



Sustainability Progress at Cencosud 2022

REPORT FOR OUR
STAKEHOLDERS






Introduction

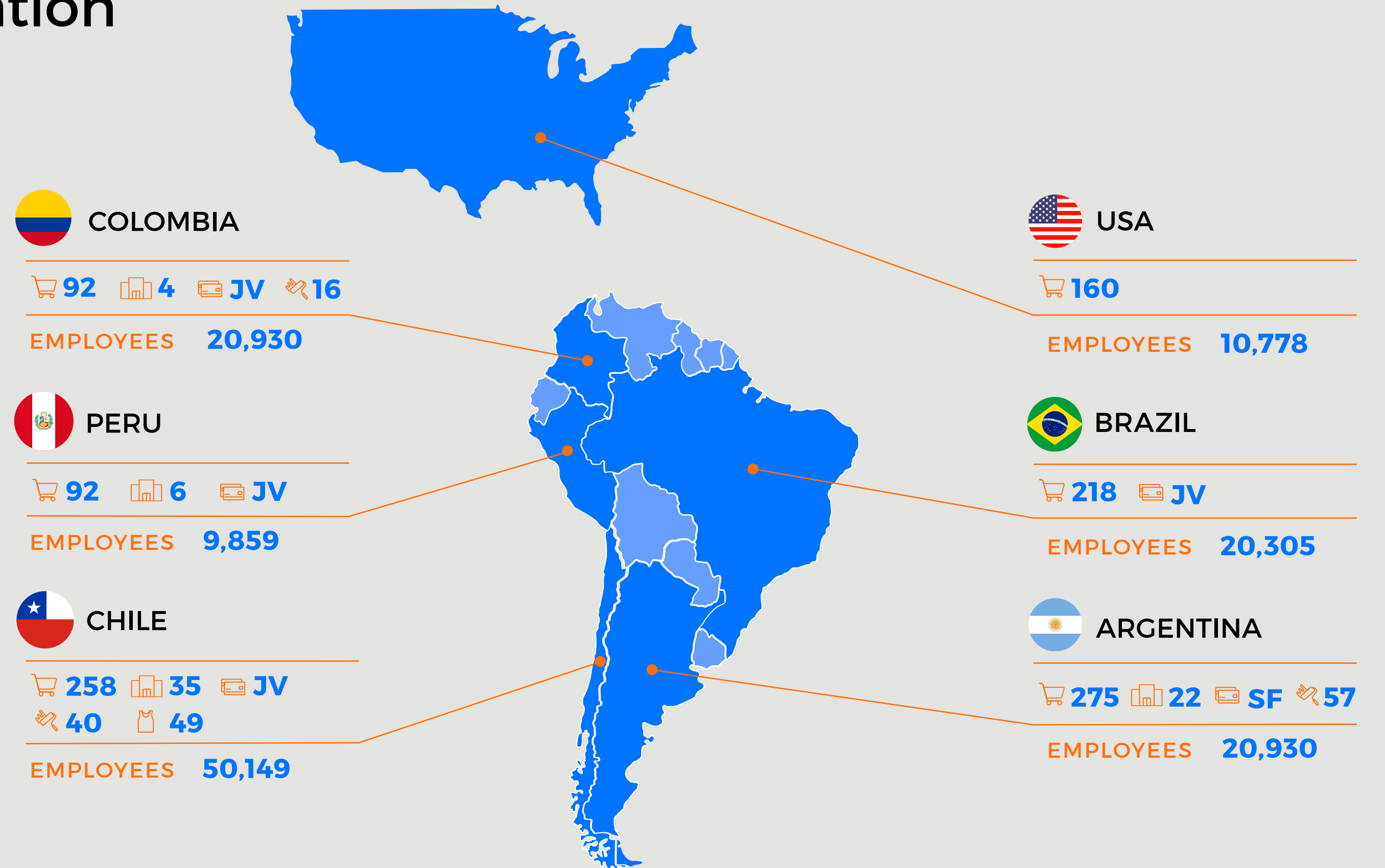
At Cencosud, we take pride in continuing to advance in sustainability, as well as in our ongoing connection with the stakeholders we engage with, due to our commitment to transparency and closeness to each of them, which is why we reflect in this report a summary of Cencosud's integrated report, in which we highlight the work undertaken at a regional level on the group's sustainability strategy in each of the four pillars: Corporate Governance, People, Product, and Planet, which, along with the positive performance of the Company, is reflected in the results of international sustainability indices such as the Dow Jones Sustainability Index (DJSI), which positions us in the Top 6% of the world's most sustainable food retailers, and the MSCI-ESG index, reaching the BBB category. This is in addition to the recognitions in the countries where we operate.

Understanding that today's challenges are part of our forward-facing management for tomorrow.

General Information

5 business units

-  Supermarkets
-  Department Stores
-  Home Improvement
-  Shopping Centers
-  Financial Services (Joint Venture*) Employees



