972	100.000000	0.000000	0.950028	99.049972	100.000000	0.000000
	0.562214	99.437786	100.000000	0.000000	0.950027	99.049973	100.000000	0.000000
	0.000000	0.000000	0.000000	0.000000	0.000000	50.000081	50.000081	49.999919

Information of Subsidiaries

SONDA Filiales Brasil S.A.	SONDA Filiales Chile Ltda.	SONDA Regional S.A.	
Direct	Direct	Direct	
Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital	
ThCh\$ 38,631,948	M\$14,400,199	ThCh\$ 375,536	
Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares	
644.679	-	37.703.314	
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	
To invest in movable and immovable tangible or intangible property, including the acquisition of shares, rights in partnerships, bonds, commercial paper and, in general any class of securities and investment instruments, and manage these investments and their returns. The Company may form other companies or incorporate itself into them, to meet its objectives.	To invest in movable and immovable tangible or intangible property, including the acquisition of shares, rights in partnerships, bonds, commercial paper and, in general any class of securities and investment instruments, and manage these investments and their returns. The Company may form other companies or incorporate itself into them, to meet its objectives.	To invest in movable and immovable tangible or intangible property, including the acquisition of shares, rights in partnerships, bonds, commercial paper and, in general any class of securities and investment instruments, and manage these investments and their returns. The Company may form other companies or incorporate itself into them, to meet its objectives.	
Board of Directors	Board of Directors	Board of Directors	
Chairman : Mario Pavón Robinson	Not applicable	Chairman : Mario Pavón Robinson	
Directors: Rafael Osorio Peña Raúl Véjar Olea		Directors: Rafael Osorio Peña José Orlandini Robert	
Chief Executive Officer: Raúl Vejar Olea	Chief Executive Officer: Raúl Vejar Olea	Chief Executive Officer: Raúl Vejar Olea	
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	
33.31%	13.47%	6.77%	
Total controller's interest	Total controller's interest	Total controller's interest	
100%	100%	100%	
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	
No business relationship	No business relationship	No business relationship	
Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.	
No contracts between the parties.	No contracts between the parties.	No contracts between the parties.	

	SONDA SpA	Sonda México S.A. de C.V. and subsidiaries	Consortio SONDA Ecuador
	Direct	Direct	Direct
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 101	ThCh\$ 24,450,200	ThCh\$ 6,948
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	100	1.168.436	-
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	To invest in movable and immovable tangible or intangible property, including the acquisition of shares, rights in partnerships, bonds, commercial paper and, in general any class of securities and investment instruments, and manage these investments and their returns.	To manufacture, process, assemble, import, and trade computing equipment, provide data processing services and develop, implement, support and guarantee equipment and programs or computer systems.	The corporate purpose of Consortio Sonda is exclusively to comply with all of its obligations under its LICs-EPMAPS-003-2015 contract to provide "The EPMAPS Private Virtual Cloud Infrastructure Service, which includes SAP Netweaver, backup administration and delivery, and communication links.
	Board of Directors	Board of Directors	Board of Directors
	Not applicable	Chairman : Mario Pavón Robinson Directors: Rafael Osorio Peña Raúl Véjar Olea Gonzalo Torres Amigo Alberto Merino Pohl	Not applicable
	Chief Executive Officer: Raúl Vejar Olea	Chief Executive Officer: Salvador Cabral Ballesteros	Chief Executive Officer: Fabian Alberto Mena Ojeda
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	0.001%	8.139%	0.008%
	Total controller's interest	Total controller's interest	Total controller's interest
	100%	100%	100%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	No business relationship	Sonda S.A. provides administrative, IT platform operation and computing systems implementation services.	Subsidiary company that procures IT services from Sonda S.A.
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	No contracts between the parties.	Administrative and infrastructure operation services.	Monitoring services, operating system administration, SAP Basis administration, security and back-up.

Inversiones Internacionales S.A.	Quintec Filiales Operativas S.A. and subsidiaries	
Indirect	Indirect	
Subscribed and Paid Capital	Subscribed and Paid Capital	
ThCh\$ 483,892,753	ThCh\$ 34,207,231	
Number of subscribed and paid shares	Number of subscribed and paid shares	
649,851,942	15,700,000	
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	
The Company has the sole purpose the acquisition of all kinds of goods in United States dollars of America or another foreign currency, be this furniture, real estate, body and incorporeal, transferable securities, shares or rights, in order to obtain the income derived from them, including civil or other proceeds from the disposal of its assets. The society will not be able to make investments in pesos Chileans.	The Company's purpose shall be: 1) To develop, on its own or on behalf of third parties, computer electronics, information systems and data processing, and any general business connected with information technology and communications. 2) To create, produce, develop, apply, import, export, sell, maintain, update, operate, install and represent hardware, software and related services. 3) To buy, sell, import, export, represent, distribute and generally market equipment for computer electronics and data processing, their spare parts, parts, tools, accessories and other related items. 4) To directly use such goods, either to provide services, leasing, or in any other form. 5) To provide occupational training, mainly in the areas of automation and informatics, through courses, seminars, conferences, publications, events, or any other systematic forms of knowledge and technology transfer. 6) To provide organizational and business administration consultancy services, including market, feasibility and operational research. 7) To generally develop any other business in the computing and information technology areas, or that directly or indirectly relates to them. 8) To invest in all kinds of movable or immovable, tangible or intangible property, rights in partnerships, bonds, commercial paper and, in general any class of securities and investment instruments, and manage these investments and their returns. The Company may form other companies or incorporate itself into them, to meet its objectives.	
Board of Directors	Board of Directors	
Chairman: Mario Pavón Robinson	Chairman: Mario Pavón Robinson	
Directors: Rafael Osorio Peña Raúl Vejar Olea	Directors: Raúl Vejar Olea Rafael Osorio Peña	
Chief Executive Officer: Raúl Vejar Olea	Chief Executive Officer: Maurizio Rinaldi Ceriello	
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	
62.223%	3.908%	
Total controller's interest	Total controller's interest	
100%	99.82275%	
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	
No business relationship	No business relationship	
Contracts with Sonda S.A.	Contracts with Sonda S.A.	
No contracts between the parties	No contracts between the parties	

	Factoring General S.A.	Servicios Educacionales SONDA S.A.	SONDA Inmobiliaria S.A.
	Indirect	Indirect	Indirect
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 26,432	ThCh\$ 395,635	ThCh\$ 321,487
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	1,000	1,890,127	1,025,000
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	a) To buy, sell and invest in all kinds of intangible property such as equities, promissory shares, bonds, promissory notes, savings plans, invoices, units or rights in all kinds of companies, whether civil, commercial or mining in nature, bodies corporate or associations, and in all kinds of securities. b) To engage in factoring, including acquiring, from any company or individual, accounts receivable backed by invoices, letters of exchange, promissory notes or other documents, with or without recourse and with or without advance on the documents, granting finance secured by the referenced documents and managing accounts receivable. c) To provide management, asset markets, customer research and general consultancy. d) To manage investments and receive returns on them. e) To provide simple initial and judicial debt collection services. f) To provide any complimentary services to this purpose.	The company has the sole purpose of providing training services.	To acquire, sell and manage all kinds of property, especially real estate, build on them, for itself or on behalf of third parties, directly operate them or through third parties in any form, manage such investments for itself or on behalf of third parties, obtain income from them, invest in all kinds of tangible and intangible movable property, such as shares, pledges of shares, bonds and debentures, units or rights in all kinds of companies, whether commercial or civil, communities and associations, and all kinds of securities, in Chile and abroad.
	Board of Directors	Board of Directors	Board of Directors
	Chairman: Rafael Osorio Peña	Chairman: Horacio Nazif Ojeda	Chairman: Mario Pavón Robinson
	Directors: Raul Sapunar Kovacic Juan Ossul Sanchez	Directors: Rafael Osorio Peña Raúl Sapunar Kovacic	Directors: Rafael Osorio Peña Monica Varela Aravena
	Chief Executive Officer: German Muñoz Escudero	Chief Executive Officer: Sergio Prieto Silva	Chief Executive Officer: Raúl Sapunar Kovacic
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	0.014%	-0.004%	1.994%
	Total controller's interest	Total controller's interest	Total controller's interest
	100%	100%	100%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	Subsidiary company dedicated to factoring and collections, and a supplier of Sonda S.A.	Subsidiary company that provides educational services to Sonda S.A.	Subsidiary company that supplies real estate services to Sonda S.A.
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	Comprehensive administrative services contract.	Integrated services contract Purchase of training courses.	Consulting and professional services contract.

Novis S.A.	Sociedad Proveedoradora de Productos y Servicios para Redes de Datos Móviles S.A. (Wireless-IQ S.A.) and subsidiary
Indirect	Indirect
Subscribed and Paid Capital	Subscribed and Paid Capital
ThCh\$ 443,201	ThCh\$ 197,726
Number of subscribed and paid shares	Number of subscribed and paid shares
4,200	1,000
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
To develop and market solutions where information technology can be applied, including all directly or indirectly related services, such as marketing computer systems, developing and maintaining software, network management, user support, installing and maintaining hardware, operating computers, providing computing resources, training, and consultancy in general.	The Company's corporate purpose is: 1) To develop for itself or on behalf of third parties telecommunications, information systems and data processing and generally information, automation and fixed or mobile telecommunications technology. 2) To create, produce, develop, apply, import, export, market, maintain, update, operate, install and represent telecommunications hardware, software and services. 3) To purchase, sell, import, export, represent and generally market equipment for computing, data processing, mobile and fixed telecommunications, spare parts, parts, tools, accessories and other related items. 4) To directly operate such goods, either through providing services, leasing, or any other manner. 5) To provide commercial and technical advisory services in telecommunications. 6) To generally develop any other business in telecommunications, informatics and computing, or that is directly or indirectly related to them. 7) To implement the commercial and legal steps necessary for the purposes expressed, including representing Chilean and foreign natural or legal persons. 8) To provide products and services for fixed and mobile telecommunications operators and end users, specifically focused on promoting the use of fixed and mobile data networks. 9) To invest in all kinds of tangible and intangible, movable and immovable goods, including acquiring shares, rights in partnerships, bonds, commercial paper and generally all kinds of securities and investment instruments, and manage them and receive their returns.
Board of Directors	Board of Directors
Chairman: Mario Pavón Robinson	Chairman: Raúl Vejar Olea
Directors: Rafael Osorio Peña Patricio Artiagoitia Alti	Directors: Rafael Osorio Peña Victor Coronado Román
Chief Executive Officer: Patricio Artiagoitia Alti	Chief Executive Officer: Victor Coronado Román
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
0.093%	-0.02%
Total controller's interest	Total controller's interest
60%	67%
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
Subsidiary company that procures IT services from Sonda S.A.	Sonda S.A. provides consulting and professional administrative and accounting services.
Contracts with Sonda S.A.	Contracts with Sonda S.A.
Comprehensive services supply contract.	Consulting and professional administrative and accounting services contract.

	SONDA Servicios Profesionales S.A.	SONDA de Colombia S.A.	SONDA Tecnologías de Costa Rica S.A.
	Indirect	Indirect	Indirect
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 12,681	ThCh\$ 29,960,464	ThCh\$ 982,557
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	3,901	52,430,198	1,000
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	The Company's corporate purpose is: 1) To provide the following services to Chilean or foreign natural persons or legal entities: a) Software design, development, implementation, deployment and maintenance services. b) Consultancy on financial, commercial, risk analysis, and administrative issues. c) Services and consultancy to manage customer, supplier, debtor and other similar portfolios. d) Services and consultancy to manage accounting, legal and other similar issues, particularly business and contract issues. Services and consultancy to manage taxation, employment and social security issues. e) Occupational and work training. 2) To invest in all kinds of tangible and intangible property, such as shares, rights in partnerships, bonds, commercial paper and generally in all kinds of securities and investment instruments, manage them and receive their returns.	To schedule, analyze, develop, acquire, sell, lend, operate and market all kinds of data processing systems through computers. To conduct research into planning and implementing systematization programs. To manage computer services and maintenance programs. To provide and sell consultancy services and technical assistance in these areas. To manage processing systems. To represent, distribute, supply or operate any goods or services related to its purpose that are produced, patented or registered by national or foreign companies. To undertake any transaction related to the purchase, sale, manufacture, assembly, import, export and distribution of computer and communications equipment and systems, office equipment, parts and supplies for this equipment and all accessories to enable this equipment to function correctly.	To supply technological platforms and their related services.
	Board of Directors	Board of Directors	Board of Directors
	Chairman: Mario Pavón Robinson	Chairman: Raúl Vejar Olea	Chairman: Raúl Vejar Olea
	Directors: José Orlandini Robert Rafael Osorio Peña	Directors: Ricardo Rodríguez Vasquez Rafael Osorio Peña	Directors: Rafael Osorio Peña Eduardo Sandoval Obando
	Chief Executive Officer: Raúl Vejar Olea	Chief Executive Officer: Ricardo Rodríguez Vasquez	Chief Executive Officer: Eduardo Sandoval Obando
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	0.978%	3.764%	0.946%
	Total controller's interest	Total controller's interest	Total controller's interest
	100%	100%	100%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	"Subsidiary company that provides system development and adaptation services, and implementation services for professional support and advice. Sonda S.A. provides consulting and professional administrative and accounting services."	Sonda S.A. provides IT application design and development services.	Sonda S.A. provides professional virtualization and information security services.
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	Consulting and professional services contract. Administrative and accounting services contract.	Application design and development services contract.	No contracts between the parties

