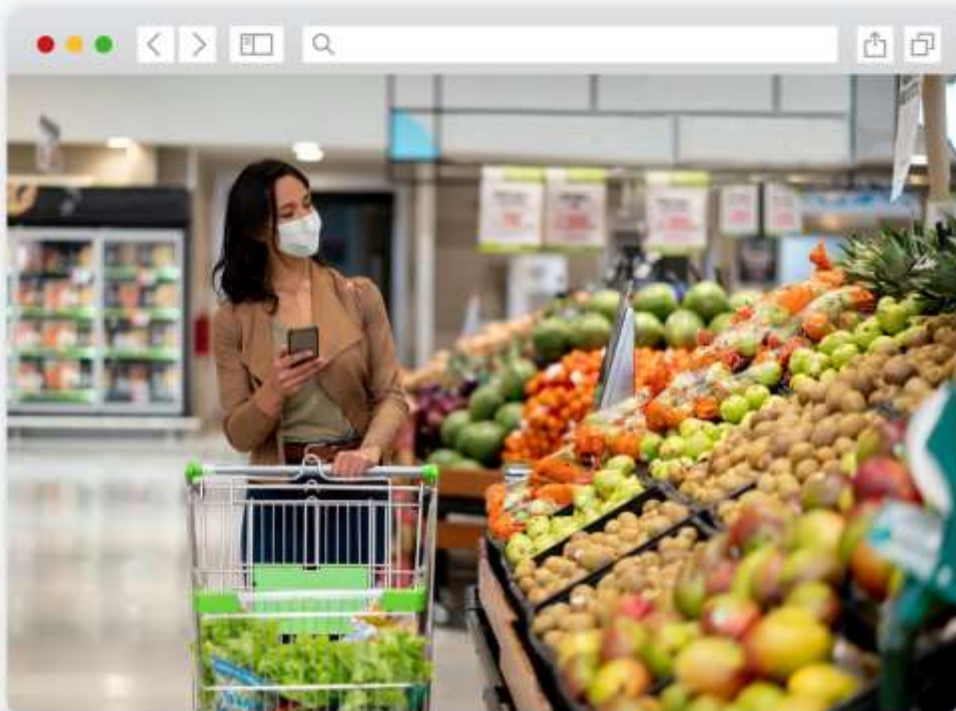




# 2020

## ESG SUPPORT DOCUMENT



# WHAT WE DO  
IS IN THE DETAILS

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# 01. Economic Dimension

## 1.1. Risk & Crisis Management

GRI 102-15; GRI 201-2; DJSI 1.3.3

Risk	Category	Description	Impact	Mitigating Actions
Digitalization and Cybersecurity	Technological	<p>About two-thirds of mankind owns a mobile device, which has allowed more people to be connected and has led to a change in the use of different communication and transaction channels. Cencosud operates in a highly competitive, complex and constantly changing environment. Given this, governance and security protocols must be constantly updated to reflect changes in technology and potential risks to ensure the availability of all Cencosud systems and follow the growth strategy with greater speed, flexibility and operational efficiency. Customer trust is important, so it recognizes its responsibility to protect the business information and data that is shared with the Company, and we are strongly committed to ensuring the availability of all services that guarantee the best shopping experience for customers in each of the available channels.</p>	<p>Threats, vulnerabilities and potential incidents that could affect our processes and technological platforms. The rise in online transactions has increased the risk and likelihood of cyberattacks. Loss of operating days, given that the physical and logistical infrastructure may be affected, to meet the supply to the countries in which the Company is present.</p>	<p>Cencosud has a Cybersecurity Program, which consist on a set of projects aimed at preventing, detecting and responding to internal and/or external computer attacks. Deployment of new technologies to provide protection to our collaborative environment in the cloud and strengthen the care of digital identity. Accompaniment of the expansion of our e-commerce strategy, seeking a safe omnichannel experience for our customers. We increased our security event monitoring and analysis capabilities through a world-class managed security service (Security Operation Center, SOC).</p>