Cencosud S.A. Brands



 Adjusted EBITDA **11.1%**

 Revenue **CLP\$ 14,283,499 MM**

Financial Results (millions of CLP)¹

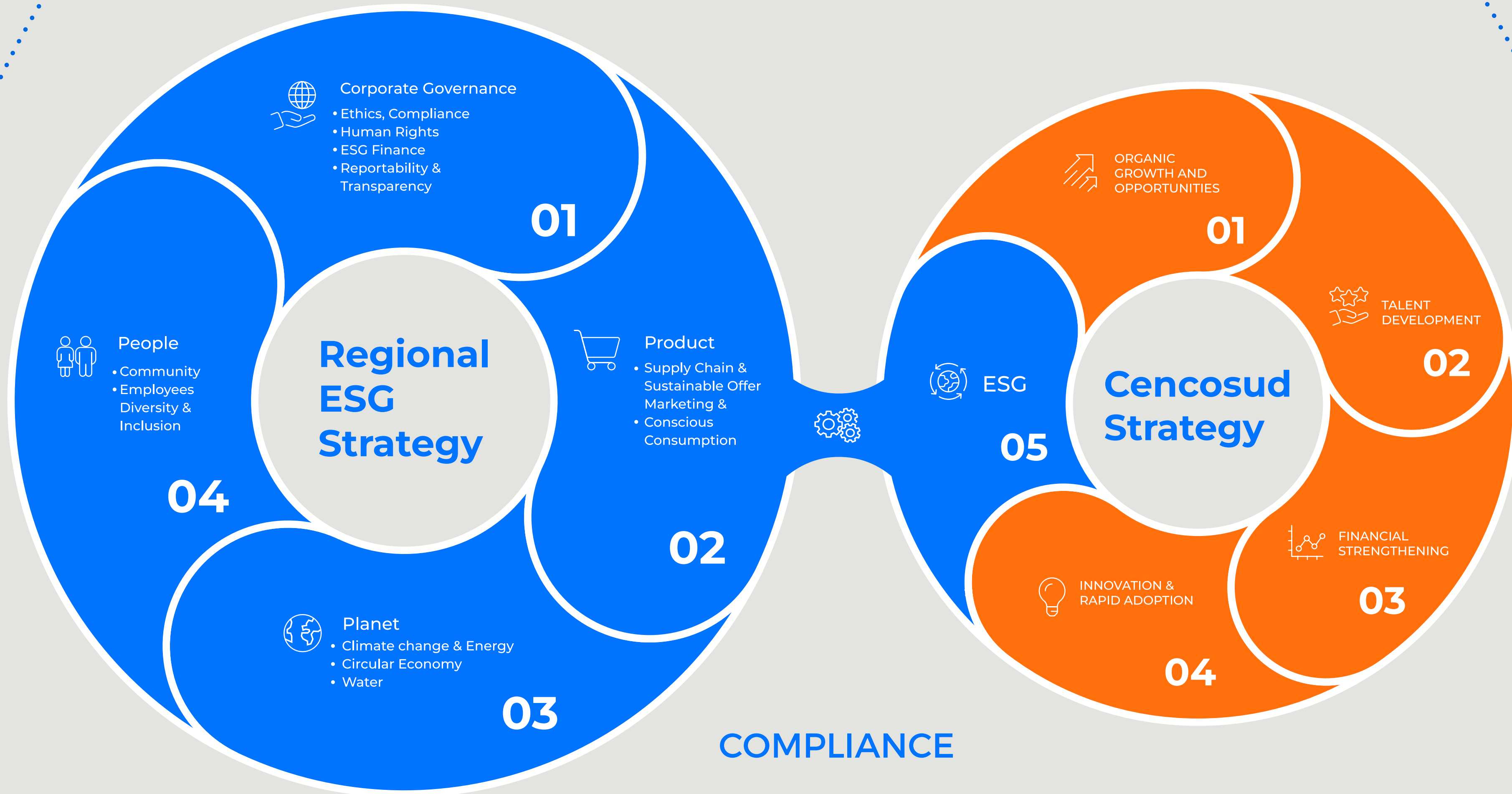
	Argentina	Brazil	Chile	Colombia	Peru	USA
 Total Revenue	\$2,777,692	\$1,562,981	\$6,900,570	\$957,336	\$1,134,956	\$949.962
 Adjusted EBITDA	\$350,472	\$99,277	\$866,957	\$55,889	\$121,661	\$92.604
 Adjusted EBITDA Margin	12.6%	6.4%	12.6%	5.8%	10.7%	9.7%*

¹ The country totals include other revenues that are neither in-person nor online. Therefore, country-specific sales totals may differ from the total of online + physical sales.

* Includes one-off effects associated with the acquisition.



CENCOSUD SUSTAINABILITY STRATEGY 2023



Aligned with the United Nations Sustainable Development Goals and the ten principles of the Global Compact Network

Relevant Topics for Cencosud



Corporate Governance

- Organic growth, profitability, and financial strengthening
- Security, privacy, and information protection
- Ensuring respect for Human Rights
- Corporate Governance, transparency, ethical management, and financial and non-financial risk management



Planet

- Waste and recycling
- Water and energy efficiency management in operations
- Climate change management in operations
- Environmentally responsible products and/or services offering
- Food loss and waste



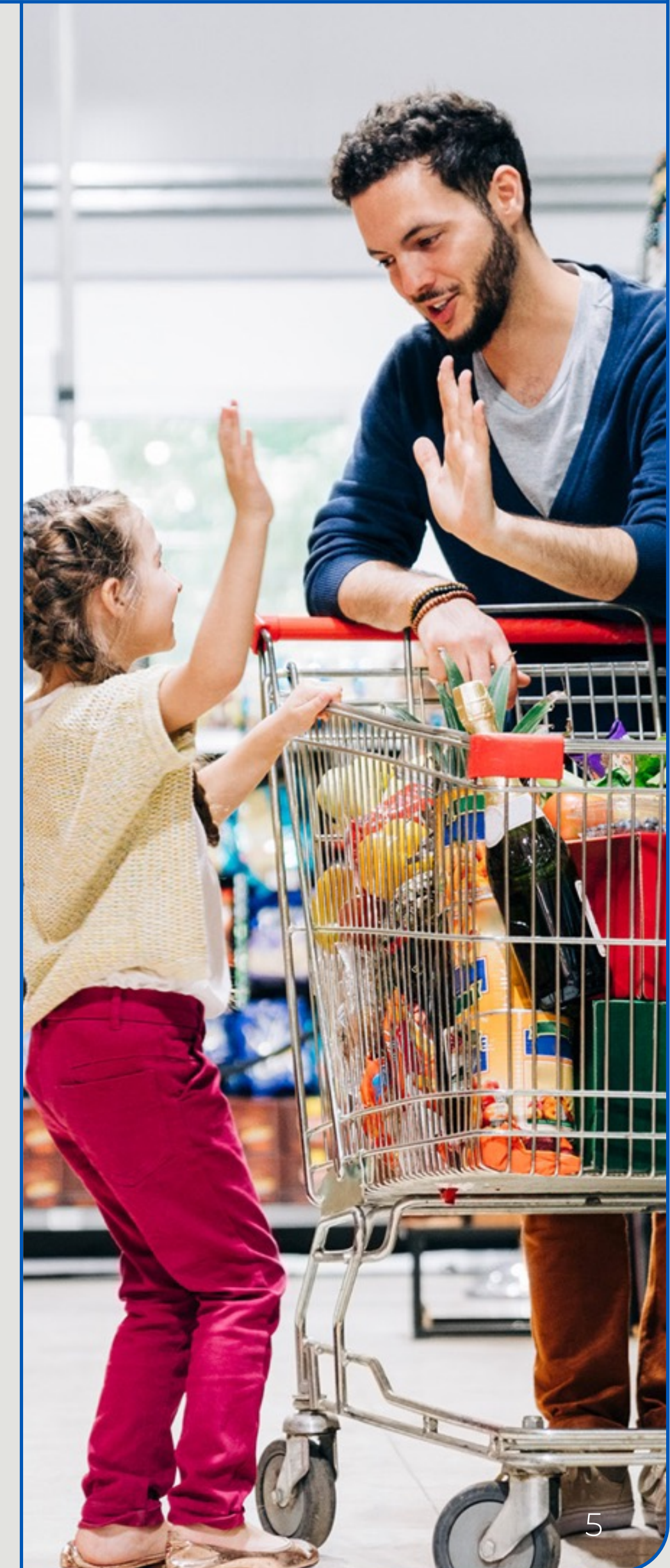
Product

- Quality, safety, and variety of healthy, nutritious products
- Sales practices, product labeling, and marketing
- Innovation in products and services