CTIS Tecnología S.A.	SONDA Do Brasil S.A.	
Indirect	Indirect	
Subscribed and Paid Capital	Subscribed and Paid Capital	
ThCh\$ 111,712,992	ThCh\$ 69,816,830	
Number of subscribed and paid shares	Number of subscribed and paid shares	
461,980,053	262,269,514	
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	
<p>IT Services: 1. To provide development services and develop computer programs (software), install, upgrade and maintain software, consultancy, systems analysis and development, modeling, data management and analysis, database support and administration, solution design and architecture, analyze and produce information and statistics to support decisions (data warehouse / data market) in computer science and data processing, consultancy, training, supply and pay for specialized technicians in computer science, data processing, engineering, installation, management and communication of data and maintenance of voice networks, including technological adaptation (customization) of computer programs (software) and hardware engineering, installation, management and maintenance services.</p> <p>Outsourcing: 2. To provide outsourced solutions to manage and operate printing and reproduction using multifunction printers (outsourcing printing). To provide outsourced operations management, call center and customer relations solutions (Contact Center). To provide management for outsourced solutions and operations centers for tele-services and remote technical support (Help Desk), and outsourced management solutions and hardware operation (computers, routers, modems and related equipment).</p> <p>3. To provide computer programs (software) and databases. To distribute, sell, resell, license and sub-license its own computer programs (software) and data bases, or those purchased from the manufacturers or owners of intellectual property, and support and consultancy services.</p> <p>4. Commercial representation: Represent computing and informatics products in their own or third party's premises.</p> <p>5. Leasing assets: renting machinery, equipment and movable and immovable property.</p> <p>6. Industrial off-set and laser printing. To provide the graphics industry with continuous services and manufacturing of paper, plastic, newspapers, printing and publishing, tax forms, books, magazines, tax documents, and other general documentation.</p> <p>7. Computer equipment (hardware): To distribute, sell and resell its own computer equipment (hardware) or that acquired from manufacturers, such as servers, applications, tape libraries, storage, workstations, and their corresponding components.</p>	<p>"Hardware and Software Marketing. To provide consultancy, training, program and system development. To represent IT assets, information technology in telecommunications and other related businesses, including the import and export of related goods and services. Rental of computers. Software, peripherals, and others. Computer equipment and maintenance peripherals, software support. Development, implementation and maintenance of computer networks. Development, implementation and maintenance of structured cabling systems. Professional outsourcing and the development, implementation and maintenance of Call Centers."</p>	
Board of Directors	Board of Directors	
<p>Chairman: Raúl Vejar Olea</p> <p>Directors: Rafael Osorio Peña</p>	<p>Chairman: Raúl Vejar Olea</p> <p>Directors: Rafael Osorio Peña</p>	
<p>Chief Executive Officer: Affonso Nina</p>	<p>Chief Executive Officer: Affonso Nina</p>	
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	
6.883%	7.02%	
Total controller's interest	Total controller's interest	
100%	99.999998%	
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	
No business relationship	No business relationship	
Contracts with Sonda S.A.	Contracts with Sonda S.A.	
No contracts between the parties	No contracts between the parties	

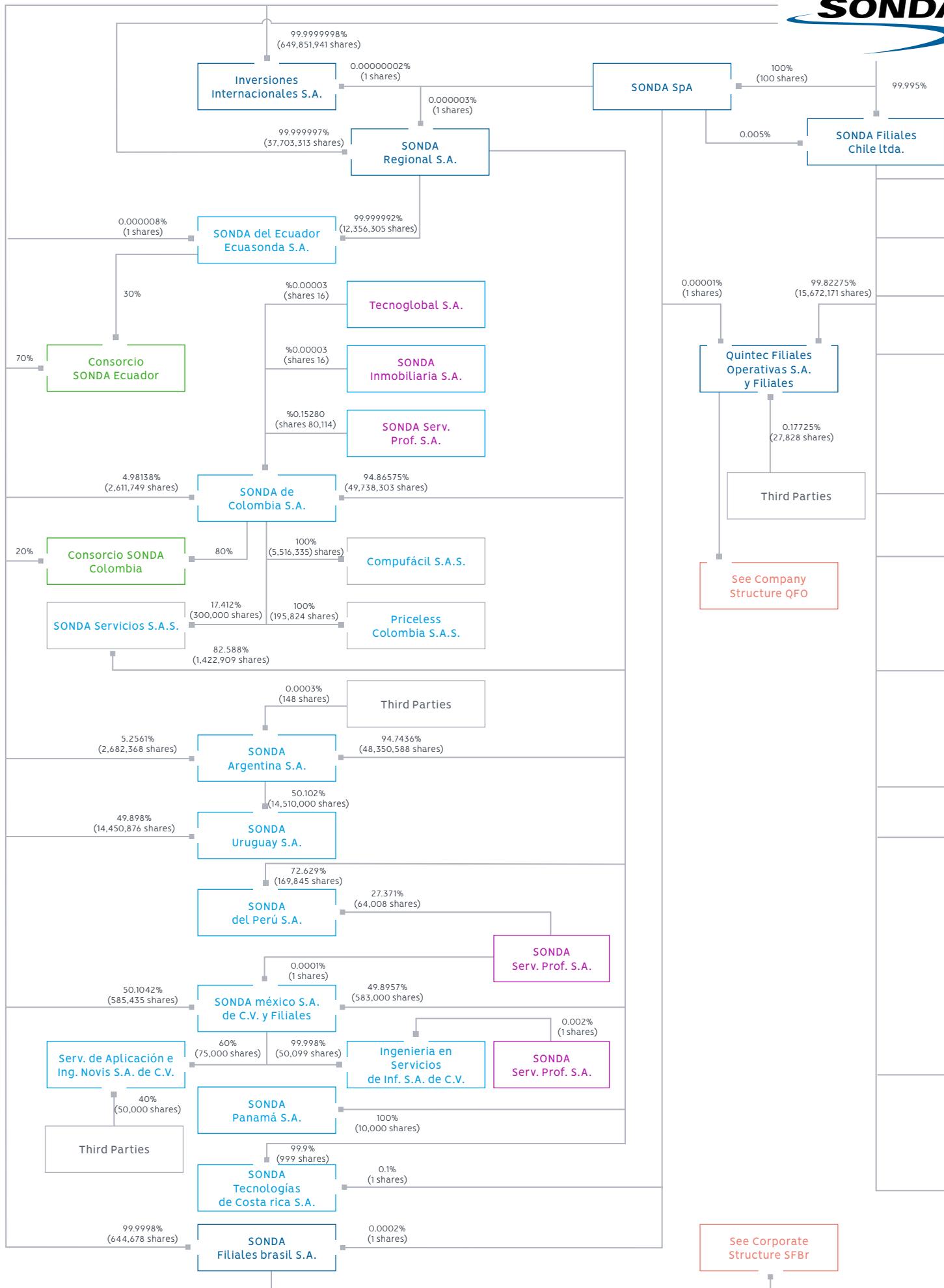
	SONDA Procwork Inf. Ltda. y Filial	SONDA Procwork Outsourcing Inf. Ltda y Filial	Telsinc Comercio de Equipamiento de Inf. Ltda.
	Indirect	Indirect	Indirect
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 81,988,977	ThCh\$ 41,997,494	ThCh\$ 11,234,014
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	327,330,201	210,550,931	37,718,682
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	(i) To analyze and develop systems. (ii) To program. (iii) To process data and similar information. (iv) To develop computer programs, including video games. (v) To license or grant the right to use computer programs. (vi) To provide advice and consultancy services in information technology. (vii) To provide technical support in information technology, including installing, configuring and maintaining computer programs and databases. (viii) To plan, prepare, maintain and update web pages. (ix) To provide business management. (x) To provide training in information technology. (xi) To provide information technology services in general, including consulting, analyzing and developing software to measure "customized software" and data processing. (xii) To provide administrative services. (xiii) To license third party software. (xiv) To provide technical assistance in information technology, hardware and maintenance software. (xv) To develop, implement and maintain structured cabling systems. (xvi) To provide computers and computer equipment on a retail basis. (xvii) to provide reprographic printing services using multifunction printers (outsourcing printing).	(i) To provide business management; (ii) sell and lease computer equipment and electronics; (iii) training in information technology; (iv) provide information technology in general, including consulting, analyzing and developing software and data processing; (v) providing administrative services; (vi) general support in the technological environment, and (vii) maintaining computer equipment and peripherals.	To explore the business of trade, imports, exports, representation, leasing, development, implementation, and understanding software, microcomputer integrated systems, minicomputers, mainframes and logical processors, supply, maintenance, repair and install equipment, project consulting and implementing computer systems, including the sale, purchase, all properties and any type of computer, telephony and data communication equipment, known as hardware, resale software, and training in informatics and telecommunications.
	Board of Directors	Board of Directors	Board of Directors
	Not applicable	Not applicable	Not applicable
	Chief Executive Officer: Affonso Nina	Chief Executive Officer: Affonso Nina	Chief Executive Officer: Affonso Nina
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	3.513%	3.879%	1.154%
	Total controller's interest	Total controller's interest	Total controller's interest
	100%	100%	100%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	No business relationship	No business relationship	No business relationship
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	No contracts between the parties	No contracts between the parties	No contracts between the parties

Telsinc Prest. de Servicios para Sist. de Inf. e Com de Datos Ltda.	SONDA del Perú S.A.	
Indirect	Indirect	
Subscribed and Paid Capital	Subscribed and Paid Capital	
ThCh\$ 26,420,772	ThCh\$ 528,835	
Number of subscribed and paid shares	Number of subscribed and paid shares	
105,336,621	233,853	
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	
To provide equipment maintenance, repair and installation services. To provide consulting services for projects and develop tele-information systems. To trade, represent, lease, implement and develop software, microcomputer integrated systems, minicomputers, mainframes and logical processors, including the sale, purchase, all properties and any type of computer, telephony and data communication equipment, known as hardware, resale software, and training in informatics and telecommunications.	The Company's purpose is as follows: 1. To buy, sell, import, use, distribute, lease in any manner allowed by law, including financial leasing, electrical and electronic equipment, their components, parts and pieces, used to process information and to automate processes and communications. 2. To provide installation, repair, maintenance, operation and management services for electrical and electronic equipment, their components, parts and pieces, used to process information and to automate processes and communications. 3. To buy, sell, information, export, distribute, process, lease in any manner allowed by law, including financial leasing, computer applications and own software packages, or those with their respective licenses or of third parties, and their component programs and procedures used to process information and to automate processes and communications. 4. To provide installation, maintenance, operation and management services for computer applications and software packages, their components, parts and pieces, used to process information and to automate processes and communications. 5. To provide training and consulting services in the selection, use, operation, management and optimization of equipment, computer programs and packages, automation and communications. 6. To provide value-added services in integrated solutions, business consulting, information technology, software customization, application development, support, and technical training in systems integration, networks, connectivity and communications. 7. To provide outsourced services covering information-processing operations, with the required team, equipment and expertise in the various process components, such as consulting, analysis, programming, operation, installation, maintenance and administration.	
Board of Directors	Board of Directors	
Not applicable	Chairman: Raúl Vejar Olea Directors: Rafael Osorio Peña Mario Pavón Robinson	
Chief Executive Officer: Affonso Nina	Chief Executive Officer: Miguel Angel Guerrero Watanabe	
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	
1.371%	2.536%	
Total controller's interest	Total controller's interest	
100%	100%	
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	
No business relationship	Sonda S.A. provides license rental services SONDA S.A. provides services of portal implementation, ITSM and notifications to customers	
Contracts with Sonda S.A.	Contracts with Sonda S.A.	
No contracts between the parties	FIN700 license rental contract. Portal implementation, ITSM and notification to customers contract.	

