

Cencosud ESG Support Document 2023

Governance & Economic Dimension

1.3 Materiality

1.3.1 Materiality Analysis

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, the materiality assessment integrated in Company's ERM process.

1.3.3 Materiality Metrics for Enterprise Value Creation

Product Quality and Safety, Customer satisfaction, and Ecommerce, considered as material topics, have targets related to executive compensation.

1.4 Risk & Crisis Management

1.4.2 Risk Management Process

The Cencosud Shopping group's risk management model is supported over two documents recently refreshed and approved by de bord of directors: a policy with the general roles of the different stakeholders and a procedure with details definitions, like risk tolerance, impact and likelihood metrics, among others.

The model starts with the inherent identification and evaluation by the bord of directors. Thus, the model only considers the most relevant topics for the analysis and treatment for risk procedures, in order to the Company's objectives and the industry environment. In the end, the process output is a residual risk map and the response plans for each critical risk.

1.4.3 Emerging Risks

To complement one emerging risk communicated in Cencosud's Integrated Annual Report 2022, the Company consider a second emerging risk:

	Description	Impact	Mitigation actions
Supply chain disruption	The effects of the past Covid-19 pandemic, to which was added the commercial and technological conflict between the US and China, in addition to the war between Ukraine and Russia, have highlighted certain fragility of our supply chain.	In our retail business that depends to a large extent on the robustness of the supply chain (internal and external) and by presenting interruptions caused by external situations such as pandemics or conflicts between countries, cause delays, product shortages and cost increases that decrease the profitability of the business or impact the value proposition.	The Company has a regional area responsible for strengthening the internal management of the supply chain, seeking new supplier alternatives, evaluating supplier compliance and increasing the percentage of cost savings, with the aim that external interruptions to the supply chain have the least possible impact on the operation of the business.

1.5 Business Ethics

1.5.3 Corruption & Bribery

The Company does not make contributions and donations as a means of bribery and corruption.

1.5.4 Codes of Conduct: Systems/ Procedures

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, about compliance linked to employee remuneration and employee performance appraisal systems integrates

compliance/codes of conduct, Cencosud and Cencosud Shopping considers a procedure where each employee is given the Code of Ethics at the time of entry or, failing that, it is sent by file, then the employee must sign the document called "Letter of adherence to the Code of Ethics", which indicates "I certify that I have read the Company's Code of Ethics and that I understand the importance and context of the rules contained herein...", this information is stored in the virtual folder of each worker.

Furthermore, the Code of Ethics is fully incorporated into the Internal Order, Hygiene and Safety Regulations of the companies that make up the Cencosud Group, to safeguard and consider for the purposes of the Labor Code any breach. This can affect performance evaluations, and therefore, employee remuneration (bonuses).

Finally, the Company has a communication campaign of ten ethical commitments that the Company share every month, which includes mailing, posters, use of TV screens, computer screen savers, information through WhatsApp to reach all employees, this communication campaign includes the main issues addressed by our Code of Ethics, which are: "Ensure fair and equitable treatment with our employees, suppliers and customers", "Do not discriminate under any circumstances", among others. Finally, non-compliance with our Code of Ethics implies sanctions contemplated in local regulations.

1.5.5 Reporting on breaches

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, the breaches report against our Codes of Conduct about Customer Privacy Data, Conflicts of Interest, and Money Laundering or Insider trading, do not have breaches in 2022.

1.6 Policy Influence

1.6.1 Contributions & Other Spending

Cencosud did not make contributions to political campaigns, political, lobby or business organizations, or any other tax-exempt group in the last fiscal year.

1.7 Supply Chain

1.7.2 Supplier ESG Program

In addition of what is communicated in Cencosud's Integrated Annual Report 2022 and the Supply Chain Management Principles, the Company make explicit that suppliers are excluded from contracting if they cannot achieve minimum ESG and other requirements within a set timeframe and the ones with better ESG performance are preferred by applying a better score in supplier selection and contract awarding.