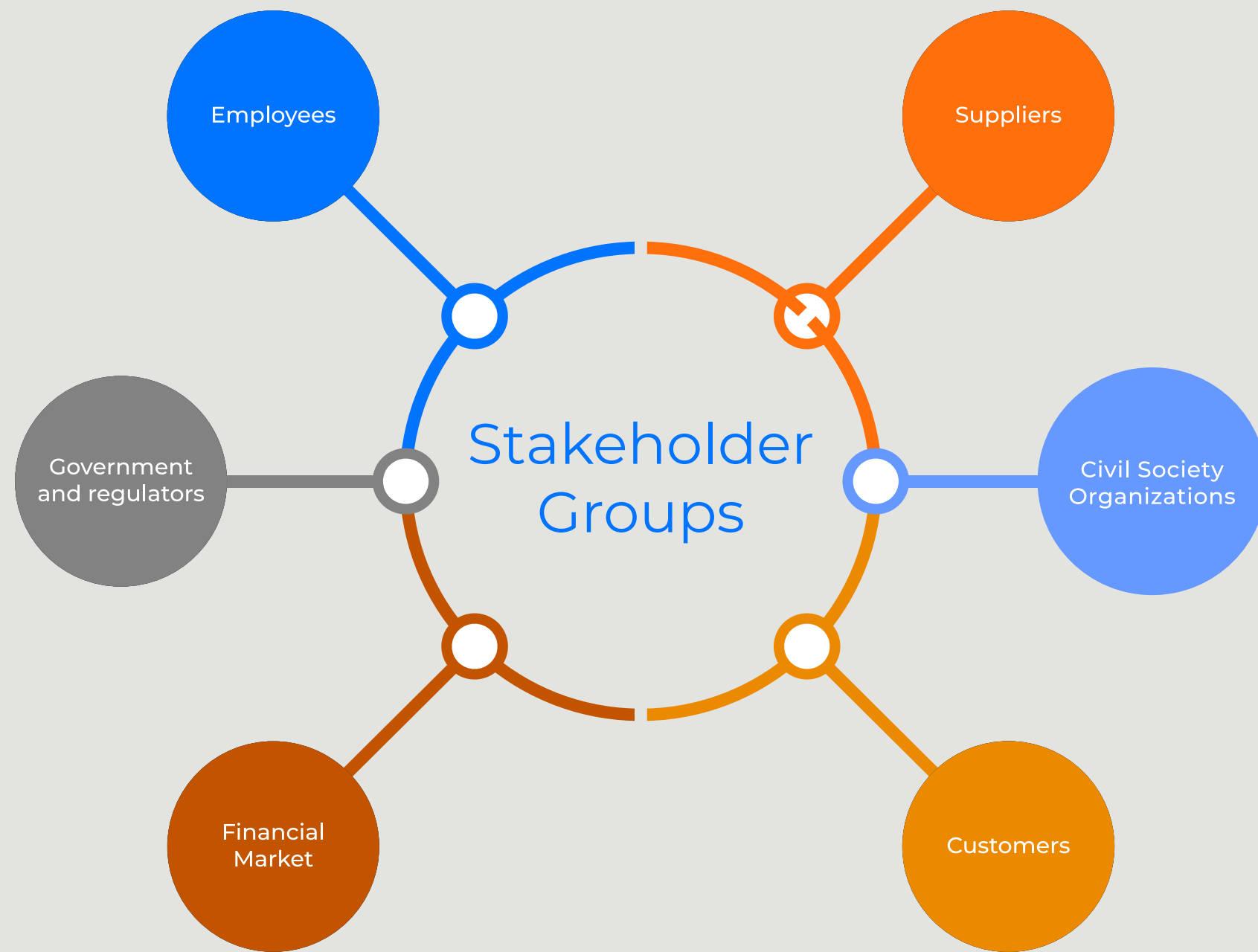


People

- Customer experience and satisfaction
- Employee well-being, health, and safety
- Diversity and inclusion
- Employee training and development
- Responsible supply chain management
- Community engagement, support for local suppliers, and entrepreneurship promotion