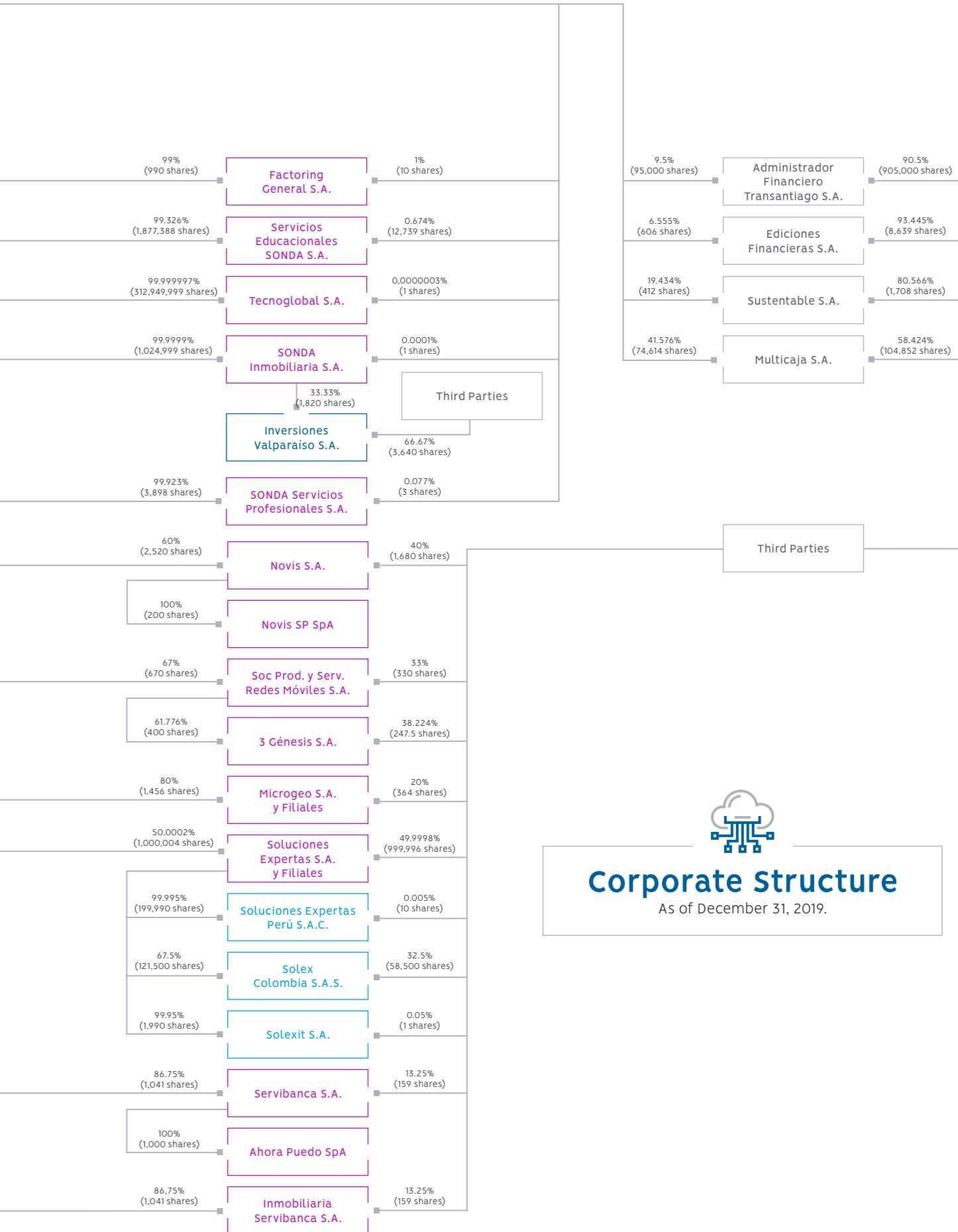
	PARS Productos de Procesamiento de Datos Ltda.	SONDA del Ecuador Ecuasonda S.A.	SONDA Argentina S.A.
	Indirect	Indirect	Indirect
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 47,319,606	ThCh\$ 370,066	ThCh\$ 11,245,081
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	192,338,333	12,356,306	51,033,104
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	To market, import and export goods and data processing materials, including software and marketing non-personal multiple copies, license and assign the right to use computer programs.	a) To procure and sell computer services to natural or legal persons, or public or private, commercial or industrial companies. These services will include programming and automatic data processing, especially for accounting purposes. b) To buy, sell, import or export computer equipment or materials and related items. c) To design and install computer networks. d) To provide technical assistance to programming, systems engineering and informatics mechanization areas. e) To provide advice, training and develop computer packages, and everything related to computing. f) To provide occupational training, mainly in automation and informatics, through courses, seminars, conferences, publications, events, or any other forms of systematic knowledge and technology transfer. g) To directly operate computer equipment and electronic data processing, and to create, manufacture, develop and implement hardware and software. h) To represent national and foreign companies with similar purposes. In general, the company shall have all the necessary authority to do anything, and sign contracts, permitted by law, whether they are civil, mercantile or commercial, with public or private entities, in Chile or abroad, as required to fulfill its purpose, without prejudice to the conditions laid down in Ecuadorian law. The company can participate as a partner or shareholder in the formation of all kind of companies, contribute capital to them or acquire and own shares, bonds or shares of other companies. The company can generally perform any task, contract and transaction permitted by Ecuadorian law.	To promote, sell, rent, lease, repair, purchase, exchange, export, import, represent, recover, maintain, design, manufacture, program and train equipment and data processing systems (computers) including, but not limited to, central processing units, peripherals, auxiliary equipment, consumable components, spare parts, interfaces, connectors and other items that current or future technology requires for any use. To provide automatic data processing services, and any service that can be provided to individuals, companies, agencies or institutions through the use of automatic data processors, or not.
	Board of Directors	Board of Directors	Board of Directors
	Not applicable	Chairman: Raúl Vejar Olea Directors: Rafael Osorio Peña Mario Pavón Robinson José Orlandini Robert	Chairman: Gerardo Cruz Cironi Directors: Raúl Vejar Olea Guillermo Lizama Gonzalez
	Chief Executive Officer: Celso Azanha	Chief Executive Officer: Fabian Alberto Mena Ojeda	Chief Executive Officer: Gerardo Cruz Cironi
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	5.109%	0.998%	0.686%
	Total controller's interest	Total controller's interest	Total controller's interest
	100%	100%	99.9997%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	No business relationship	No business relationship	Sonda S.A. provides hardware
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	No contracts between the parties	No contracts between the parties	No contracts between the parties

SONDA Uruguay S.A.	Tecnglobal S.A.	Microgeo S.A.	
Indirect	Indirect	Indirect	
Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital	
ThCh\$ 610,278	ThCh\$ 16,898,373	ThCh\$ 2,205,433	
Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares	
28,960,876	312,950,000	1,820	
Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	
1) Develop electronic computing, information and data processing systems and general information technology, automation and communications, for itself or for third parties. 2) Purchase, sell, import, export, represent, distribute and generally trade electronic computing and data processing equipment, its spare parts, components, accessories and other related items. 3) Directly use the same goods by offering services, renting these goods, or in any other manner. 4) Provide occupational training, mainly in the automation or information technology fields, through courses, seminars, conferences, publications, events or other forms of systematic knowledge and technology transfer. 5) Generally develop any other informatics and computational or related business, sign any contracts and conventions that are directly related to the Company's purpose.	a) Acquire, represent, distribute, import, export, and generally market and operate, in any form, all kinds of electronic, office, telephony, communication and computational equipment, their spare parts, pieces and other complementary, related or annexed items. b) Design, develop, produce, maintain, operate or market products or software applications and generally operate them in any way. c) Provide occupational training, mainly in automation or informatics, through courses, seminars, conferences, or other forms of systematic knowledge and technology transfer. d) Store, process and market information. e) Provide any kind of professional consultancy and services, which relate directly or indirectly to the Company's business.	To buy, sell, import and distribute equipment, software and supplies.	
Board of Directors	Board of Directors	Board of Directors	
Chairman: Raúl Vejar Olea	Chairman: Raúl Sapunar Kovacic	Chairman: Mario Pavón Robinson	
Directors: Gerardo Cruz Cironi Rafael Osorio Peña Guillermo Lizama Gonzalez	Directors: Mario Pavón Robinson Raúl Vejar Olea Rafael Osorio Peña	Directors: Raúl Vejar Olea Rafael Osorio Peña Maurizio Rinaldi Ceriello Robert Richter Stein	
Chief Executive Officer: Gerardo Cruz Cironi	Chief Executive Officer: Rodrigo Hermosilla Bobadilla	Chief Executive Officer: Stefano Sigala Romele	
The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	
0.846%	3.852%	0.818%	
Total controller's interest	Total controller's interest	Total controller's interest	
99.99985%	100%	80%	
Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	
No business relationship	"Subsidiary company that markets computer equipment and supplies Sonda S.A. Sonda S.A. provides administrative and accounting professional advice and services."	Subsidiary company that procures integrated and IT services from Sonda S.A.	
Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.	
No contracts between the parties	Administrative and accounting services contract.	Software licensing, subletting and integrated services contract.	

	Soluciones Expertas S.A.	Servibanca S.A.	Inmobiliaria Servibanca S.A.	SONDA Panamá S. A.
	Indirect	Indirect	Indirect	Indirect
	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital	Subscribed and Paid Capital
	ThCh\$ 8,910	ThCh\$ 714,574	ThCh\$ 411,341	ThCh\$ \$7,487
	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares	Number of subscribed and paid shares
	2,000,000	1,200	1,200	10,000
	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws	Corporate purpose according to the bylaws
	To provide consultancy and optimization, distribution and production planning expertise using computational methods.	To provide technical and computational professional services.	To invest capital in general securities.	To provide electronic data computing services and other associated services.
	Board of Directors	Board of Directors	Board of Directors	Board of Directors
	Chairman: Jorge Díaz Fernández	Chairman: Mario Pavón Robinson	Chairman: Mario Pavón Robinson	Chairman: Eduardo Sandoval
	Directors: Jorge Hoyl Moreno Mario Pavón Robinson Eduardo Parra Bucher	Directors: Rafael Osorio Peña Raúl Vejar Olea	Directors: Rafael Osorio Peña Raúl Vejar Olea	Directors: Jose Orlandini Robert Franklin Quintero Heidi Caballero
	Chief Executive Officer: Jorge Hoyl Moreno	Chief Executive Officer: Cristian Zegers Reyes	Chief Executive Officer: Cristian Zegers Reyes	Chief Executive Officer: Victor Manuel Betancourt
	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets	The investment as a percentage of the parent company's assets
	0.109%	0.252%	0.183%	0.019%
	Total controller's interest	Total controller's interest	Total controller's interest	Total controller's interest
	50.0002%	86.75%	86.75%	100%
	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.	Description of the Business Relationship with Sonda S.A.
	Subsidiary company that procures IT services from Sonda S.A.	Subsidiary company that procures IT services from Sonda S.A.	No business relationship	No business relationship
	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.	Contracts with Sonda S.A.
	Computational services contract	Computational services contract	No contracts between the parties	No contracts between the parties



See Corporate Structure SFBR





Essential Events

a) January 21, 2019 Acquisition of Brazilian transport technology company M2M Solutions

On this date SONDA S.A. acquired all the shares of the Brazilian company M2M Solutions S.A. ("M2M"), a leader in technological solutions for transport and smart urban mobility in Brazil.

M2M has nationwide coverage, a diversified private sector customer base, mostly recurrent revenue and an impressive track record in developing significant smart transport projects in Brazil, Mexico, Portugal and Guatemala, where it has developed integrated transport projects.

M2M has a broad portfolio of solutions that provide integrated fleet management and user information. It has developed fleet management solutions in the cloud where it provides software as a service. Its services also include planning, route monitoring and management, access control over passengers and users, telemetry, analytics, business intelligence and various applications for users and authorities.

This acquisition is part of SONDA's 2019-2021 Strategic Plan, which aims to strengthen four industries across the region: Transport, Retail, Financial Services and Government. The transaction represents an investment of R\$43 million,

which may eventually increase by up to R\$10 million, which depends on winning significant contracts during the acquisition process.

This acquisition accelerates SONDA's positioning in the Brazilian transport industry, by strengthening its payment and collection, fleet management and user information solutions. It can now access an important market using a recognized brand, with a diversified customer base, nationwide coverage and proven experience in developing transport projects. M2M solutions can also be rolled out to the rest of the region, reinforcing SONDA's leadership in the transport industry.

This investment will enable us to continue improving and transforming our customer's businesses.

b) March 19, 2019 Final SONDA dividend from 2018 earnings

At an Ordinary Board meeting held on March 18, 2019 the Board agreed to propose a final dividend of Ch\$5,342,735,971 from earnings for the year ended December, 31 2018, to be approved at the Annual General Shareholders' Meeting scheduled for April 25, 2019.

An interim dividend was paid to shareholders on September 5, 2018 of Ch\$0.76693 per share from earnings for the period to June 30, 2018.

Therefore, the Board proposed that the Annual General Shareholders' Meeting approve a dividend of Ch\$4,674,693,831, resulting in Ch\$5,36669 per share, payable to shareholders in the Shareholder's Register at midnight on the fifth business day prior to the payment date, according to Article 81 of Law 18,046 on Corporations and Article 10 of its Regulations.

c) June 10, 2019 Approval of Corporate Bond Issue

At an Extraordinary Board meeting held on this date, the Board approved the following bond issue.

- i. First issue of up to UF 3,000,000 against lines 831 and 832, both registered in the Securities Registry of the Financial Market Commission ("FMC") on May 10, 2016. These funds will be mainly used to finance investments in the 2019–2021 Strategic Plan.
- ii. Issue of a new bond series of up to UF 1,500,000 under line 622, registered in the Securities Registry of the FMC on December 1, 2009. These funds will be used to refinance the Series E bonds issued from this line that mature on November 1, 2019.

The maximum term for these series will be 10 years. They will be placed on the general market and may be issued in Chilean pesos or Unidades de Fomento (UF).

d) July 11, 2019 Corporate Bond Issue

Today SONDA S.A. placed corporate bonds in the local market totaling UF 3,000,000 with a ten-year term.

These are Series H bonds, structured with a ten year bullet repayment, at a placement rate of 1.34%, which will mature on July 1, 2029.

They were issued from line 832 registered in the Securities Registry of FMC on May 10, 2016.

These funds will be used to finance the investments in SONDA S.A.'s 2019 –2021 Strategic Plan, which total US\$ 360 million and will drive the company's organic growth.

e) September 24, 2019 SONDA sells its entire interest in Transacciones Electrónicas Dos S.A.

Sonda Filiales Chile Limitada sold its 50% interest in Transacciones Electrónicas Dos S.A., in accordance with the terms and conditions of the share purchase agreement signed on this date. This company's main asset is an interest in Acepta.Com S.A., in favor of Inversiones FQC Dos Limitada.

The transaction generated a gain after tax of approximately Ch\$25,500 million in SONDA S.A.'s financial statements for 2019.

This disinvestment is part of SONDA's 2019–2021 Strategic Plan, which defined its focus on specific industries and businesses.

f) October 17, 2019 Corporate Bond Issue

Today SONDA S.A. placed corporate bonds in the local market totaling UF 1,500,000 with a five-year term.

These are Series J bonds with the mnemonic code BSOND–J. They are structured with a five year bullet repayment, at a placement rate of 0.37%, which will mature on October 1, 2024.

They were issued from line 622 registered in the Securities Registry of FMC on December 1, 2009.

These funds will be exclusively used to refinance the Series E Bonds issued and placed under Line 622 that are about to mature.