1.7.5 KPIs for Supplier Screening

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, the % of total spend on significant/critical suppliers in Tier-1 was 11%.

1.7.6 KPIs for Supplier Assessment and Development

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, Cencosud achieved 1,276 suppliers assessed via desk assessments, 9 suppliers supported in corrective action plan implementation, and 40 suppliers in capacity building programs.

Coverage: Procurement, Argentina, and Chile.

Environmental Dimension

2.1 Environmental Policy & Management Systems

2.1.3 EMS: Certification / Audit / Verification

One of Cencosud's subsidiaries, Cencosud Shopping, do internal audits in shopping centers, where a control matrix is applied to each center visited. Particularly for environmental issues, there are the following controls considered:

- Review of monthly statements of non-hazardous waste (SINADER).

- Review of certificates delivered by suppliers for the removal of waste that has been carried out (cleaning of greasy chambers).
- Review of annual declaration of emissions F138 (RETC), from the Chilean Ministry of the Environment.
- Physical inspection of the equipment declared in F138.
- Review of the existence of dispatch guides issued by Recupac, related to the removal of paper and cardboard.
- Review of samples from commercial premises for each center that is visited, verifying that they have the oil withdrawal certificates with their final disposal.

In 2022, the coverage of this internal audits in Cencosud Shopping, with a 66% GLA (Gross Leaseable Area), considering operations in Chile, Perú and Colombia.

2.3 Resource Efficiency and Circularity

2.3.3 Packaging Materials

Packaging Materials	Coverage (% of cost of own brands sold)	Total Weight (metric tonnes)	% of Certified Material
Wood/Paper fiber packaging	97.59	10,215	64,22
Metal packaging	14.43	1,398	99,48
Plastic packaging	97.61	5,049	56,23
Glass packaging	4.85	3,193	99,79

The scope of the information delivered is at Supermarkets Chile (own brands and import of own production).

2.3.4 Plastic Packaging

Performance in plastic packaging	FY 2022
A. Total weight (tonnes) of all plastic packaging	12,535
B. Percentage of recyclable plastic packaging	4.84
C. Percentage of compostable plastic packaging	4.90
D. Percentage of recycled content within your plastic packaging	8.19
Coverage (as a % of cost of goods sold)	97.61

The scope considers own brands in Chile, Argentina and Peru.

Social Dimension

3.1 Labor Practice Indicators

3.1.4 Workforce Breakdown: Gender

To complement of what is communicated in Cencosud's Integrated Annual Report 2022 about gender share in multiple management levels, the Company define a target for share of women in all management positions (including junior, middle and top management) of 43.1% for 2027.

3.2. Human Rights

3.2.2 Human Rights Due Diligence Process

In 2022, Cencosud work in a Human Rights Due Diligence assessment to identify areas of potential risk:

1. Process and methodology.

To implement and provide a framework for reporting on this topic at the corporate level, the United Nations Guiding Principles (UNGP) Reporting Framework was used as a guide, where:

- The due diligence process begins with the identification of current adverse effects and potential impacts on human rights in which the Company may be involved. The goal is to understand the negative impacts on specific stakeholders, given an operational context.
- Based on a universe of 32 human rights listed in the UNGP framework, a short list of 17 human rights grouped into 5 categories was arrived at in 2022 for the entire Company.
- The analysis covered various sources of information, such as the review of primary and secondary sources of the Company and industry, corporate documentation and interviews in the areas of Human Resources (Corporate and from each business unit), Sustainability, Audit and Legal), with the objectives of:
 - Identify and categorize human rights at potential risk.
 - Describe the potential human rights affected and their risks.
 - Define the approach through an evaluation of potential specific risks based on the factors of Gravity and Probability where the degree of each of these is determined.
 - Determine current management and gaps.
 - Establish plans for improvement and closing gaps.
- Scope of operations: Own Operations.
- Groups of interest considered: Employees from all business units (Central Administration, Cencosud Shopping, Supermarkets, Home Improvement, Department Stores).