Stakeholder Groups

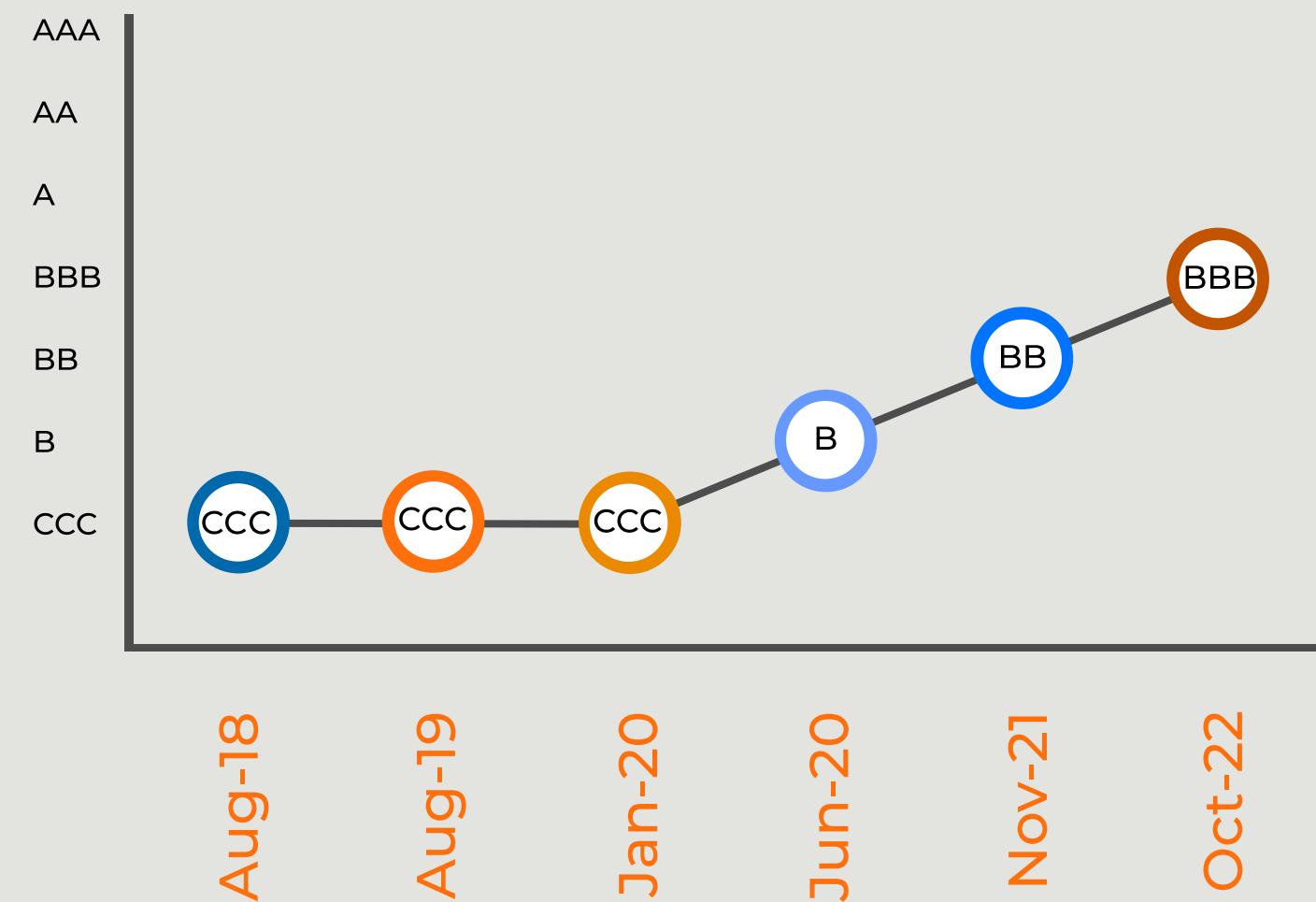


Progress on Key ESG Indicators

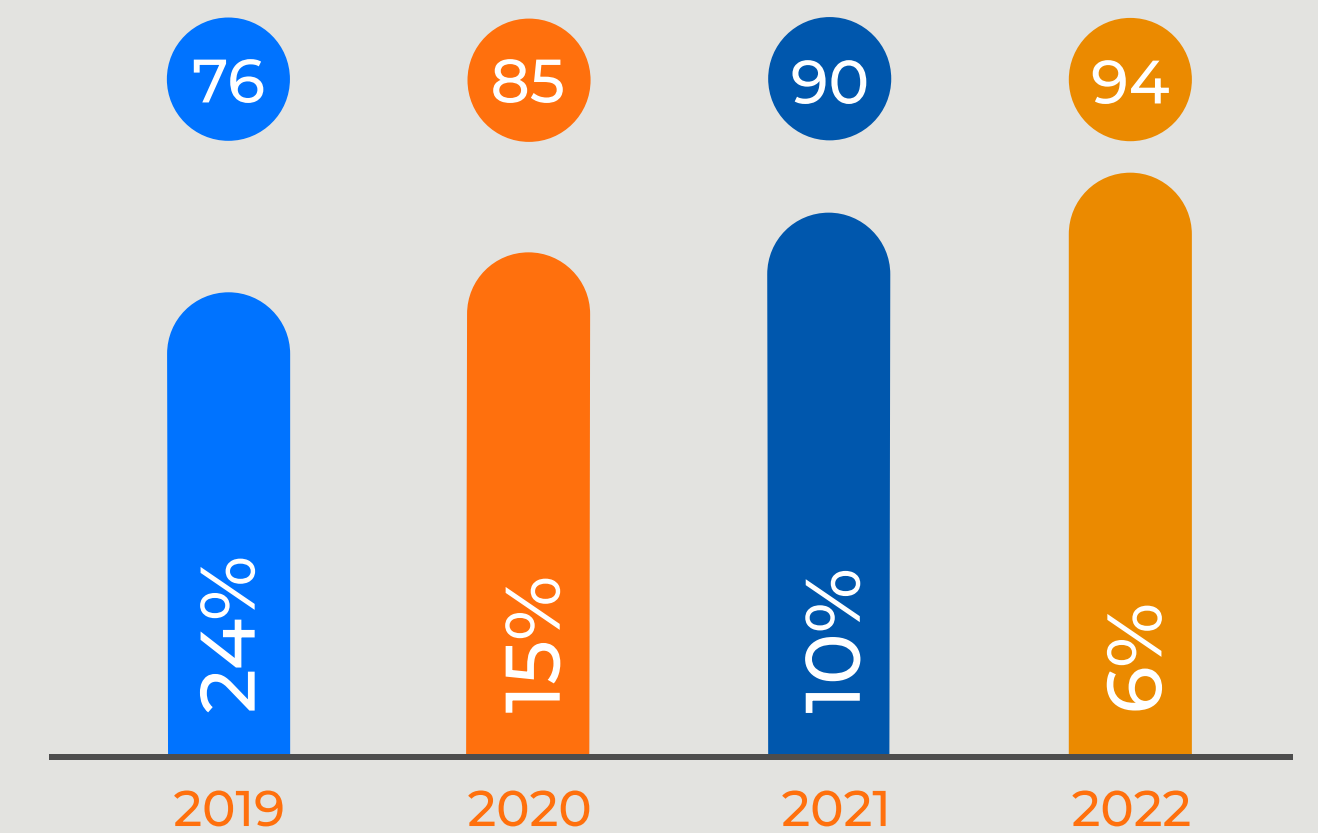


MSCI rising from BB → BBB

ESG Rating history



DJSI ranking within the top 6% in the Food & Staple Retailing category



76 85 90 94 *These points correspond to the percentile

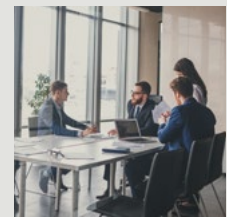
Corporate Governance

Milestones

- Publication of Integrated **Annual Report**
- **2 women** joined Cencosud board of directors
- Mr. Horst Paulmann was appointed as **Honorary Chairman** of the Company
- Acquisition of **67%** of **The Fresh Market** in the USA and **100%** of **GIGA** in Brazil



Programs

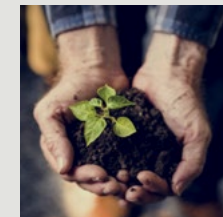


Board of Directors and Corporate Governance Committees

Monthly board committee sessions are held, with participation from Senior Management, focusing on the practice of good Corporate Governance practices.



The Board Committee convened **14 times** with **100% attendance**



Sustainability Committee

This committee has a regional scope. Among its functions is to monitor various initiatives stemming from the Sustainability Strategy and its four pillars. Different initiatives and best practices from each country and business unit are shared to collaborative work.