These corporate bonds issued by SONDA S.A. have been certified as "Green Bonds" by the international company Sustainalytics, in accordance with the Company's Green Bond Framework. This commits the Company to investing the same amount as this placement in developing the eligible green projects described in the framework, so complying with the Green Bond Principles defined by the International Capital Market Association. These eligible green projects are classified in the green bond category for the development or construction of buildings that meet ecological standards and efficiently use electricity from renewable sources.

This issue reinforces SONDA S.A.'s commitment to developing a sustainable business model.

Share Trading

Average stock price

Santiago stock exchange	Average Price (Ch\$)	Number of shares	Value (TnCh\$)
2017			
1° Quarter	1,113.34	52,230,753	58,150,634
2° Quarter	1,128.41	52,585,523	59,338,150
3° Quarter	1,160.10	64,030,965	74,282,621
4° Quarter	1,192.81	52,583,544	62,721,916
2018			
1° Quarter	1,225.44	94,545,962	115,860,256
2° Quarter	1,097.29	57,909,881	63,543,649
3° Quarter	940.70	46,386,902	43,636,336
4° Quarter	1,046.63	70,218,449	73,492,570
2019			
1° Quarter	1,104.13	42,982,160	47,457,792
2° Quarter	984.29	37,559,968	36,969,976
3° Quarter	875.79	72,434,457	63,437,417
4° Quarter	742.50	73,628,119	54,669,204

Valparaiso stock exchange	Average Price (Ch\$)	Number of shares	Value (ThCh\$)
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2017

1° Quarter	-	-	-
2° Quarter	1,130.00	340	384
3° Quarter	-	-	-
4° Quarter	-	-	-

2018

1° Quarter	-	-	-
2° Quarter	-	-	-
3° Quarter	-	-	-
4° Quarter	-	-	-

2019

1° Quarter	-	-	-
2° Quarter	-	-	-
3° Quarter	-	-	-
4° Quarter	-	-	-

Electronic stock exchange	Precios Promedio (\$)	Unidades	Monto M\$
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2017

1° Quarter	1,124.20	1,451,736	1,632,045
2° Quarter	1,131.73	1,676,297	1,897,111
3° Quarter	1,167.73	6,918,135	8,078,489
4° Quarter	1,171.80	1,587,151	1,859,829

2018

1° Quarter	1,239.54	982,746	1,218,153
2° Quarter	1,067.77	1,245,604	1,330,018
3° Quarter	947.67	1,980,335	1,876,701
4° Quarter	1,028.17	1,713,186	1,761,455

2019

1° Quarter	1,084.67	2,650,674	2,875,111
2° Quarter	951.41	1,136,178	1,080,969
3° Quarter	900.88	753,019	678,378
4° Quarter	689.51	1,489,753	1,027,195

SONDA's stock market presence in the Santiago Stock Exchange was 100%, and in the Electronic Stock Exchange it was 100%, according to information provided by each institution as of December 31, 2019.

Principal Shareholders

Our shareholders are an important pillar of SONDA's institutional solvency, and they have enabled us to remain strong and achieve sustainable development, despite the surrounding economic and political uncertainties, to become the leading IT services company in Latin America.

Since 1974, the Navarro Haeussler family led by our founder, Mr. Andrés Navarro, have maintained ties with the company and are committed to its growth and internationalization. The

policy of reinvesting a substantial percentage of earnings over the years has been essential to generate the capital needed to grow, to finance annual increases in the customer base, to develop new products and services and launch new projects.

The initial public offering in 2006 opened up the company's stock to significant new shareholders, including institutional investors, investment funds, pension funds and minority investors.

As of December 31, 2019, SONDA is controlled by Andrés Navarro Haeussler (Chilean ID 5,078,702-8) and Pablo Navarro Haeussler (Chilean ID 6,441,662-6) as controllers of 41.5% of the shares in SONDA S.A. This is detailed as follows:

- i. As managers of Inversiones Atlántico Limitada (Chilean ID 78,091,430-0) and Inversiones Pacifico II Limitada (Chilean ID 88,492,000-0). These companies, in conjunction with Inversiones Santa Isabel Limitada (Chilean ID 79,822,680-0), which is controlled by Mr. Andrés Navarro Haeussler, own 96.4463% of the shares in Indico S.A., and this company owns 37.7740% of the shares in SONDA S.A.
- ii. Inversiones Yuste S.A. owns 3.5894% of the shares in SONDA S.A. and is controlled and managed by Mr. Andrés Navarro Haeussler.
- iii. Meanwhile, there is a shareholders agreement between Inversiones Yuste S.A. and Indico S.A., and these two companies control 41.3634% of the shares in SONDA S.A.

The most significant changes in the ownership structure during the year ended December 31, 2019 were the following:

- i. BTG Pactual Small Cap Chile investment fund increased its interest from 3.7% to 5.4%.
- ii. BTG Pactual Shares Chile mutual fund increased its interest from 0.0% to 3.2%.
- iii. Banco Santander on behalf of foreign investors increased its interest from 1.9% to 2.2%.
- iv. AFP Capital SA Pension Fund C decreased its interest from 2.7% to 1.7%.
- v. AFP Provida S.A. Pension Fund C decreased its interest from 2.8% to 2.4%.
- vi. Banco de Chile on behalf of non-resident third parties decreased its interest from 4.1% to 0.6%.

During the year ended December 31, 2019, there were no comments nor proposals by shareholders regarding the firm's performance.

Principal Shareholders (As of December 31, 2019)

Chilean ID	Name	Percentage	Shares
76413035-9	INDICO SA	37.8%	329,032,953
76547723-9	KOYAM SA	5.4%	47,047,713
96966250-7	BTG PACTUAL SMALL CAP CHILE FONDO DE INVERSION (CTA. NUEVA)	4.8%	42,240,054
84177300-4	BTG PACTUAL C DE B	3.8%	32,957,858
96688520-3	INVERSIONES YUSTE SA	3.6%	31,265,345
98000100-8	AFP HABITAT S A PARA FDO PENSION C	3.1%	26,760,857
96966250-7	FONDO MUTUO BTG PACTUAL CHILE ACCIÓN	3.0%	25,907,567
97023000-9	BANCO ITAU POR CUENTA DE INVERSIONISTAS	2.7%	23,503,928
76265736-8	AFP PROVIDA S.A. PARA FDO. PENSION C	2.4%	21,182,152
97036000-K	BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	2.2%	19,490,503
96804330-7	COMPASS SMALL CAP CHILE FONDO DE INVERSIÓN	1.7%	14,999,564
98000000-1	AFP CAPITAL S A FONDO DE PENSION TIPO C	1.6%	13,864,129

The Company had a total of 340 shareholders as of December 31, 2019, according to the Shareholders Register.

Transactions by directors, senior executives and related parties

There were no SONDA share transactions by any senior executives or directors during 2019.

The directors and senior executives hold the following interests in the company as of 12/31/2019

- Mario Pavón Robinson (Chairman): 0.014%
- María del Rosario Navarro Betteley (Vice Chairman): 0.470%
- Mateo Budinich Diez (Director): 0.000%
- Hernán Carlos Marió (Director): 0.000%
- Juan Antonio Guzmán Molinari (Director): 0.000%
- Andrés Navarro Betteley (Director): 0.470%
- René Javier Lehuede Fuenzalida (Director): 0.000%
- Enrique Bone Soto (Director): 0.000%
- Alfonso Gómez Morales (Director): 0.000%
- Raúl Véjar Olea (Corporate Chief Executive Officer): 0.027%
- Rafael Osorio Peña (Corporate Chief Finance Officer): 0.015%
- Raul Sapunar Kovacic (Chief Executive Officer of SONDA Chile): 0.006%

Dividends

Dividend policy

The dividend policy at SONDA is to distribute 50% of net distributable income each year. Compliance with this policy is subject to net distributable income being reflected in the financial position of the company, to satisfactory financial forecasts for the company, and the fulfillment of certain conditions, as appropriate. If this dividend policy substantially changes, the company will disclose it as a Material Event. The Annual General Shareholders' Meeting held on April 25, 2019 was informed that "the Board intends that the company distributes a dividend of 50% of net distributable income for 2019. The Board also intends to distribute an interim dividend during the second half of the year of 50% of net distributable income for the first half of the year". This interim dividend was paid in September 2019, as previously agreed.

Dividends per share

	2015	2016	2017	2018	2019
Number of shares ^(*)	871,057,175	871,057,175	871,057,175	871,057,175	871,057,175
Net distributable income per share (Ch\$)	49,19	30,30	74,50	12,27	26,53
Dividends paid (Ch\$)	24,03 ⁽¹⁾	25,83 ⁽²⁾	8,71 ⁽³⁾	31,32 ⁽⁴⁾	12,30 ⁽⁵⁾

(Figures expressed in Chilean pesos on the payment date)

(*) Subscribed and paid shares

- Payment of the final dividend (net distributable income distribution for 2014, of Ch\$12.13 per share, paid on May 4 2015) and interim dividend (Ch\$11.90 per share, paid on September 1, 2015).
- Payment of the final dividend (net distributable income distribution for 2015, of Ch\$12.69 per share, paid on May 3, 2016) and interim dividend (Ch\$13.14 per share, paid on September 5, 2016).
- Payment of the final dividend (net distributable income distribution for 2016, of Ch\$2.01 per share, paid on May 2, 2017) and interim dividend (Ch\$6.70 per share, paid on September 5, 2017).
- Payment of the final dividend (net distributable income distribution for 2017, of Ch\$30.55 per share, paid on May 8, 2018) and interim dividend (Ch\$0.77 per share, paid on September 5, 2018).
- Payment of the final dividend (net distributable income distribution for 2018, of Ch\$5.37 per share, paid on May 8, 2019) and interim dividend (Ch\$6.93 per share, paid on September 5, 2019).

Net distributable income

Net distributable income ThCh\$	2017	2018	2019
Net income attributable to owners of the controller	64,895,944	10,685,472	23,106,793
Prior year retained earnings	203,348,287	235,792,437	242,232,100
Dividends for the year ^(*)	-32,447,972	-5,342,735	-11,553,397
Unrealized adjustments on first application of IFRS ^(**)	-3,176,754	-3,176,754	-3,176,754
Other adjustments to retained earnings	-3,822	1,096,926	1,047,267
Net distributable income	232,615,683	239,055,346	251,656,009

(*) Interim dividends from the current year's net distributable income, plus the minimum accrued dividend according to the dividend distribution policy.

(**) Unrealized adjustments related to the first application of IFRS that are recognized in retained earnings, but cannot be distributed as dividends as they are unrealized gains.

Director's remuneration

Directors	31.12.2019		31.12.2018	
	M\$	M\$	M\$	M\$
	Fees ⁽¹⁾	Others ⁽²⁾	Fees ⁽¹⁾	Others ⁽²⁾
Mario Pavón Robinson	60,183	256,229	58,708	249,949
María del Rosario Navarro Betteley	30,092	-	29,354	-
Juan Antonio Guzmán	40,122	-	39,139	-
Mateo Budinich Diez	40,122	-	39,139	-
Hernan Marió Lores	30,092	-	29,354	-
Victor Alfonso Gomez Morales ⁽³⁾	30,092	-	29,354	-
Rene Lehuede Fuenzalida ⁽³⁾	40,122	-	39,539	-
Enrique Bone Soto ⁽³⁾	30,092	-	29,354	-
Andrés Navarro Betteley ⁽³⁾	30,092	-	29,354	-
Total	331,009	256,229	323,295	249,949

(1) Includes attendance at Board Meetings and Director's Committee Meetings.

(2) Payments for contractual services.

(3) Appointed Director at the Shareholders Meeting held on April 21, 2017.

SONDA's executives remuneration

	2019	2018	2017
Fixed remuneration	3,365,930	3,185,994	3,413,974
Variable remuneration ^(*)	802,686	811,208	710,058
	4,186,308	3,997,202	4,124,032

(*) Variable remuneration is an annual bonus, based on the fulfillment of targets and an evaluation of performance.

There is no other remuneration or special benefits for executives.

During 2019, SONDA made severance payments to senior executives of Ch\$138,286 million. In 2018, that figure was Ch\$637,675 million.

Director's Committee management report and expenses

The Directors' Committee met on six occasions throughout 2019, so complying with Article 50 bis of Company Law 18,046. The Committee examined the results of the audit for the year ended December 31, 2018, the company's individual and consolidated financial statements for 2018 and for the first three quarters of 2019. The Committee conferred with Management and with the external auditors and unanimously approved these statements for submission to the Board of Directors. It also examined and reported to the Board the related party transactions referred to in Chapter XVI of Law 18,046 and reviewed the Audit Plan submitted by the auditors, which covered the team, service scope, approach and schedule.

The Committee made well founded recommendations to the Board of Directors regarding the choice of external auditors and risk rating agencies for 2019.

The Committee has not made any recommendations, comments or proposals with regard to business progress for inclusion in the 2019 Annual Report. The Committee did not use its expenditure budget approved at the Annual General Shareholder's Meeting on April 25, 2019, and has not required professional consulting services to carry out its duties.

Properties and facilities

The Company's principal fixed assets are computer equipment, software, and other fixed assets, such as those associated with the Transantiago project, and real estate such as the corporate building and the new data center. They are carefully maintained by SONDA and its subsidiaries, and they are in good working condition or well conserved, as appropriate.

SONDA's equipment and software is primarily dedicated to IT services and the implementation and operation of specific projects for customers, enabling them to use information technology to benefit their management or business. These include the development and marketing of computer programs, either for users in general, or for a specific purpose. They can be used for a particular business or customer, or as a new technological solution for an industry.