2. Human rights potential risks detected.

List of 17 human rights at potential risk by category:

- a. Health and Safety:
 - Right to life
 - Rights to liberty and security of the person
 - Right to health
 - Right not to be subjected to slavery, servitude or forced labor
- b. Respect, Inclusion and Non-discrimination:
 - Right not to be subjected to torture, cruel, inhuman and/or degrading treatment, or punishment
 - Right to freedom of thought, conscience and religion
 - Right to a fair trial
 - Rights of minorities
 - Right to equality before the law, equal protection of the law and the rights to non-discrimination
- c. Free Association:
 - Right to freedom of assembly
 - Right to form trade unions and join the trade union, and the right to strike
 - Right to freedom of association
- d. Decent job:
 - Right to work
 - Right to privacy
 - Right to enjoy decent and favorable working conditions
- e. Conciliation of Work and Personal Life:
 - Right to social security, including social insurance

- Right to a family life

3. Groups at potential risk in human rights issues identified.

Specific groups in stakeholders considered: Employees (women, youths, migrants, people with disabilities, among others).

4. Action plans and management of potential risks in human rights.

Among the action plans for this year the Company have:

- Incorporation of the Company's Human Rights Statement and its purpose, to the Company's Code of Ethics, Policies and Procedures.
- Training.
- Communication.

3.2.4 Human Rights Mitigation & Remediation

- Process implemented to mitigate human rights:
The Company has a communication campaign of ten ethical commitments that disseminate at the regional level (Chile, Argentina, Brazil, Colombia and Peru), which includes mailing, posters, use of TV screens, screen protectors of computers, information through WhatsApp, to reach all employees of business units.
This communication campaign includes the main issues addressed by our Code of Ethics and related to our Human Rights Commitment, for example, "Ensure fair and equitable treatment with our employees, suppliers and customers", "Do not discriminate under any circumstances", among others. Finally, non-compliance with our Code of Ethics implies sanctions contemplated in the law.
In this line, our Code of Ethics has an Ethics line where anyone who has access to our channels (employees, customers, suppliers, etc.) can report irregularities. These complaints are investigated by an independent team, who have the power to take action depending on the seriousness of the facts they were able to prove. The team that carries out the investigation must make inquiries (interviews, document review, television camera reviews, etc.), where it must ensure: a. impartiality (objectivity avoiding prejudices), b. bilaterality (that the parties are heard), c. voluntary (the participation in the investigation is voluntary), d. conclusiveness (every complaint once initiated must end with a report), e. confidentiality, Consistency (the conclusions must be justified with evidence), f. notarization (the stages of the process are in writing) and g. speed (conclusion in the shortest possible time). Once the complaint is made, a report must be submitted to the Corporate Internal Audit Management, guaranteeing the independence of this process.
- The number of sites with mitigation plans are 1,540, including stores and Central Administration.
- To date, there are no real human rights violations, therefore no remediation actions have been implemented.

3.3 Human Capital Development

3.3.2 Employee Development Programs

The Company report the best 2 programs in 2022 that have been developed to upgrade and improve employee skills:

	Udemy	LinkedIn Learning
Description of the program	Digital self-learning tool for the improvement and development of skills that allows learning and strengthening the skills necessary for our TECH employees to optimally perform their duties and generate value for Cencosud brand. This platform has more than 19,000 courses taught by industry specialists, leading teachers and opinion leaders. On this platform the Company also	Digital self-learning tool focused on Cencosud Group administration positions. This program is transversal to all the business units. Learning paths are used for specific positions, for example, to complement the onboarding experience for new employees, like young talent development. Some of these