10 sessions in 2022



26 participants from different countries



People - Employees

Milestones

- **Launch of the Diversity and Inclusion strategy to encompass the inclusion** of people with disabilities, gender equity, work-life balance, family and personal life reconciliation, sexual diversity and interculturality
- Cencosud hosting the **Women Economic Forum Chile**, one of the most prominent events in the search for initiatives promoting women's leadership
- Paris achieves the highest rating in the **"Pride Connection Chile"** assessment, for the fourth consecutive year, for its equity, diversity, and inclusion initiatives



Regional Figures



Program



CencoMujeres (Chile)

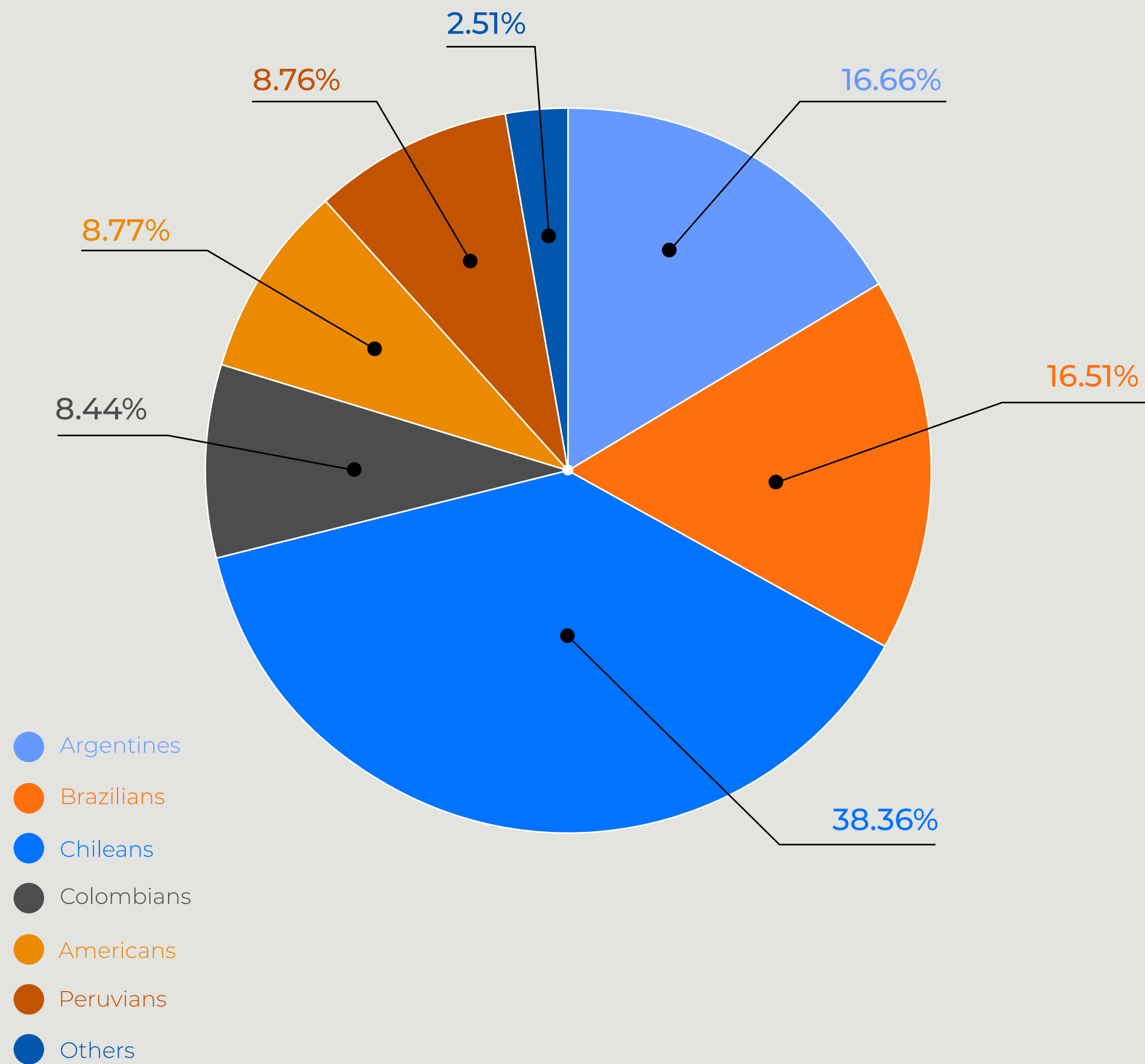
In 2022, the first year of the #CencoMujeres mentoring program concluded. This initiative aims to strengthen an inclusive culture and create more opportunities for development and female leadership, **involving the participation of 24 women in managerial positions in Chile**



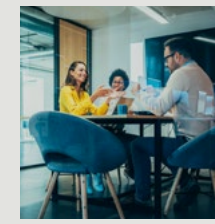
24
Women leaders



Diversity of Employees by Nationality

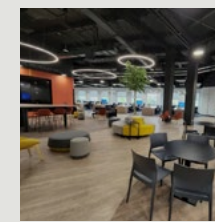


Talent Development



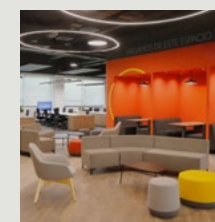
MBA's Trainee Program

Accelerating the onboarding of critical talent and facilitating succession planning while promoting the international employer brand.