The Company's principal fixed assets are computer equipment, software and real estate, such as the corporate building. They are carefully maintained by SONDA and its subsidiaries, and they are in good working condition or well conserved, as

appropriate. Ownership of real estate in Chile is concentrated in the subsidiary SONDA Inmobiliaria S.A. The principal properties used by its business in Latin America are the following:

- a) The corporate building at Teatinos 500 and 550, Santiago, with a total constructed area of 30,103 square meters on 3,957 square meters of land. This building hosts the company's investing, financing, operating and administration activities.
- b) The data center at Víctor Uribe Sur 2,211, Quilicura, Santiago, with a total constructed area of 5,932 square meters on 18,600 square meters of land, with 68% still available for expansion.
- c) The property at Avenida Conquistador del Monte 4,848, Huechuraba, Santiago, used by the subsidiary Tecnoglobal, an importer and distributor of computer hardware and software.
- d) The properties at Camino El Cerro 5154 and Calle Las Torres 1,328, both located in Huechuraba, Santiago, which are used by the Microgeo business. The Calle Las Torres property is leased under a financial leasing contract.
- e) The property at Catedral 1888, Santiago, Chile, which is used by Inmobiliaria Servibanca S.A.
- f) The Brazilian corporate building at Alameda Europa 1206, Condominium Polo Empresarial Tamboré, Santana de Parnaíba – Sao Paulo – CEP 06543-325, with a total constructed area of 18,226 square meters on 3,045 square meters of land, which also hosts a data center of 326 square meters. These properties and the property located on Rua Dom Aguirre 576, Sao Paulo, are owned by the subsidiary SONDA Procwork Informática LTDA.
- g) The data center at Rua Agenério Araújo, 20 – Camargos, Belo Horizonte – Minas Gerais, with a total constructed area of 6,000 square meters on 11,000 square meters of land.
- h) The property at Alsina 772, Buenos Aires, Argentina, which is used by SONDA Argentina.
- i) The property at Avenida Carrera 45 (Highway North) 118 – 68, Bogotá Colombia, which is used by SONDA Colombia.
- j) Land located in the Tocancipá duty-free zone, Bogotá, Colombia, with a total area of 12,600 square meters, where the new SONDA Tier IV data center will be built.

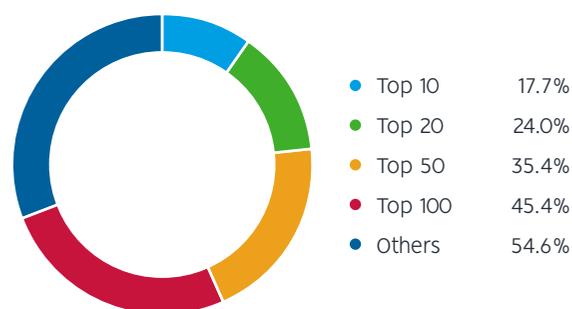
SONDA's equipment and software are primarily dedicated to IT services, and this technology is used to benefit the business.

Customers

Faced with revenue volatility and high dependence on a small group of customers, we have diversified to achieve a broad regional and sectoral diversification across our customer base.

In fact, the company's 50 largest customers represent approximately 35% of total revenue, which results in low concentration and vulnerability, minimizing the risk that could arise from a potential crisis affecting a single customer, country, industry, sector or specific business area. No SONDA contract represents more than 4% of total revenue for the company.

Customer Portfolio Concentration



Insurance

SONDA insures all its companies in Chile and abroad against risks to its assets, hardware, infrastructure, buildings and contents. It has placed a special emphasis on the areas that might have a significant impact on the financial results of the company. Its policy is to maintain a balance between reducing premiums and increasing coverage.

The major policies are:

- **Physical property all risks policy:** Covers all the risks to SONDA's assets and those of its subsidiaries such as buildings, warehouses and contents, both owned or customer's data centers, high-cost equipment and customer's contracts for specific projects.
- **Corporate civil liability policy:** Covers the risk of any potential damage caused by SONDA employees and contractors in the course of their work to third parties or their assets, either on SONDA or third party premises, or whilst travelling.
- **Floating international transport policy:** Covers the damage suffered by equipment and materials imported by land, sea or air.
- **Other miscellaneous policies:** Other policies such as vehicle insurance, travel insurance, personal accident insurance, electronic equipment insurance, and others.

Trademarks

SONDA and its subsidiaries use various corporate and product specific brands to conduct its business. The most important brand is SONDA, which is registered or almost registered in all the countries where the company conducts its business. The regional consolidation strategy envisages having a single and well recognized brand in all these markets. Other important brands are QUINTEC and FIN 700.

Regulatory framework

SONDA is constantly developing and implementing measures to fully comply with the regulatory framework applicable to its business, which encompasses primarily Law 17,366 on "Intellectual Property", Law 19,223 on "Computer Crime", Law 19,039 on "Industrial Property", and Law 19,628 on "Personal Data Protection". The Company has responded by implementing the necessary safeguards to prevent infringements of these regulations, which has required the development of a General Information Security Policy. This is transmitted to employees during induction courses and is published on the intranet, so is now understood by all company employees.

Financing policy

Our company has a strong financial position, due to a history of balanced growth, consistently generating cash flow, and a balanced financing policy, which has enabled us to always maintain healthy borrowing and coverage indicators. SONDA has access to traditional sources of financing from financial institutions, but also issued bonds in 2009, 2014 and 2019 to provide a component of the financing required for our investment plans.

Our company's financing policy aims to maintain an appropriate liquidity position, with sufficient financial resources to overcome economic volatility and take advantage of investment opportunities as they arise.

As of December 31, 2019 financial debt was US\$424.2 million, whereas cash equivalents and other financial assets were US\$211.1 million, which left a net financial debt of US\$213.1 million.

Investment policy

Our Executive Committee and Management is constantly analyzing new investment opportunities relating to developments in the IT business that enable us to grow and strengthen our presence in the region, through implementing systems integration and outsourcing projects, developing added value businesses, or acquiring companies.

Investment projects are presented by the business units in their annual operating plans. Investments not originally included in plans are analyzed by the respective business unit and the Corporate Chief Finance Officer, the Corporate Chief Executive

Officer and the Executive Committee, and finally approval is sought from the corresponding Boards.

Acquisition analysis evaluates factors such as their financial situation, their portfolio of customers and contracts, possibilities for cross-selling, their volume of recurring revenue, customer's perception of them, their range of products and services, the capability of the executive team, their geographical coverage, possible synergies and their management style.

Investment in research and development (R&D) is mainly related to developing new software products and services, continual improvement of current products, and constantly updating professionals with the latest technologies.

New investments are financed primarily through internal funds generated by the business, and external resources from issuing bonds, bank borrowing or capital increases. Major investments have focused on the acquisition of IT companies and the implementation of large technological integration projects.

Financial investments aim to maintain sufficient surplus funds to meet all short-term cash requirements. In general, financial derivatives such as forwards, futures, swaps, options, etc., are not used. However, if expedient, we may take positions in financial instruments in order to achieve appropriate coverage with regard to exchange rate or interest rate risks that arise during the normal course of business. Nevertheless, we have always preferred natural or operational hedges.

Corporate bonds

Series C Bonds

On December 18, 2009 we issued both the Series A and C bonds. The Series A totaled UF 1,500,000, and was placed with a 5 year term at an interest rate of 3.5% per annum, and the Series C totaled UF 1,500,000, with a 21 year term at a fixed interest rate of 4.5% per annum. They were issued from lines 622 and 621 respectively, with a combined maximum nominal amount of UF 3,000,000.

The Company shall regularly report to bondholder's representatives on the agreed dates the following indicators and safeguards:

- **Borrowing ratio:** Total liabilities less cash divided by consolidated equity should be less than 1.3 times.
- **Financial expenses ratio:** EBITDA divided by net financial expenses must be greater than or equal to 2.5 times.
- **Equity:** Minimum equity is UF 8,000,000.
- **Keep assets free of encumbrances:** Assets free of any pledge, mortgage or other charge should be at least 1.25 times unsecured liabilities.

- **Control over important subsidiaries:** Maintain control over the subsidiary SONDA Procwork Inf. Ltda.
- **Prohibit the sale of assets:** No more than 15% of consolidated assets.

Series H bond

On July 11, 2019, we issued a Series H Bond from line 832 that totaled UF 3,000,000 with a 10 year bullet repayment. It forms part of the financing structure for the company's 2019–2021 Strategic Plan. This bond earns annual interest of UF +1.5%.

The Company shall regularly report to bondholder's representatives on the agreed dates the following indicators and safeguards:

- **Borrowing ratio:** Total liabilities less cash divided by consolidated equity should be less than 1.3 times.
- **Financial expenses ratio:** EBITDA divided by net financial expenses must be greater than or equal to 2.5 times.
- **Equity:** Minimum equity is UF 8,000,000.
- **Keep assets free of encumbrances:** Assets free of any pledge, mortgage or other charge should be at least 1.25 times unsecured liabilities.
- **Control over important subsidiaries:** Keep the important subsidiaries under control.
- **Prohibit the sale of assets:** No more than 15% of consolidated assets.

Series J bond

In October 2019, we issued a Series J bond from line 622 that totaled UF 1,500,000, with a 5 year bullet repayment, in order to repay the Series E bond issued in November 2014. These funds were used to repay the capital and interest on the Series E bond on October 17, 2019 totaling ThCh\$37,267,214. This bond earns annual interest of UF +0.4%.

The Company shall regularly report to bondholder's representatives on the agreed dates the following indicators and safeguards:

- **Borrowing ratio:** Total liabilities less cash divided by consolidated equity should be less than 1.3 times.
- **Financial expenses ratio:** EBITDA divided by net financial expenses must be greater than or equal to 2.5 times.
- **Equity:** Minimum equity is UF 8,000,000.
- **Keep assets free of encumbrances:** Assets free of any

pledge, mortgage or other charge should be at least 1.25 times unsecured liabilities.

- **Control over important subsidiaries:** Keep the important subsidiaries under control.
- **Prohibit the sale of assets:** No more than 15% of consolidated assets.

Bond contracts impose limits on our financial indicators and require compliance with obligations, which is usual for this type of financing, and as of December 31, 2019 the company fully complies.

Risk factors

Litigation risks

1. SONDA S.A.

There is no litigation, potential litigation, or judicial or extrajudicial affairs to report.

2. Subsidiaries

2.1 Subsidiaries in Brazil

2.1.1 The subsidiaries SONDA Procwork and SONDA do Brasil are currently participating in several proceedings, mainly relating to employment and taxation, arising from disagreements with the Brazilian tax authorities about the treatment of tax payments.

Local attorneys have informed the company of progress and the possibilities of reversal, based on the defense presented by the Company.

- The most significant case relates to alleged tax infringements brought by the Municipality of Campinas, who argued that all of certain services were provided by the subsidiary within this municipality. Brazilian tax is payable to the municipality where companies provide their services, and is calculated as a percentage of turnover. The amount disputed by the Municipality of Campinas is R\$38.9 million, including fines, indexation and interest. The subsidiary of SONDA S.A. claimed that these charges are invalid on the grounds that such taxes had already been paid pursuant to the territorial distribution established by the law. The company achieved success in the higher courts. The case will now be archived.
- Infringements were notified by the tax authority (Receita Federal) totaling R\$17.7 million including fines, inflation and interest, due to differences in the treatment of INSS tax on certain benefits paid to employees. These have reached in the administrative appeal phase, but the possibility of reversing them is considered remote. Management and their legal advisors believe that the provisions are sufficient to cover the estimated losses with a probable risk.

2.1.2 CTIS: The Company is a party to legal actions and administrative proceedings before various courts and government entities that have arisen from the normal course of business, relating to tax, civil and labor matters.

- i. Labor proceedings: Management has adequately provided against estimated losses from ongoing processes, classified by the likely risk of loss. These provisions are based on information from their legal advisors, an analysis of pending legal claims, and past experience with regard to the amounts claimed.

Judicial deposits have been made, which are classified as CTIS restricted assets. They have been deposited with courts as partial collateral until the conflict is resolved.

- ii. Taxation proceedings: These refer to challenges by the tax authority regarding the use of tax-credits, arguing that their retention at origin cannot be substantiated. Management has adequately provided against estimated losses from ongoing processes, classified by the likely risk of loss, as these cases are still at the presentation of evidence stage by the tax authority.

All the contingencies that arose prior to the CTIS acquisition date are covered by an escrow account created in accordance with the acquisition contract.

2.1.3 ATIVAS Datacenter S.A.: The company is a party to legal actions before various courts and government entities that have arisen from the normal course of business, relating to tax, civil and labor matters. The company plays an active part in civil and taxation issues and these do not represent a contingency.

All the contingencies that arose prior to acquiring Ativas are the responsibility of its previous controllers.

2.1.4 SONDA Procwork Outsourcing Informática Ltda.: On October 22, 2018, the Company initiated a judicial procedure to collect money from the mutual granted to two Asamar Group companies called ASM Participacoes Societarias S.A. and Ativas Participacoes S.A., former controlling shareholders of Ativas Datacenter S.A., for an original amount of R\$65,549,798, as this sum was not paid on the agreed due date of October 19, 2018. Since that date, the Company has not recognized or accrued any of the interest, inflation adjustments or fines defined in that contract.

In view of the evidence provided, the judge (i) first seized the debtors' assets, consisting of the money they are entitled to receive from Glencore Oil Participacoes Ltda. (Glencore) as the proceeds from recent asset sales; and, (ii) ordered that these monies be deposited in the court's bank account. Glencore confirmed that it had received the proceeds, but did not release the complete version of the contract, to verify that the seized monies cover the total loan and interest. If the proceeds payable by Glencore are lower, Procwork will pursue payment

from various other assets owned by the debtors and their related companies, to the fullest extent permitted by Brazilian law.

This loan was not a routine business transaction, as it was related to acquiring the subsidiary Ativas. Its special nature meant that the Company did not apply its general policy of evaluating commercial assets for indications of impairment.