Risk	Category	Description	Impact	Mitigating Actions
Climate Change Threats	Environmental	<p>The challenge of climate change requires joint action and commitment from various actors, countries, companies and citizens.</p> <p>The physical impacts related to climate change will affect differently the countries where Cencosud operates. Likewise, regulatory threats point to the definition of unilateral measures that require the adoption of measures to adapt and mitigate the effects of global warming.</p>	<p>Events of water scarcity and increased risk of flooding, depending on geographical areas, with an impact on water quality, directly impacting local suppliers and operations.</p> <p>Damage to infrastructure and breakdowns in transport networks affecting the logistics chain as a result of extreme weather events.</p> <p>Increased exposure to emissions taxes and levies.</p>	<p>Implementation of audits and energy efficiency plans in our facilities.</p> <p>Insertion of renewable energies via purchase in the electricity market or at the level of operations as a free customer.</p> <p>Implementation of efficient means of transport with low emissions.</p>

## 1.2. Policy Influence

### DJSI 1.6.1

Amounts [CLP]	2017	2018	2019	2020
Trade associations	436,887,390	453,696,005	513,833,032	293,685,562

Organization	Description	Contribution 2020 [CLP]
ASACH (Chile)	<p>The Supermarket Association is a non-profit trade union organization, open to all supermarkets in Chile. The organization, while promoting free competition, manages initiatives (own or in collaboration) which contribute to the development of the supermarket industry, and enhance people's quality of life and the sustainable development of the country. The Association places special emphasis on food and product safety, quality of service to consumers, workforce, as well as potential innovations that can improve the productivity of the industry as a whole. In addition, the organization represents the industry in all regulatory processes. The Association generates technical knowledge on good practices in compliance with labor, environmental, health and other regulations that govern the industry.</p>	44,594,124
SOFOFA	<p>The SOFOFA is a non-profit Trade Union Federation, which brings together companies and organizations linked to the Chilean industrial sector. The union groups 22 business associations from all regions of the country and more than 160 member companies. It also brings together 47 sectoral unions, which represent the main sectors of the Chilean economy. SOFOFA exists to promote together (with our companies and associated associations) the evolution and value of the country's companies, and to mobilize its contribution in the construction of public policies for a more developed, sustainable and inclusive Chile. SOFOFA promotes sustainable development, proposing policies that encourage investment, entrepreneurship, permanent training, employment and insertion in private activity along with stimulating its initiatives, the free market and openness to foreign trade.</p>	38,064,627

Cencosud does not contribute to political campaigns, political, lobby or commercial organizations or any other tax-exempt groups. (GRI 415-1)

### 1.3. Supply Chain Management

#### ESG Integration in Supply Chain management

GRI 414-1; GRI 308-1; DJSI 1.7.6

	Description	Target	Target year
<b>KPI 1</b>	% of suppliers evaluated according to Cencosud criteria	100%	2020
<b>KPI 2</b>	% of suppliers of fruits, vegetables, organics, dried fruit, prepared vegetables and others are audited.	100%	2020
<b>KPI 3</b>	% of what is sold in the fish market has the blue seal (traceability of fresh fish).	100%	2020

## 02. Environmental Dimension

### 2.1. Operational Eco-Efficiency

#### 2.1.1 Carbon Footprint

GRI 305-1; GRI 305-2; GRI 305-3; DJSI 2.3.1; DJSI 2.3.2

TON CO2	2017	2018	2019	2020
• Scope 1	148,723	687,608	2,275,788	1,619,096
• Scope 2	215,515	486,417	388,986	310,297
• Scope 3	N/A	N/A	105,611	105,271
<b>Total</b>	<b>364,238</b>	<b>1,174,025</b>	<b>2,770,385</b>	<b>2,034,664</b>

N/A: Information not available

Scope 1 includes emissions from stationary sources, emissions from mobile sources (Only Argentina and Brazil and fugitive emissions).

Scope 2 includes power purchasing.