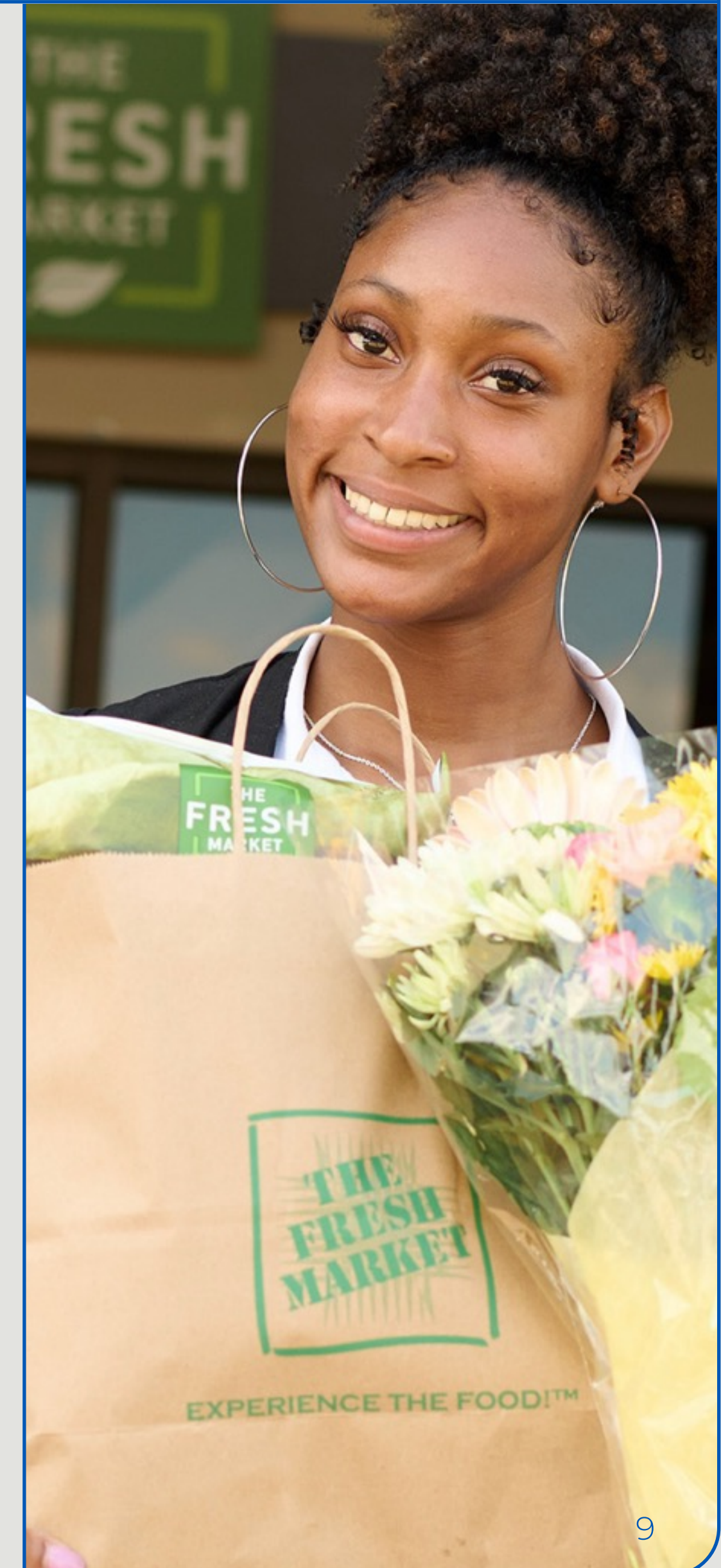
Cencosud HUB

Cencosud's new corporate offices in Chile feature modern and specially designed workspaces for the company's employees, with high standards, technology, and cutting-edge amenities that facilitate collaboration and teamwork.



Technology, Digital, and Innovation HUB

At the end of 2022, the technology, digital, and innovation hub was inaugurated in Uruguay, with a primary focus on talent retention and recruitment for the technological areas of the Cencosud group.



People - Community

Milestones

- Regional Community Management Strategy



Figures

 **21** Donation Programs

>  **17** Community Investment Programs

>  **5** Shared-Value Business Initiatives

 **43** Corporate Citizenship Activities

 **CLP 7,273** million

Community Engagement Strategy

COMMUNITY:

A group of stakeholders that constitutes the online and offline environment in which we operate, and where our brands have a presence



Ongoing, clear, and transparent communication with stakeholders

Community-Related Programs



ComoCambio (Supermarkets Chile)



The Healthy Eating and Culture program (www.comocambio.com) was launched. It provides ComoCambio content on the MIDE app, reaching rural and urban schools across the country. Additionally, there is an in-person program in vulnerable schools that allows for targeted work with children, families, and the school community.

+2 million
views on the launch episode

160
students impacted by the in-person program

2
schools impacted by the in-person program

3,202
accesses to "ComoCambio" classes on the MIDE app



Mujeres Transformadoras (Transformative Women) (Argentina)

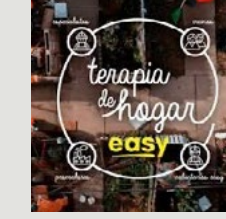


A free training program for women entrepreneurs in Córdoba and Buenos Aires, developed in partnership with the Voces Vitales Argentina and Cono Sur Foundation. Practical tools are shared to strengthen their businesses, as well as personal aspects of training and leadership in the female entrepreneurial ecosystem.

+720
trained entrepreneurs since 2017

230
entrepreneurs in 2022

7
online meetings



Terapia de hogar ("Home Therapy") (Easy Chile)



With the goal of improving the quality of life and addressing the home needs of vulnerable groups, through collaborative work that involves various individuals, companies, NGOs, and the public sector.

+15,000
beneficiaries reached per year

+90
internal and external providers participating

+3,000
volunteers

+22,000
hours of volunteering

+15,000
products delivered



Projeto de Vida (Brazil)



This program, by the GBarbosa Institute, produces and distributes content aimed at promoting health, healthy eating, quality of life, well-being, and longevity. <http://projetodevida.org.br/>

58,981
subscribers on the YouTube channel [com/ProjectodeVida](https://www.youtube.com/ProjectodeVida)