Although all legal proceedings for the recovery of debts have associated risks that may affect the recoverability of the total amount, in the opinion of the company's legal advisors this collection process will probably be successful. However, the Company is continuously monitoring progress and evaluating the recoverability of this asset.

2.1.5 M2M Solutions S.A.: The company is a party to legal actions before various courts and government entities that have arisen from the normal course of business, relating to tax, civil and labor matters.

2.1.6 Some subsidiaries in Brazil hire labor through individual companies for temporary services. However, due to the characteristics of this service, an employment relationship could be inferred between the parties, and as a result the companies could be fined by the fiscal authority, who could require the payment of social security contributions, taxes and penalties.

Our legal advisers believe that an employment relationship cannot be inferred with these service providers, and that there are ameliorating factors that reduce the impact of potential demands from the tax authority (Receita Federal).

2.1.7 As of December 31, 2019, the current labor lawsuits in Brazil are covered by provisions for potential loss contingencies of ThCh\$11,335,086 (ThCh\$7,970,906 as of December 31, 2018), disclosed as "Other Provisions - provisions for legal processes".

Management and their legal advisers believe that the corresponding provisions are sufficient to cover the risks associated with these proceedings.

2.2 Subsidiaries in Chile

The subsidiaries Quintec Distribución S.A. and Innovación y Tecnología Empresarial Item Ltda., are participating in several judicial processes before guarantee courts, as victims of theft, robbery and others, which have reached various procedural stages. The results of these processes not covered by the respective insurances are covered by corresponding provisions.

2.3 Subsidiaries in Colombia

2.3.1 Sonda de Colombia S.A.: It currently has demands that mainly relate to taxation issues, which were included within the acquisition of Quintec Colombia (later absorbed by Sonda

de Colombia). The most representative demand is Quintec vs. the Taxes and Customs Division (DIAN) currently for COP\$3,413 million. This process has discussed the legality of administrative conduct whereby the DIAN amended income tax returns filed by the Company for the taxable year 2008, resulting in the payment of more tax, and a penalty for inaccuracy. The hearing and closing arguments have already been presented for processing Notification was received in May 2018 of the first instance sentence partially annulling the alleged conduct, and an appeal was filed that was admitted and subsequently the closing arguments were presented in October 2018 awaiting the final decision. Management believes that there are sufficient grounds to defend the company's position, and legal advisors rate this contingency as possible.

2.3.1 Compufácil S.A.: It received an administrative demand for breach of contract with Empresa de Telecomunicaciones de Bogota (ETB) in 2015. The bills that Compufácil issued to ETB for COP\$3,843 million are fully provisioned. ETB has counter-sued Compufácil under the same contract, claiming that it should be annulled.

The Bogotá District Finance Secretary ordered ETB to pay COP\$1,417 million to Compufácil, in industry and commerce taxes for 2009 and 2011. The request to annul the tax decision was filed. These proceedings have been pending a final ruling since July 19, 2016.

Our legal advisors believe that there are sufficient grounds to defend the company's position, and they qualify these lawsuits as possible.

All the contingencies arising from these proceedings, which began prior its acquisition by Sonda Colombia in 2017, are the responsibility of its previous controllers, as established in the acquisition agreement.

2.4 Subsidiaries in Argentina

The subsidiaries SONDA Argentina S.A. and Quintec Argentina S.A. (absorbed by SONDA Argentina S.A.) have received labor demands from former employees. Management and their legal advisors believe that the provisions are sufficient to cover the risks associated with these proceedings.

2.5 Subsidiary in Panama

On August 29, 2014, the subsidiary SONDA Panama was notified of an administrative demand filed by five individuals against the Panamanian Land Transit and Transport Authority (Autoridad de Tránsito y Transporte Terrestre de Panamá), to declare null and void contract 35 "Financial Management Service Concession for the Passenger Mass Mobilization System in the Metropolitan Panama Area, Panama and San Miguelito District" (Contrato para la Concesión del Servicio de Administración Financiera del Sistema de Movilización Masivo de Pasajeros en el Área Metropolitana de Panamá, Distrito de Panamá y San Miguelito). SONDA's attorneys in Panama filed an appeal

against the decision to proceed, and responded to the demand in September 2014. After the response to the demand was filed, the evidentiary proceedings began and the final arguments were presented. A ruling in favor of Sonda was finally issued in March 2019, which concludes this case.

3. Other Disputes

The Company is defendant and plaintiff in other legal actions arising from the ordinary course of business. In the opinion of Management, the final outcome of these matters will not have an adverse impact on the Company's financial situation, its operational results nor its liquidity.

Risks associated with acquisitions

An important component in SONDA's growth strategy is the acquisition of IT service assets or businesses. However, the company's experience of these transactions, which is supported by the opinions of lawyers and external auditors, is that the acquisition of businesses or assets exposes the company to future contingent risks that may have an adverse effect on the profitability of these assets or businesses, and on the company's financial position. Also, the negotiation of potential acquisitions may involve significant costs, while assets acquired in the future may not achieve the sales and returns that justify the original investment. Moreover, there is no guarantee that SONDA will be able to identify future acquisition opportunities consistent with its growth policy.

Risks associated with the contract for the Transantiago Financial Manager (Administrador Financiero de Transantiago S.A., AFT) and related third parties.

SONDA has a 9.5% minority interest in Administrador Financiero de Transantiago S.A. (AFT), which provides the Ministry of Transportation and Telecommunications (MTT) with resource management services for the Santiago Public Passenger Transportation System (Transantiago).

On September 20, 2005, SONDA signed a contract with AFT to provide the project with technological services (Technological Services Contract), which has required SONDA to invest approximately US\$108 million.

On December 14, 2012, SONDA signed a contract with the MTT to provide technological services to Transantiago and its transport and complementary services suppliers (Technological Services Contract for the Santiago Public Passenger Transportation System and its Complimentary Services).

SONDA also signed contracts to provide technological equipment to each Transport Concessionaire, and to Metro S.A. (each called a Technological Equipment and Services Contract).

Risks associated with the financial management services concession contract with the Government of Panama.

On April 8, 2011, SONDA S.A. signed a contract with the State of Panama called the "Financial Management Service Concession for the Passenger Mass Mobilization System in the Metropolitan Panama Area". This contract includes installing the technological equipment required to collect passenger's fares and their subsequent distribution to the transport operator.

This contract involves operating the bus collection system for ten years, the refill network, customer service offices and the central systems. It covers managing and safeguarding the funds collected and allocating them to the various transport service suppliers. Operations began on February 15, 2012. The contract required SONDA S.A. to provide a contract performance bond of US\$18,060,000 that must remain valid for the term of the contract, plus one additional year.

Risks associated with subsidiaries and associates

SONDA is a business, while it is also a parent company and associate of several companies through which it conducts a significant part of its business, and whose operating margin and financial condition may have an adverse effect on the Company's business.

Risks associated with suppliers

The company is supplied by various technology vendors, in order to provide integrated solutions to customers. Most of these vendors are well known global manufacturers, with offices and representatives in Chile and the rest of the world. These vendors could fail to meet delivery commitments or fail to meet quality standards for their equipment, services and products. Even though SONDA has various policies to control this risk and is not dependent on any particular vendor, a significant failure at a vendor could cause adverse effects to SONDA's business and operating margins.

Risks associated with obsolescence and technological change

An essential requirement of SONDA's business is to be at the forefront of the latest technological developments in the industry, in order to offer customers the latest technological solutions. SONDA regularly invests significant resources in developing and updating its applications, in order to stay at the leading edge. SONDA is constantly evaluating regional and global technological trends and developments. However, changes may occur that were not foreseen by SONDA that make assets technologically obsolescent and have significant adverse effects on SONDA's business and operating margins.

Risks associated with assets

Fixed assets, including buildings, infrastructure, facilities and equipment, plus the civil liability risks associated with them,

are protected by relevant insurance policies, with normal market terms and conditions. However, any damage to assets can have significant adverse effects on SONDA's business and operating margins.

Country risks

SONDA and its subsidiaries operate in various Latin American countries. Consequently, its business, financial condition and net income will depend partly on the political and economic stability of these countries. Any adverse changes in such conditions can have significant adverse effects on SONDA's business and operating margins.

Risks not insured

SONDA does not have insurance to cover the risk of stoppages. If this contingency occurs, it could have a significant adverse effect on SONDA's business and operating margins.

Exchange rate risks

SONDA and its subsidiaries are exposed to fluctuations in exchange rates, which could affect its financial position, net income and cash flow. However, the Company's hedging policy provides for regular reviews of the exchange rate risk exposure affecting the principal assets and obligations of the Company. Where needed, these risks should be covered by operational matching between various business units and subsidiaries, or in their absence, through market-based instruments designed for such purposes, such as forward currency purchases or currency swaps. However, there is no certainty that such measures would completely avoid the possible adverse effects of fluctuations in exchange rates.

Interest rate risks

SONDA currently has liabilities payable to the financial system at fixed interest rates. SONDA's financial investments serve to ensure an adequate level of surplus funds to meet short-term cash requirements.

On December 18, 2009 SONDA issued both the Series A bonds and the Series C. The Series A totaled UF 1,500,000, and was placed with a 5 year term at an interest rate of 3.5% per annum, and the Series C totaled UF 1,500,000, with a 21 year term at a fixed interest rate of 4.5% per annum. They were issued from Lines 622 and 621 respectively, with a combined maximum nominal amount of UF 3,000,000.

In November 2014, a Series E bond was issued from line 622 with a nominal value of ThCh\$36,300,000, which matures on November 1, 2019. This bond carries an interest rate of 5.4% per annum on the outstanding capital.

On November 28, 2014 the capital and interest on the Series A Bonds was repaid totaling ThCh\$ 37,481,945.



On July 11, 2019, a Series H bond was issued under line 832 for UF 3,000,000, which was placed with a 10-year term, at an annual interest rate of 1.34%.

On October 17, 2019, a Series J bond was issued under Line 622 for UF 1,500,000, which was placed with a 5-year term, at an annual interest rate of 0.37% on the outstanding principal. On November 4, 2019, the capital and interest on the Series E Bond was repaid totaling ThCh\$ 37,267,214.

Credit risks

Credit risk is where a party fails to meet its contractual obligations resulting in financial loss to SONDA and its subsidiaries, principally amongst trade receivables, financial assets and derivatives.

The Company has defined policies to control trade receivables and reduce the risk of unrecoverable debts or payment default. Additionally SONDA has a database of over 5,000 regional customers, including leading Latin American companies from a wide range of industries and markets. The customer, sectorial and geographical diversification of SONDA's receivables considerably reduces this risk. The 50 largest customers account for less than 35% of revenue, which almost eliminates SONDA's vulnerability in this regard.

Liquidity or financing risk

Liquidity risk relates to the need for funds to meet payment obligations. SONDA's objective is to maintain a balance between funds continuity and financial flexibility through normal operating cash flow, bank loans, public bonds, short-term investments and credit lines.

SONDA had cash, cash equivalents and other current financial assets of Ch\$158,084 million (US\$211.1 million) as of December, 31 2019, which was comprised of cash, fixed-term deposits at less than 90 days, fixed income mutual funds, and other short-term investment instruments.

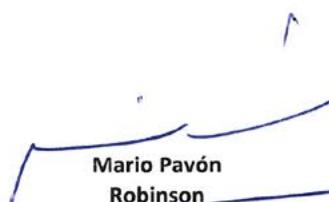
Senior Executives Information

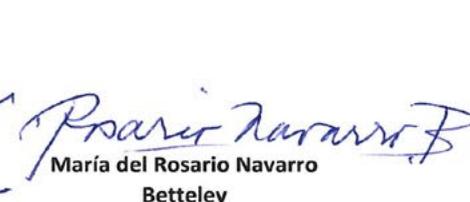
Chilean ID	Name	Profession	Senior Executive Position	Date of Appointment
6,580,740-8	Raúl Véjar Olea	Civil Electrical Engineer Master in Electronic Engineering	Chief Executive Officer	01-01-2005
7,923,570-9	Rafael Osorio Peña	Civil Industrial Engineer	Chief Financial Officer	03-01-1996
7,289,970-9	Raúl Sapunar Kovacic	Civil Industrial Engineer	General Manager SONDA Chile	11-21-2014

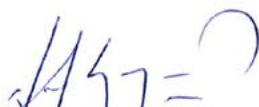
Declaration of Responsibility

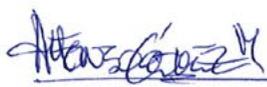


The signatories are Directors and the CEO of SONDA S.A. and they declare that they are responsible for the accuracy of all the information contained in this 2019 Annual, Social Responsibility and Sustainable Development Report ("2019 Integrated Report"), in accordance with General Rule 30 issued by the Superintendent of Securities and Insurance, now known as the Financial Market Commission.