Scope 3 includes drinking water consumption and partial waste treatment

The carbon footprint is verified externally.

#### 2.1.2 Energy

GRI 302-1; GRI 302-2; DJSI 2.3.3

MWH	2017	2018	2019	2020
• Non-renewable fuels	47,460	146,382	189,928	153,177
• Non-renewable electricity	555,883	1,613,978	1,353,671	1,135,043
<b>Total</b>	<b>603,343</b>	<b>1,760,360</b>	<b>1,543,599</b>	<b>1,288,220</b>

Data as of 2018 cover all Cencosud operations

\$	2017	2018	2019	2020
• Cost of Energy	35,558,592,113	30,850,246,555	30,633,036,691	27,265,157,010

Costs correspond only to Chile

#### 2.1.3 Water

GRI 303-5; DJSI 2.3.4

Millions M3	2017	2018	2019	2020
• Municipal Water Supply	4.63	5.26	4.25	3.96

Data as of 2018 cover all Cencosud operations.

## 2.1.4 Waste

GRI 301-2; DJSI 2.3.5

TON	2017	2018	2019	2020
• Waste generated	623,668	115,257	261,196	285,453
• Waste recycled	190,625	62,229	64,200	71,530
<b>Total Waste Disposed</b>	<b>433,043</b>	<b>53,028</b>	<b>196,996</b>	<b>213,923</b>

The year 2018 was not audited due to lack of data. For 2019 and 2020 the total number of wastes is not counted and not all premises have the quantities generated.

## 2.2. Food Loss and Waste

Food Loss and Waste	2017	2018	2019	2020
• Total weight of all food loss & waste	N/A	N/A	N/A	
• Total weight of food loss & waste volumes used for alternative purposes	N/A	504.96	613.13	1,335.07
• Total Discarded	N/A	N/A	N/A	N/A
• Food loss & waste intensity	N/A	N/A	N/A	N/A
• Coverage	N/A	68%	29%	87%

N/A: Information not available

Coverage for 2018 includes Argentina and Chile, for 2019 Argentina and Perú, and for 2020 Argentina, Chile, Colombia and Perú and is calculated as % of revenues.

## 2.3. Packaging

GRI 301-3; DJSI 2.8.2

Packaging Materials	Coverage	Packaging Materials
Wood/Paper fiber packaging	72.65	23,473.23
Metal (e.g. aluminum or steel) packaging	72.65	1,320.66
Glass packaging	72.65	2,654.93

GRI 301-3; DJSI 2.8.2

Plastic Packaging	FY 2017	FY 2018	FY 2019	FY 2020
A. Total weight (tonnes) of all plastic packaging	1,908	2,055	1,989	3,640.83
B. Percentage of recyclable plastic packaging (as a % of the total weight of all plastic packaging)	43	43	45	64.37
C. Percentage of compostable plastic packaging (as a % of the total weight of all plastic packaging)	-	-	43	0
D. Percentage of recycled content within your plastic packaging (as a % of the total weight of all plastic packaging)	-	-	-	0
Coverage (as a % of cost of goods sold)	100	100	100	72.65%

There was a change in the methodology for data collection in 2020, in order to compile more accurate information.

## 03. Social Dimension

### 3.1. Labor Practice Indicators

#### 3.1.1 Workforce Breakdown: Gender

GRI 405-1; DJSI 3.2.2

Diversity Indicator	Percentage (0 - 100%)
Share of women in total workforce (as % of total workforce)	50.75
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	18.9
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	26.57
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	6.67
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	0
Share of women in STEM-related positions (as % of total STEM positions)	22.83

#### 3.1.2 Workforce Breakdown: Race/ Ethnicity & Nationality

GRI 405-1; DJSI 3.2.3

Breakdown based on, please specify: Nationality	Share in total workforce (as % of total workforce)	Share in all management positions, including junior, middle and senior management (as % of total management workforce):
Chilean	40	35.8
Argentinian	17.7	25.5
Brasilian	19.5	10.8
Peruvian	10.6	1
Colombian	10	15.9
Other	2.2	1