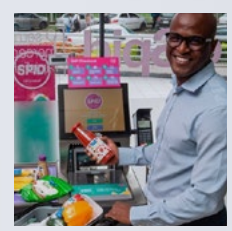


People - Customers

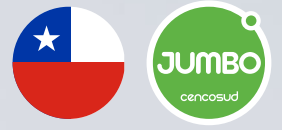
Regional Figures



Programs

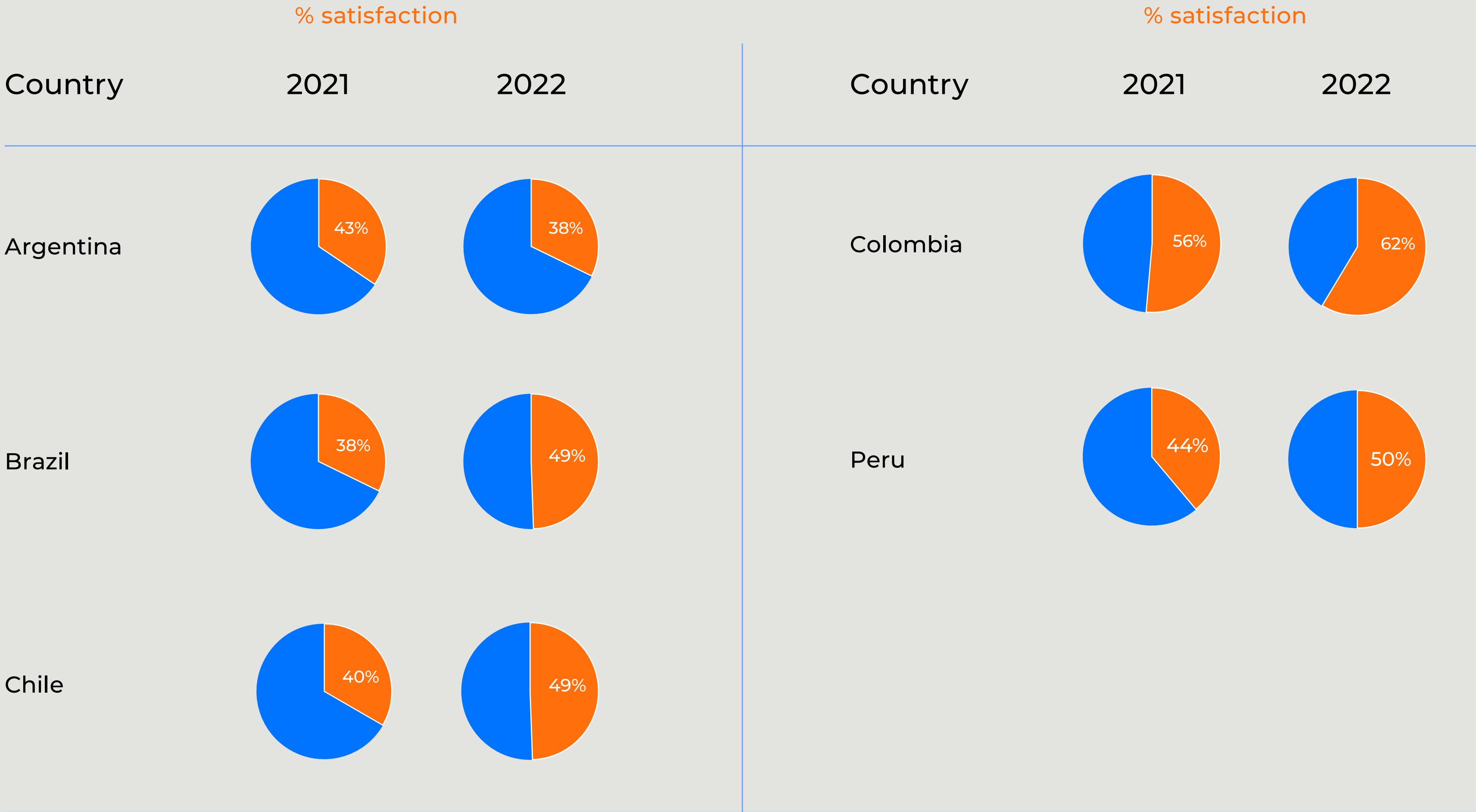


Neurodiversity Preferred Checkout Lanes (Jumbo Chile)



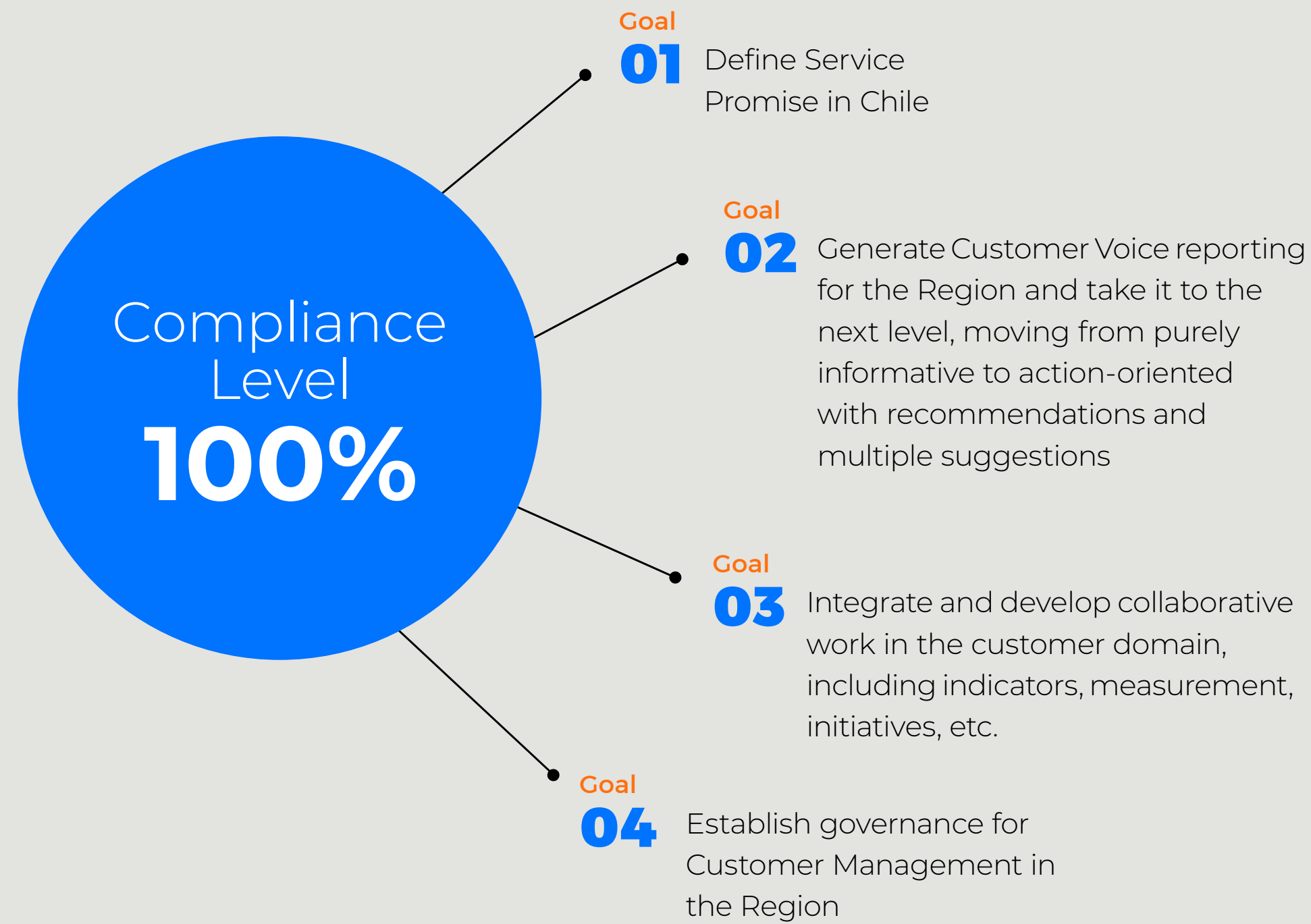
In 2022, preferred checkout lanes were made available for neurodivergent individuals to use when needed, along with a series of improvements and changes to advance inclusive measures within supermarkets.