Mario Pavón Robinson
Presidente
RUT 5.386.757-K


María del Rosario Navarro Betteley
Vicepresidenta
RUT 12.720.922-7


Juan Antonio Guzmán Molinari
Director
RUT 5.123.918-0


Alfonso Gómez Morales
Director
RUT 5.478.723-5


René Javier Lehuedé Fuenzalida
Director
RUT 5.523.074-9

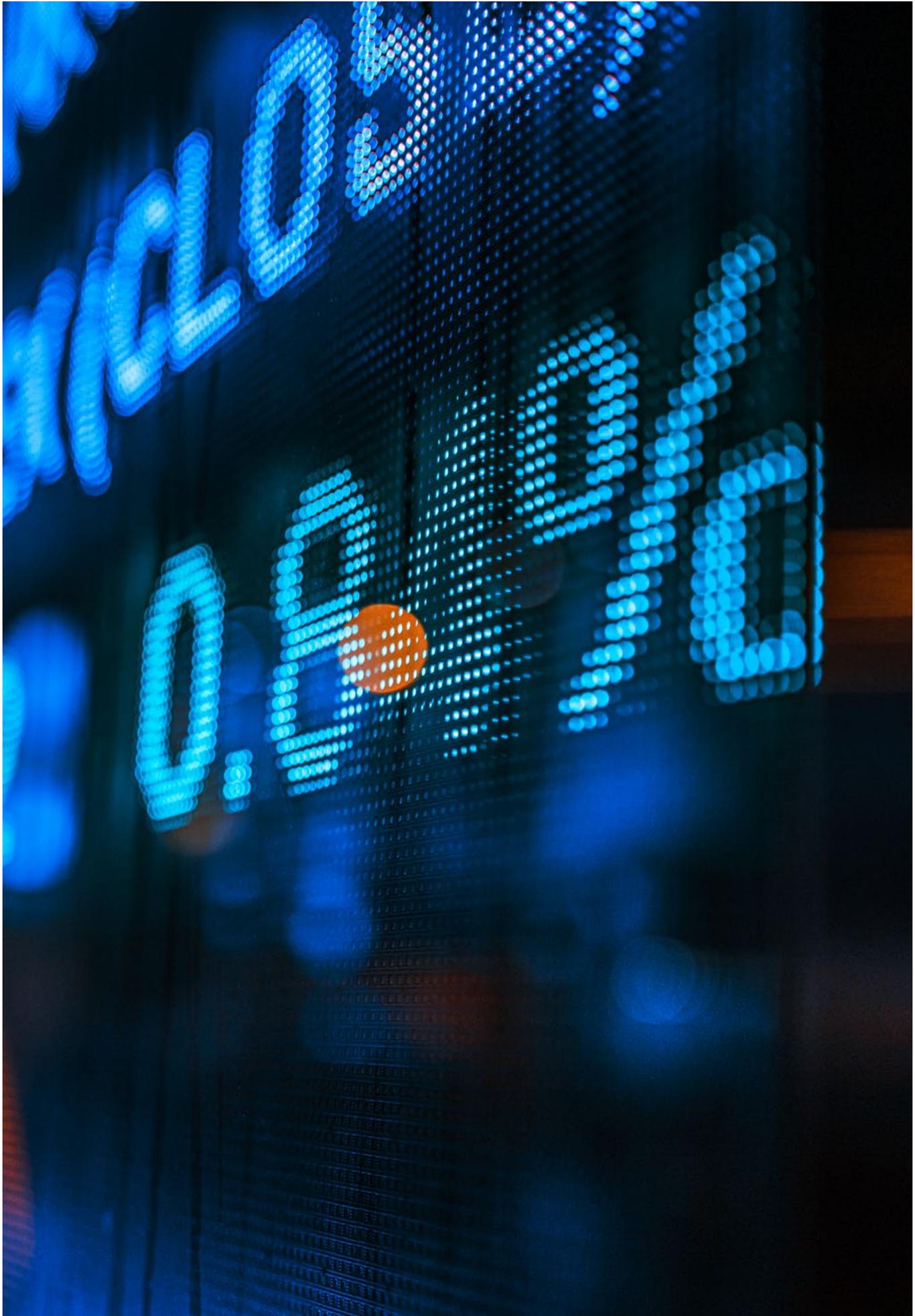

Enrique Bone Soto
Director
RUT 6.056.216-4


Mateo Budinich Díez
Director
RUT 6.522.204-3


Hernán Carlos Marió Lores
Director
RUT 7.019.964-5


Andrés Navarro Betteley
Director
RUT 13.830.732-8


Raúl Véjar Olea
Gerente General
RUT 6.580.740-8







Chapter 09



Appendices

We have prepared an Integrated Report for the third consecutive year, to report on our strategy, priorities and performance to tackle the most important financial, commercial and sustainability issues affecting the business.



About this Report

We have prepared an Integrated Report for the third consecutive year, to report on our strategy, priorities and performance to tackle the most important financial, commercial and sustainability issues affecting the business.



This report has been prepared in accordance with GRI Standards (Global Reporting Initiative), using the Core option. It focuses on the most important issues to SONDA and its stakeholders, which were defined in accordance with the guidance contained in the GRI standards.

The information in this document reports on the management of the entire company during 2019. Information from previous years has also included to clarify the context, together with the main events that have occurred up to the report's publication date, which covers the 10 countries where SONDA's businesses operate.

A cross-departmental team participated in preparing this section, who were led by the Financial Analysis, M&A and Investor Relations Department, with advice from external experts. The team ensured compliance with GRI principles, and they gathered and validated this information.

Disclosure of the most important issues



At the end of 2019 we undertook a formal materiality analysis, in order to update our sustainability priorities.

The first step was to identify the material issues arising from the following perspectives:

- Strategic and priority issues for SONDA that arose from the 2019– 2021 Strategic Plan, the Risk Matrix and interviews with senior management.
- Emerging challenges for IT companies regarding climate change and the United Nations 2030 Agenda for Sustainable Development (SDGs).
- New citizen demands following social unrest in Chile and various other countries.
- Benchmark best practice with world-class IT companies.
- Requirements by the financial markets regarding sustainability, such as DJSI, TCFD, and the evaluation by Sustainalytics to issue the green bond.

A list of issues emerged from this exercise, which were evaluated and discussed with the Chairman of the Board and the company's senior management, based on their impact on SONDA's sustainable development and their relevance to society. Those with the greatest relevance to our business were selected for the Materiality Matrix.

Subsequently, meetings were held with SONDA managers and executives to address each of these material issues, and to agree a management approach, the central aspects to disclose, the initiatives to emphasize and the indicators.

Materiality Matrix for sustainability

					Relevant ESG topics	
					Environment	<ul style="list-style-type: none"> • Climate change mitigation: GEI decrease, renewable energies, energy and water efficiency • Adaptation to climate crisis: Physical and transition risks; Financial impact • Electronic waste and circular economy
Relevance for society	High		<ul style="list-style-type: none"> • Mitigation and adaptation to climate change • Engagement and wellness of employees 	<ul style="list-style-type: none"> • Innovation, technologies and solutions for sustainable societies • Corporate governance and risk management • Ethic, transparency and compliance • Trust and satisfaction of customers • Cyber security and service continuity • Talent and skills management • Inclusion, diversity and dignity 	Social	<p>Society</p> <ul style="list-style-type: none"> • Innovation, technologies and solutions for sustainable societies (Contribution to the SDG) • Business partners connection and ecosystems to generate value <p>Clients</p> <ul style="list-style-type: none"> • Trust and customers satisfaction • Cybersecurity and service continuity <p>Labor</p> <ul style="list-style-type: none"> • Inclusion, diversity and dignity • Engagement and wellness • Talent and abilities management <p>Suppliers</p> <ul style="list-style-type: none"> • Responsible supplying: Just and virtuous relation with suppliers (especially with small ones); Compliance <p>Communities</p> <ul style="list-style-type: none"> • Local impacts in communities • Equity and digital access (digital literacy, others)
	Medium	<ul style="list-style-type: none"> • Equity and digital access 	<ul style="list-style-type: none"> • Electronic waste and circular economy • Responsible supplying 	<ul style="list-style-type: none"> • Connection with business partners and ecosystems to generate value 		
	Low	<ul style="list-style-type: none"> • Local Impacts in the Community 				
		Low	Medium	High	Governance	<ul style="list-style-type: none"> • Corporate Governance and risk management in ESG • Ethics, transparency and compliance
		Impact in the business				



Sustainability Indicators

Indicator	Calculation method	2017	2018	2019
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Sonda at a glance

Revenue				
Revenue value	US\$ million	1,124	1,069	1,131
Percentage revenue from emerging markets	Percentage of revenue from emerging markets in relation to total revenue. All the countries where SONDA operates fall into the "emerging markets" category, according to RobecoSAM, with the exception of Chile and Uruguay.	55.0%	52.4%	52.1%

% revenue by business line				
IT Services	% of revenue compared to the total	55.2%	47.6%	44.1%
Applications	% of revenue compared to the total	5.0%	9.2%	10.2%
Platforms	% of revenue compared to the total	39.7%	43.2%	45.8%

% revenue by geographical area				
Chile	% of revenue compared to the total	43.7%	46.0%	45.7%
Brazil	% of revenue compared to the total	32.2%	28.6%	30.6%
Mexico	% of revenue compared to the total	8.3%	8.3%	5.3%
OPLA	% of revenue compared to the total	15.8%	17.0%	18.4%
EBITDA	US\$ million	136	122	125
Capitalization	US\$ million Market capitalization at the end of the year.	1,424	1,264	755
Investment	US\$ million Investment disbursed in the year	49	43	95

Suppliers				
Supplier payments	US\$ million Total payments to suppliers	699	697	698

OUR COMMITMENT HUMAN CAPITAL DEVELOPMENT IN IT

Human capital development in IT				
Number of IT professionals	Number of our IT professionals	13,394	13,289	12,598
% of IT professionals	% compared to our total employees	79%	79%	78%

TRANSFORMATION

Amount invested in R&D	US\$ million Investment disbursed in the year	12.0	12.9	12.4
Percentage invested in R&D compared to sales	% invested in R&D compared to sales	1.0%	1.1%	1.1%

GOVERNANCE AND ETHICS

Board of Directors				
Number of directors with executive positions within the company	Number as of December 31 each year Excluding independent directors	0	0	0
Number of independent directors	Number as of December 31 each year	6	6	6
Number of directors	Number as of December 31 each year	1	1	1

Age Group				
Under 30 years old	Number of directors as of Dec 31	0	0	0
Between 30 and 50 years old	Number of directors as of Dec 31	2	2	2
Over 50 years old	Number of directors as of Dec 31	7	7	7
Average seniority of directors	Average years on the SONDA Board	4	5	6
Average attendance of directors*	Average attendance of directors at SONDA Board meetings	99%	98%	93%
Directors with experience in the IT industry	Number as of December 31 each year Only include non-executive directors (Directors without an executive position in the company)	8	8	8
Directors with expertise in risk management	Number as of December 31 each year Only include non-executive directors (Directors without an executive position in the company)	4	4	4

Indicator	Calculation method	2017	2018	2019
Code of Ethics scope				
Percentage of employees covered	% of employees covered as of December 31 each year	100%	100%	100%
Code of Ethics				
Complaints received	Number of complaints received during the year	25	55	79
% of complaints resolved	Number of complaints resolved during the period / Number of complaints received during the period	100%	100%	100%
Discrimination cases	Number of discrimination cases	0	0	0
Corruption				
Corruption cases	Number of confirmed corruption cases	0	0	0
Cases where the employee was dismissed	Number of confirmed cases where employees have been dismissed for corruption, or disciplinary action has been taken	0	0	0
Cases where a business partner's contract was terminated	Number of confirmed cases where a business partner's contract was terminated or not renewed for corruption-related offences	0	0	0
Legal cases against the organization	Number of public legal cases related to corruption filed against the organization	0	0	0
Unfair competition	Number of legal proceedings pending or terminated for unfair competition, monopolistic or anti-competitive practices, where the organization was involved	0	0	0
Compliance				
Value of fines	Monetary value of significant fines for non-compliance with social or financial laws and regulations US\$ million	0	0	0
Number of non-monetary sanctions	Number of non-monetary sanctions for non-compliance with social or financial regulations	0	0	0
Number of cases	Number of cases submitted to social or financial dispute resolution mechanisms	0	0	0
Contributions to political parties	US\$ million Value of all contributions to political parties	0	0	0
Economic value generated and distributed among economic agents				
Direct operational cost	US\$ million Cost of sales for platforms and applications	379	379	457
Economic Value Generated	US\$ million Sales revenue - Direct operational cost	745	690	674
Value retained by the company	US\$ million Includes annual depreciation and amortization plus non-distributed profits.	59	58	32
Economic Value Distributed	US\$ million (Economic Value Generated - Value retained by the company) = Value Distributed to economic agents (Employee remunerations and benefits + Suppliers + State taxes + Dividends to shareholders + Payments to Financiers)	686	632	642
Employees	US\$ million Operating and administrative costs	402	365	381
Suppliers	US\$ million	106	96	90
State	US\$ million Taxes paid to the State	9	38	48
Shareholders	US\$ million Dividend payments	43	7	16
Capital financiers	US\$ million Capital repayment and interest	24	19	24
Other operating expenses	US\$ million	100	107	83
CUSTOMERS				
Customer satisfaction				
% customers with measured satisfaction	% of customers whose satisfaction was evaluated	100%	100%	100.0%
Complaints	Complaint rate (Number of complaints/Number of OS)	0.04%	0.06%	0.03%
Service quality indicator				
	% of cases dropped out at help desks	92.0%	92.0%	92.0%
	% SLA compliance OS service	92.0%	92.0%	92.0%
Customer data security				
Value of fines	Value in US\$ of customer data security breaches	0	0	2,080
Number of fines	Number of customer data security breaches	0	0	11
Lost customer data cases	Number of customer cases with privacy or lost data problems	0	0	3

Indicator	Calculation method	2017	2018	2019
Complaints	Number of customer complaints for privacy or lost data issues	0	2	4
	Number of authority/regulator complaints for customer privacy or lost data issues	0	2	0
Service continuity				
Service availability	Available service time / Total time	100%	99.8%	97.4%
Availability complaints	Number of customer complaints for failures in system availability (DCC customer complaints for availability)	1	5	10
Uptime components	"(1- ((Td-Tm)/Ta))* 100% Td: Downtime during the period. Tm: Scheduled maintenance time during the period. Ta: Agreed service time during the period."	98.0%	99.6%	98.1%