#### 3.1.3 Workforce Breakdown: Other Minorities

GRI 405-1; DJSI 3.2.4

Diversity Indicator	% of FTEs	Coverage
People with disability	1.89	>75% of FTEs
Age groups:		>75% of FTEs
<30 years old	30.1	
30-50 years old	56	
>50 years old	13.8	



### 3.1.4 Gender Pay Indicators

GRI 405-2; DJSI 3.2.5

Employee Level	Average Women Salary	Average Men Salary
Executive level (base salary only)	N/A	10,2696,055
Executive level (base salary + other cash incentives)	N/A	18,374,1284
Management level (base salary only)	78,936,392	79,461,621
Management level (base salary + other cash incentives)	109,539,871	109,881,309
Non-management level	17,663,683	22,650,582

N/A: Information not available

## 3.2. Human Rights

### 3.2.1 Due Diligence

GRI 412-1; DJSI 3.3.2

1. Please provide public supporting evidence of a risk mapping or other forms of assessment to identify areas of potential risk:

To implement the Principles and provide a framework for reporting on this issue corporately, the UN Guiding Principles Reporting Framework (UNGP Framework) was used as a guide.

- The due diligence process begins by identifying the current and potential adverse human rights impacts in which the company may be involved. The goal is to understand the negative impacts on specific stakeholders, given a specific operational context
- Based on a universe of 32 human rights listed in the UNGP framework of the UNGP, a short list of 11 human rights grouped into 6 categories was reached.
- The analysis included various sources of information: literature review, internal documentation and interviews in the areas of Human Resources, Marketing, Quality, Procurement, Information Security, Sustainability and Legal.
  - Identifying and categorizing potential human rights affected.
  - Describing the potential human rights affected and their risks.
  - Focus: Assessing impacts in two dimensions: Seriousness and Priority
  - Management: analyzing gaps
- Scope of operations: Own Operations and Suppliers
- Stakeholders considered: Workers, Suppliers and Customers

2. Actual or potential human rights issues covered:

#### JUMBO POTENTIAL RISKS LIST

- Health & Safety: Right to life, health, adequate standard of living
- Working Conditions and Social Security: Right to work, decent conditions, not to be subjected to slavery, servitude or forced labor
- Child and force labor
- Freedom of association: freedom of assembly. Association, rights to join trade unions, strike
- Equality and non-discrimination: equality before the law, right to non-discrimination, freedom of thought, conscience, religion
- Privacy

### 3. Groups at risk of human rights issues covered:

Stakeholders Considered: Workers, Suppliers and Customers

## 3.3. Human Capital Development

### 3.3.1 Training & Development Inputs

GRI 403-5; GRI 404-2; GRI 412-2; DJSI 3.4.1

Average hours per FTE of training and development	Hours	7.41
Average amount spent per FTE on training and development.	Monetary Units	15,052

## 3.4. Talent Attraction & Retention

### 3.4.1 Hiring

GRI 401-1; DJSI 3.5.1

Hiring	2017	2018	2019	2020
• Total number of new employee hires	37,844	35,315	28,103	13,732
• Percentage of open positions filled by internal candidates (internal hires)	40.81%	45%	53.7%	38%
• Average hiring cost/FTE	45,718	25,648	7,785	11,368

### 3.4.2 Employee Turnover Rate

GRI 401-1; DJSI 3.5.6

Turnover rate	2017	2018	2019	2020
• Total employee turnover rate	32.7	30.3	27.3	18
• Voluntary employee turnover rate	18.7	15.3	11.1	10.1
• Data coverage (as % of all FTEs globally)	100%	100%	100%	100%

## 3.5. Corporate Citizenship & Philanthropy

### 3.5.1 Philanthropic Activities

DJSI 3.6.2

Category	%
Charitable Donations	59
Community Investments	34
Commercial Initiatives	7