	have a playlist associated with the skills required for each management.	learning pathways are: "Social Skills", "Cognitive Skills", "Methodical Skills" and "Soft and Communication Skills". Another example is for the position of PM Retail, which has a path of 12 courses to optimize their current role and accompany them on their career path. Another one is for Talent Attraction positions with 8 different courses and we also deliver a license and suggest a route to all new management practitioners, with 6 courses. In addition, this platform has more than 20,000 courses taught by industry specialists, leading teachers and opinion leaders. This platform makes it possible to generate value in the personal brand of each employee by sharing in their network the skills that they are acquiring by browsing and developing the courses. Some of the most successful courses are: "How and why to develop a continuous learning mindset" "Learn data analysis" "Power BI for beginners" "How to have difficult conversations" "Fundamentals of Project Management"
Description of program objective/business benefits	Through this self-learning model, Cencosud promotes the development of skills that employees require to generate a positive impact on their productivity and contribution to the Company's results. Likewise, Cencosud, within its training budget strategy, bets with this tool on volume and supply for a TECH management of 465 employees with licenses for each person. With this training offer, the Company seek to develop and retain the organization's talents, giving them the opportunity to strengthen their skills and improve their performance, impacting their permanence and contribution to the Company's results. With this, also generates internal mobility with people who are better prepared for the challenges that the organization faces.	Through this self-learning model, Cencosud promotes the development of skills that employees require to generate a positive impact on their productivity and contribution to the Company's results. Likewise, Cencosud within its training budget strategy, bets with this tool on volume and supply for an administration of 2,930 employees. With this training offer, the Company seek to develop and retain the organization's talents, giving them the opportunity to strengthen their skills and improve their performance, impacting their permanence and contribution to the Company's results. With this, also generates internal mobility with people who are better prepared for the challenges that the organization faces.
Quantitative impact of business benefits	% of satisfied employees of 78%, % license activation: 96%, average hours per employee: 3.27 hours, increase leadership skills and career development, increase in internal mobility, increase in productivity, decrease turnover, improve in decision making (time and costs), and increase in motivation from less frustration. 5 most Viewed Courses: "Introduction to Service Management"; "Help Desk Analyst"; "Leading efficient work meetings"; "Golden rules of customer service"; "Agile + Scrum: Crash Course to Dive In and Deepen"	% of satisfied employees of 78%, % license activation: 60%, Media e-learning hours: 1 hour, increase leadership skills and career development, increase in internal mobility, increase in productivity, decrease turnover, improve in decision making (time and costs), and increase in motivation from less frustration. 5 most viewed courses: "How to manage the potential of your high capacity". "Learn to use LL". "How and why to develop a continuous learning mindset"; "Scrum with a coffee"; and "Collaborative Leadership"
% of total employees participating in the program	1%	2%

3.4 Talent Attraction & Retention

3.4.2 Type of Performance Appraisal

To complement what is communicated in Cencosud's Integrated Annual Report 2022, the next types of performance appraisals:

1. Management by objectives
2. Team-based performance appraisal
3. Agile conversations

The frequency of the of performance appraisals are at least yearly.

3.4.4 Employee Support Programs

In addition of what is communicated in Cencosud's Integrated Annual Report 2022, the Company also have the following programs and policies in place:

Employee Benefits

- Workplace stress management:
 - Argentina: Cencosud has a global training platform that can be used by all Cia collaborators, both during working hours and outside of working hours, and on any PC/notebook or cell phone device, so that they can update their knowledge both from professional and personal development issues. The objective of Campus Cencosud is to have a training space where employees can be trained with the content made available by the Cia and managed by them independently and to the extent of their needs. It currently has more than 35 titles associated with wellness issues and more than 22 titles associated with stress issues. In addition, webinars were held around the theme: "Managing Teams in semi-face-to-face environments" and "Challenging work in semi-face-to-face environments".
 - Chile: It has the Emotional Well-being Program – SISA: Promote the exercise of personal leadership through the development of their emotional well-being. delivered practical tools that facilitate self-management of emotions. The target audience was Store Managers. There is also a Mental and Emotional Well-being program (Cencosud): Offer employees a human space, contributing to their needs, interests and motivations in the dimensions of mental and emotional health, upbringing and personal management. The target audience is the entire organization.
 - Colombia: There are programs with different periodicities during the year, such as physical and mental active breaks, comprehensive health day, training programs, Webinars, support compensation funds in health and entertainment activities.
- Sports and health initiatives:
 - Argentina: The Company offers employees discounts on gym memberships to promote sports and health. In addition, healthy menu options are available in stores and administrations that have a canteen service. There is medical coverage through social work for employees within the agreement and prepaid medicine for employees outside the agreement, which includes physical and psychological assistance. Different awareness campaigns on health issues are also carried out (attached).
 - Chile: For the Central Administration, a mixed Padel tournament was held. The WellOne application (still active) that allows access to health and exercise programs was also made available to employees. Another benefit that existed for six months was access to the Raak+ web that allows exercise routines.
 - Colombia: Within the Wellness plan, the Company have the Cencolympics, which is a competition program and sports activities such as Soccer, Bowling, Athletics, etc., Cencopaseos, which are one-day activities for integration among employees, twice a year in the administration it carries out health week, with different human care specialties, and HR fairs focused on the integral well-being of employees are held in the operation.

Work Conditions

- Part-time working options:
 - Argentina, Chile, Colombia, and Peru have employees with this format of work.

Family benefits

- Childcare facilities or contributions:
 - Argentina: In 2022, there was a payment to women with children up to 4 years of age. In 2023 the daycare law came into effect.
 - Chile: Employees can opt for a nursery bonus.
 - Colombia: Currently do not have Daycare programs.
- Breast-feeding/lactation facilities or benefits:
 - Argentina: A space is specifically dedicated to this purpose is available in Central Administration and changing rooms are available in stores.
 - Chile: Employees from Central Administration have an additional hour is granted to the legal breastfeeding leave, for a period of two months after the parental leave for primary caregiver.
 - Colombia: Some stores have spaces for lactation activities.

- Paid parental leave for the primary caregiver:
 - Argentina: Have a maternity and paternity leave program according to the employment contract law. The Company does not provide a benefit of extended paternity leave besides in addition to what the law mandates.
 - Chile: The health system pays for Maternity leave (18 weeks) and not the Company. However, the health system puts a maximum limit on the amount women receive monthly. For some women, the maximum payment is below their normal salary. The Company, as a benefit to mothers, pays the salary difference to the employee to ensure their employees continue to receive their full salary.
 - Colombia: By legal regulations of the country there is a maternity leave for a period of 18 weeks.

- Paid parental leave for the non-primary caregiver:
 - Argentina: Have maternity and paternity leave according to the employment contract law.
 - Chile: The Company grant 5 more days (additional to the 5 legal days) corresponding to the birth of a child for parents and secondary caregivers to encourage co-parenting.
 - Colombia: For the father the Company have a benefit of 2 weeks.

- Paid family or care leave beyond parental leave (care for a child, spouse, partner, dependent, parent, sibling, or other designated relation with a physical or mental health condition):
 - Argentina: It is applied according to the Labor Contract Law, being without pay, 30 days a year.
 - Chile: Central Administration employees can request a reduction in working hours to care for a loved one in special situations that warrant it. Also, with “Cuponera Mi Tiempo Libre”, the Company give each year 5 administrative days off.
 - Colombia: There are no permits established in this regard.
 - Peru: The Company have “Cuponera Mi Tiempo Libre” in which employees have a number of days off that they can opt for time in family activities, to take care of a relative, adoption, mourning, etc.

3.8 Privacy Protection

3.8.2 Customer Privacy Information

The percentage of users whose customer data is used for secondary purposes is 90.1%.