Employees

Employment and diversity				
Number of employees	Number as of December 31 each year	17,062	16,845	16,119
Employees under 30 years old	Number as of December 31 each year	5,097	5,382	5,016
Employees between 30 and 50 years old	Number as of December 31 each year	10,151	9,887	9,493
Employees over 50 years old	Number as of December 31 each year	1,814	1,576	1,610

Detailed number of own employees				
Permanent employees	Number as of December 31 each year	17,062	16,845	16,119
Men	Number as of December 31 each year	11,943	12,009	11,665
Women	Number as of December 31 each year	5,119	4,836	4,454
Temporary employees	Number as of December 31 each year	185	278	242

Gender diversity				
Number of female employees	Number as of December 31 each year	5,119	4,836	4,454
	%	30%	29%	28%
Number of executives	Number of executives (senior management, maximum two levels from the CEO)	51	54	47
Number of female executives	Number of executives (senior management, maximum two levels from the CEO)	2	1	2

Detailed number of own employees by gender				
* Number of women under 30 years old	Number as of December 31 each year	1,544	1,505	1,482
* Number of women between 30 and 50 years old	Number as of December 31 each year	3,133	2,914	2,564
* Number of women over 50 years old	Number as of December 31 each year	442	417	408

Salary gap by gender				
Executives and managers	Percentage salary earned by women compared to men in the same category	36%	34%	30%
Professionals, technicians and administrative staff	Percentage salary earned by women compared to men in the same category	14%	10%	6%
Number of contractor's employees	Number as of December 31 each year	185	278	242

Training in leadership and soft skills				
Training hours	Average training and development hours, per employee	2	3	3
Total amount invested	US\$ invested in training	407,102	501,812	293,854
Training index	US\$ invested in training divided by number of employees	24	30	19

Unionization				
Unions	Number of unions as of December 31	40	40	40
Unionization	Percentage of unionized employees as of December 31 compared to total employees	16%	14%	16%
Strikes	Number of strikes that lasted more than a week	0	0	0
Employees covered by collective bargaining agreements	Percentage of employees covered by collective bargaining agreements	73%	73%	70%

Indicator	Calculation method	2017	2018	2019
Accident Rates				
Number of fatalities (Own and contractors)	Number of fatalities during the year, including own and contractor's employees	0	0	0
Frequency Index (Own and contractors)	Number of lost-time accidents during the year, per million hours worked including own and contractor's employees	3.1	3.5	2.3
Rotation and satisfaction				
Total employee rotation	Percentage of leavers to total employees	48%	41%	41%
Employee satisfaction survey	% of employees surveyed	84%	100%	100%
	% favorable working climate	58%	61%	63%
	% satisfied employees	64%	61%	68%
	% committed employees	73%	74%	78%
Leavers	Number of employees who left SONDA	9,318	7,589	6,790
Age group				
Number of employees under 30 years old	Number of employees	5,097	5,382	5,016
Number of employees between 30 and 50 years old	Number of employees	10,151	9,887	9,493
Number of employees over 50 years old	Number of employees	1,814	1,576	1,610
Distribution by country				
Chile	Number of employees	3,571	3,437	3,088
Brazil	Number of employees	8,544	8,354	8,102
Mexico	Number of employees	1,395	1,475	1,373
OPLA	Number of employees	3,552	3,579	3,556
Length of employment				
Under 3 years	Number of employees	8,914	8,921	8,775
Between 3 and 6 years old	Number of employees	4,639	4,499	3,949
Between 6 and 9 years	Number of employees	1,114	1,102	1,035
Between 9 and 12 years	Number of employees	1,306	1,151	1,026
Over 12 years	Number of employees	1,089	1,172	1,334
THE ENVIRONMENT				
Environmental Management				
Certified Compliance with ISO 14,001	Number of employees working under ISO 14,001 certification	1,450	2,091	5,078
Eco-efficiency				
Water	Volume of water consumed (m3)	49,500	46,826	38,476
Energy	Electricity consumed (MWh)	24,953	31,433	30,140
NCRE consumed	Renewable energy consumed (MWh)	s.i.	s.i.	28,662
	% electricity from NCRE / Total electricity consumed	s.i.	s.i.	95%
Eco-efficiency of Data Center				
Data Center consumption	% of electricity consumed in DC / total electricity consumed by SONDA	s.i.	s.i.	77%
PUE	Ratio of electricity consumed by total facility / electricity consumed by IT equipment within that facility	s.i.	s.i.	1.6
IT waste				
IT waste generated	Kilos	17,445	39,657	37,216
Data Center waste generated	Kilos	4,556	1,376	3,912
IT waste recycled	% of IT waste recycled	68%	91%	62%
IT waste disposed of in a safe location	% of IT waste disposed of in a safe location	32%	9%	38%
Supply Chain				
Supplier training	% of suppliers trained	70%	70%	70%
Contractor training	% of contractors trained	80%	80%	80%



GRI Content Index – Standards Core Option

GRI Standard	Contents	Page number or Link	Omission
GRI 101: 2016 FUNDAMENTALS		GRI 101 does not include contents	
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016	102-1 Name of the organization	Cover page	
	102-2 Activities, brands, products, and services	12, 13, 36-41	
	102-3 Location of headquarters	The head office is in Santiago, Chile.	
	102-4 Location of operations	8, 18, 19	
	102-5 Ownership and legal form	22	
	102-6 Markets served	18, 19, 36, 53-58	
	102-7 Scale of the organization	8, 9, 18, 19, 154, 156	
	102-8 Information on employees and other workers	8, 18, 19, 61, 156, 157	
	102-9 Supply chain	29, 154	
	102-10 Significant changes to the organization and its supply chain	4 - 7	
	102-11 Precautionary principle or approach	SONDA's Code of Ethics demonstrates its precautionary approach to its business.	
	102-12 External initiatives	96	
	102-13 Membership of associations	96	
	102-14 Statement from senior decision-maker	4, 5	
	102-15 Key impacts, risks and opportunities	24, 25, 34, 35, 46-51	
	102-16 Values, principles standards, and norms of behavior	13, 24, 27, 28	
	102-17 Mechanisms for advice and concerns about ethics	28	
	102-18 Governance structure	23, 24	
	102-19 Delegating authority	23	
	102-20 Executive-level responsibility for economic, environmental and social topics	23	
	102-22 Composition of the highest governance body and its committees	22, 23, 24, 154	Composition information not available that refers to: the number of significant positions, each person's commitments, the nature of those commitments, their membership of underrepresented social groups and their stakeholder representation.
	102-23 Chair of the highest governance body	The Chairman of the Board does not hold any executive positions within the company.	
	102-26 Role of the highest governance body in setting purpose, values and strategy	23	
	102-29 Identification and management of economic, environmental and social impact	23, 24	

GRI Standard	Contents	Page number or Link	Omission
	102-30 Effectiveness of risk management processes	24, 25	
	102-40 List of stakeholder groups	92	
	102-41 Collective bargaining agreements	156	
	102-42 Identifying and selecting stakeholders	92	
	102-43 Approach to stakeholder engagement	92, 94	Information not available that refers to engagement frequency by type nor by stakeholder.
	102-44 Key topics and concerns raised	93, 94	
	102-45 Entities included in the consolidated financial statements	This document is an integrated report. Therefore, both the financial and the sustainability information have the same scope.	
	102-46 Defining report content and topic boundaries	153	
	102-47 List of material topics	153	
	102-48 Restatements of information	The effect of any restated information with respect to the previous report and the reasons for that restatement. These are specified as footnotes to the respective indicators.	
	102-49 Changes in reporting	Significant changes with respect to the issues covered. These are specified as footnotes to the respective information.	
	102-50 Reporting period	152	
	102-51 Date of most recent report	2018 Integrated Report, published in April 2019.	
	102-52 Reporting cycle	Annual	
	102-53 Contact point for questions regarding the report	Design: Put here the page number where the Contact information is located...which is now located on flap 3 along with the Credits.	
	102-54 Claims of reporting in accordance with the GRI standards	152	
	102-55 GRI content index	158	
	102-56 External assurance	This report has not been externally verified.	

MATERIAL TOPICS

Innovation, technologies and solutions for sustainable companies

"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	34, 35, 46, 86	
	103-2 The management approach and its components	34, 35, 46, 86	
	103-3 Evaluation of the management approach	34, 35, 46, 86	
	Contribution to SDGs	46-51	
	Number of IT professionals (own employees)	154	
	Percentage of IT professionals compared to total own employees	154	
	Amount invested in R & D	154	
	R&D investment as a percentage of sales	154	

GRI Standard	Contents	Page number or Link	Omission
Corporate governance			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	22	
	103-2 The management approach and its components	22, 23	
	103-3 Evaluation of the management approach	23, 24, 25, 154	
GRI 405: Diversity and equal opportunity 2016	405-1 Number of directors	24, 154	
	405-1 Directors under 30 years old	24, 154	
	405-1 Directors between 31 and 50 years old	24, 154	
	405-1 Directors over 51 years old	24, 154	
Risk management			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	24, 25	
	103-2 The management approach and its components	25	
	103-3 Evaluation of the management approach	25	
Ethics and compliance			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	26	
	103-2 The management approach and its components	26, 27	
	103-3 Evaluation of the management approach	27, 28	
GRI 205: Anti-corruption 2016	205-3 Number of confirmed corruption cases	29, 155	
GRI 206: Anti-competitive behavior 2016	206-1 Cases of anti-competitive behavior	29, 155	
GRI 406: Non-discrimination 2016	406-1 Discrimination incidents	29, 155	
GRI 2016: Socioeconomic compliance 2016	419-1 Monetary value of significant fines for breaches	155	
	419-1 Number of significant fines for breaches	155	
	419-1 Number of cases brought through dispute resolution mechanisms	155	
	Percentage of employees covered by the Code of Ethics	29, 155	
	Number of grievances received through the grievance channel	29, 155	
	Percentage of grievances resolved compared to the total received	29, 155	
Customer trust and satisfaction			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	52	
	103-2 The management approach and its components	52	
	103-3 Evaluation of the management approach	52-59	
	Service quality	69, 155	
	Direct	69, 155	
	Customer satisfaction	52, 155	
Cybersecurity and service continuity			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	42, 71	
	103-2 The management approach and its components	42, 71	
	103-3 Evaluation of the management approach	44, 71,72	
	Information security	44	
	Service availability	71, 156	
	Availability grievances	71, 156	
	Uptime components	71, 156	

GRI Standard	Contents	Page number or Link	Omission
GRI 418: Customer privacy 2016	418-1 Grievances based on breaches in customer privacy and customer data loss	69, 156	
	Fines associated with customer data security and privacy	69, 155	
Talent and skills management			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	63	
	103-2 The management approach and its components	63-64	
	103-3 Evaluation of the management approach	63-66	
GRI 404: Training and education 2016	404-1 Average training hours per year per employee	69, 156	Information not available: average training hours analyzed by gender and employment type.
	404-2 Programs to improve employee's skills and outplacement assistance programs	68, 69	Information not available: Outplacement assistance programs to help professionals leaving the company.
	Investment in training (total and by employee)	156	
Inclusion, diversity and dignity			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	62, 65	
	103-2 The management approach and its components	65, 66	
	103-3 Evaluation of the management approach	65, 66	
GRI 405: Diversity and equal opportunity 2016	405-1 Employment diversity	66, 156, 157	
	405-2 Ratio of basic salary and remuneration for women versus men	66, 156	
Connection with business partners and ecosystems to create value			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	78	
	103-2 The management approach and its components	78	
	103-3 Evaluation of the management approach	78	
	Partnerships and agreements with the ecosystem	79	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	97, 157	
Climate change mitigation and adaptation			
"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	72	
	103-2 The management approach and its components	72-75	
	103-3 Evaluation of the management approach	72-75	
	Climate change adaptation and mitigation using SONDA solutions	72-75	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	72, 157	Environmental management: climate change, energy efficiency, and electronic waste consumption for heating, cooling, steam consumed and sold.

GRI Standard	Contents	Page number or Link	Omission
GRI 303: Water and effluents 2018	303-5 Water consumption	157	This indicator is not analyzed: consumption by department, volume consumed by areas with water stress, changes in how water is stored.

Employee engagement and wellbeing

"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	60-65	
	103-2 The management approach and its components	60-62	
	103-3 Evaluation of the management approach	60, 61, 66	
GRI 403: Occupational health and safety 2018	403-9 Work-related injuries	157	"Safety indicators are not analyzed by region, as they represent the entire business. Information not available: analysis by gender and employment type"
GRI 401: Employment 2016	401-1 Employee recruitment and staff turnover	61, 157	This indicator is not analyzed by the region, nor by gender and employment type.
	Labor relations: trade unions, strikes, workplace climate index	60, 61, 66, 156, 157	

Electronic waste and the circular economy

"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	72, 76	
	103-2 The management approach and its components	72, 76	
	103-3 Evaluation of the management approach	76	
GRI 306: Effluents and waste 2016	306-2 Waste by type and disposal method	76, 157	The focus is on IT and electronic waste. Traditional waste type and disposal method is not analyzed.

Responsible procurement

"GRI 103: Management Approach 2016"	103-1 Explanation of the material topic and its boundary	29	
	103-2 The management approach and its components	29	
	103-3 Evaluation of the management approach	29	
	Supplier payments	154	



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DECLARATION OF CURRENCY CONVERSION

Figures in this integrated report are expressed in Chilean pesos as of December 31, 2019. Unless otherwise noted, conversions to US dollars were done using the year-end exchange rate as of December 31, 2019.

(1 US\$ = 748,74 Chilean pesos)

CONTENT DEVELOPMENT

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