### 3.5.2 Philanthropic Contributions

DJSI 3.6.3

Type of Contributions	CLP \$
Cash contributions	422,246,244
Time: employee volunteering during paid working hour	2,910,720
In-kind giving: product or services donations, projects/partnerships or similar	769,123,273
Management overheads	106,385,600

### 3.6. Occupational Health & Safety

#### 3.6.1 Fatalities

GRI 403-9; DJSI 3.7.2

Fatalities	2017	2018	2019	2020
• Employees	1	2	0	1

#### 3.6.2 Lost-Time Injury Frequency Rate (LTIFR) – Employees

GRI 403-9; GRI 403-10; DJSI 3.7.3

LTIFR		2017	2018	2019	2020
• Employees	n/million hours worked	22.19	18.97	12.21	10.95
• Data coverage (as % of employees, operations or revenues)	percentage of: Employees	100	100	100	100

## 04. Verification Letter



### INDEPENDENT VERIFICATION LETTER OF INDICATORS OF THE ESG SUPPORT DOCUMENT 2020

Ms  
 María Soledad Fernández  
 Investor Relations and Sustainability Manager  
 CENCOSUD  
 Present

Of our consideration:

We have reviewed the following aspects of the ESG Support Document 2020

#### Scope

Limited assurance engagement of the adherence of the contents and indicators included in the ESG Support Document 2020 to the Global Reporting Initiative (GRI) Standards, regarding the organization's profile and material indicators arising from the materiality process that the Company carried out following said Standards related to the economic, social, and environmental dimensions.

#### Standards and verification processes

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

Our verification work consisted in reviewing the evidence provided by the business units of CENCOSUD, which have been involved in the process of making this Report, which supports the information written in the Report, as well as in the application of analytic procedures and verification tests, which are described in the following items:

- ✓ Meetings with key managers, responsible for the information described in the CENCOSUD report.
- ✓ Analysis of the adaptation of the contents of the ESG Support Document 2020 to those recommended by the GRI Standard in its Essential compliance option, and verification that the verified indicators included in this Report correspond to the protocols established by said standard and are justified indicators not applicable or not material.
- ✓ Verification that the verified indicators included in this Report correspond to the protocols established by said standard.
- ✓ Verification through revision tests of the quantitative and qualitative information, corresponding to the indicators of the GRI Standard included in the ESG Support Document 2020, and its adequate compilation from the data provided by the CENCOSUD information sources.

#### Conclusions

- ✓ The verification process was carried out based on the GRI indicators included in the 2020 version of the ESG Support Document. The reported and verified indicators are indicated in the following table:

General Contents										
102-8	102-15	102-16	102-17	102-19	102-20	102-21	102-22	102-24	102-29	102-30
102-35	102-41	102-42	102-43	102-44	102-45	102-46	102-47			
Management Approach										
103-1	103-2	103-3								
Especific Contents										
201-1	201-2	205-2	205-3	207-2	207-4	301-1	301-2	301-3	302-1	302-2
302-3	302-4	302-5	303-1	303-2	303-3	303-4	303-5	304-1	305-1	305-2
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405-2	406-1	407-1	408-1	409-1	410-1	412-1	412-2	412-3	413-1	414-1
414-2	415-1									

√ Regarding the verified indicators, we can affirm that no aspect has been revealed that would make us believe that the ESG Support Document 2020 has not been prepared in accordance with the GRI Standard in the aspects indicated in the scope.

#### Responsibilities of the management of CENCOSUD and Deloitte

- The preparation of the ESG Support Document 2020, as well as its content, is the responsibility of CENCOSUD, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent report, based on the procedures applied in our review.
- We have carried out our work in accordance with the independence standards required by the IFAC Code of Ethics.
- The verification conclusions made by Deloitte are valid for the latest version of the chapters sent from the ESG Support Document 2020 in our possession, received on 24/06/2021.
- The scope of a limited security review is substantially less than that of a reasonable security review or audit, therefore we do not provide an audit opinion on the ESG Support Document 2020.



Fernando Gaziano  
Partner  
July 05, 2021