Customer Satisfaction Measurement 2022

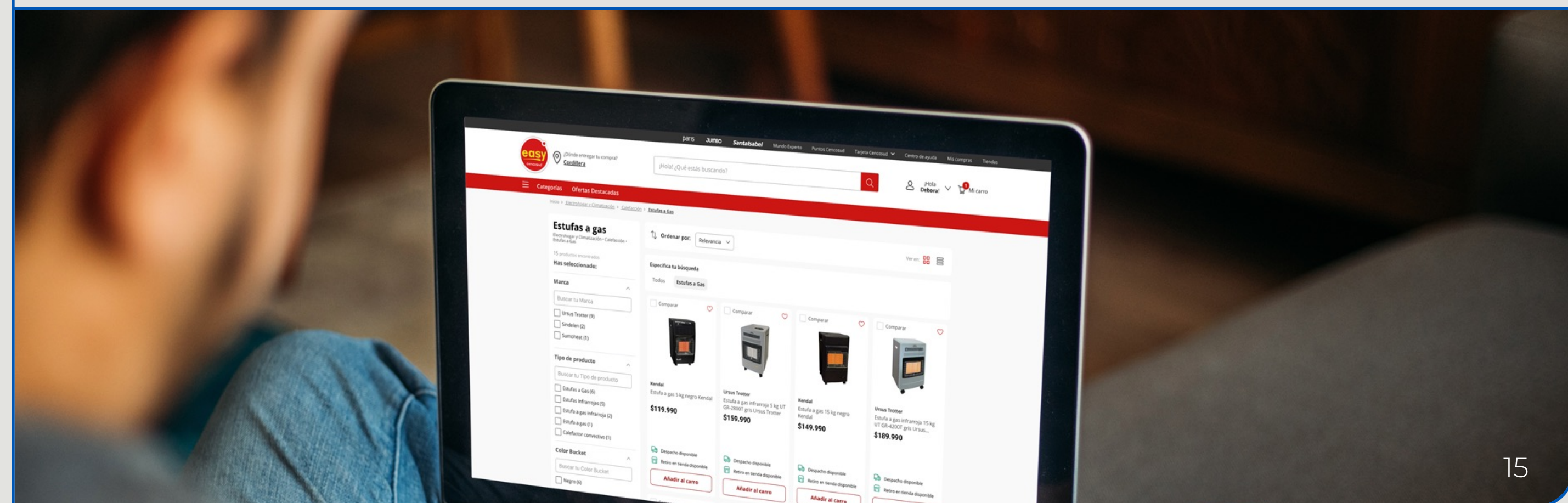
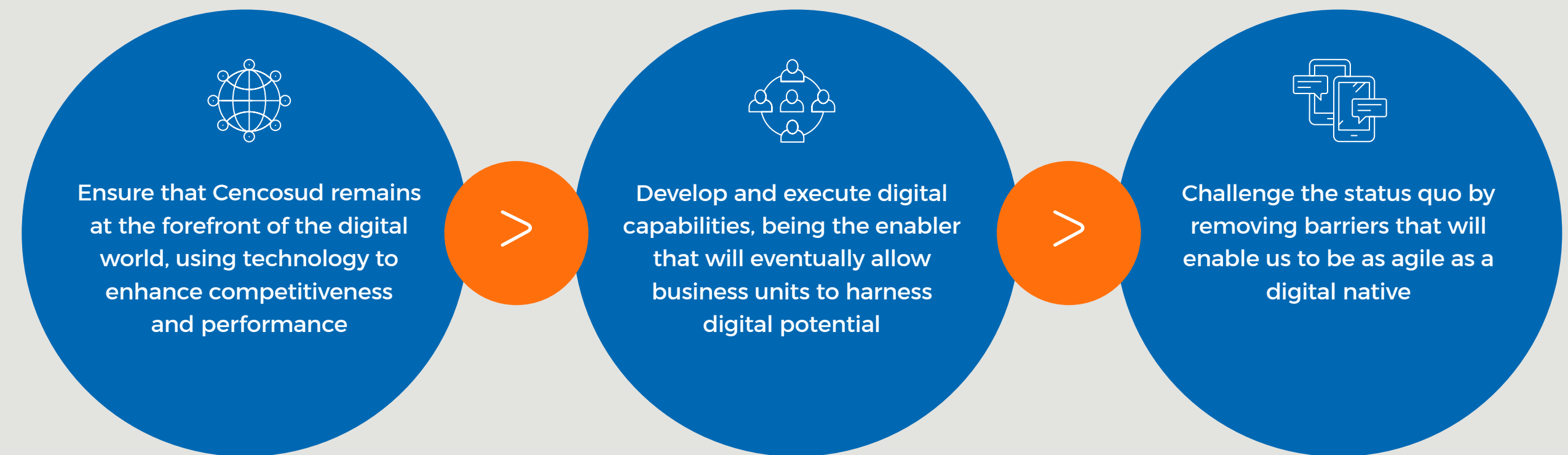


*Starting in 2022, we have worked on standardizing CSAT (Customer Satisfaction Score) and NPS (Net Promoter Score) indicators across the entire region and its banners.

Customer Experience Management System 2022



Cencommerce Objectives



Cencommerce 2022 Results

Pre-Sales



Easy Chile and Paris Marketplace platforms have been unified under CencoPim

\$ >350 K

+350,000 SKU's published by the pre-sales team

Buying Experience



Upselling in the offline Jumbo app

+10%

conversion for Jumbo

+16%

conversion for Santa Isabel compared to 2021



Implementation of Scan&Go at Paris Personalized push notifications in the

Paris app



Platform migration to Vtex and stabilization

+12%

growth in conversion compared to 2021

Fullfillment



48 Hours

implementation time in each store



49%

reduction in working hours due to technological efficiencies in the architecture and structure

Customer Care



> 160

return points for Paris and MVP development for Jumbo and Easy



< 24 Hours

hours for refunds at Paris, Jumbo, and Easy – when paying with a credit card



Self-service level in Post-Sales by consumers. This is particularly relevant for automated money refunds, which have reached 70% of sales in Jumbo, Paris, and Easy for credit cards

Digital Strategy of Cencosud and Its Three Pillars

Cencosud's digital strategy is based on monetizing the company's assets through the development of regional digital capabilities centered around three pillars:



More Customers

Having the best assortment attracts more and better customers



More Sellers

Attracting more customer traffic brings in more entrepreneurs who want to sell on the Company's Marketplace



More Shoppers

Having the highest number of sales to fulfill attracts more and better shoppers, who provide better and faster product delivery experiences to customers



2021 / **2022**
13.3% / **11.8%**

% of total customers using online service solutions



2021 / **2022**
12.8% / **10.1%**

% of revenue generated online

Milestones

- Training the team in service design experience
- Definition of the Service Promise with businesses in Chile
- Refinement of existing measurement tools
- Development of "Passion for the Customer" as the first competence of Cencosud employees
- Standardization of satisfaction indicators in the region; enabling the creation of an Executive Customer Report for the entire region
- Establishment of Customer Management in all businesses and countries
- Customer Journey Map creation in all businesses
- Standardization of emails sent to customers in Chile



Product - Supply Chain

Regional Figures



Milestones

- Advancements in the regional responsible sourcing strategy
- Establishment of the Regional Procurement Committee
- Efficiency in Sourcing, **29 suppliers** participating in the program

Programs



Our Producers (Supermarkets Chile)



Focused on promoting the development of national entrepreneurs and small businesses, Supermarkets Chile invites them to explore the opportunity to sell their products in the Company's supermarkets. In addition to a training plan in partnership with INACAP through the "Supplier School," they provide free training with the aim of enhancing local sourcing and delivering added value.



Efficiency in Sourcing Program



Aims to increase the number of national suppliers of leaf products that meet the conditions for nearby sourcing, based on the principle of a **500 km** approximate radius from the store they supply, thus reducing environmental impacts associated with long distances and contributing to the local development of the country.



Cencosud Supplier Policies and Management Mechanisms



Corporate Leadership

- Procurement Management
- Supplier Management



B2B Business Portal

Supplier service platform to facilitate payment document tracking



Supplier Commitments

Value chain built on trust-based relationships and committed to sustainable development



Purchasing Policy

Responsibility of buyers and business units, with emphasis on the agility and efficiency of commercial agreements



New Business Portal

Platform to streamline supplier registration in the Company's businesses



Product - Marketing and Conscious Consumption

Milestones

- Increase in Organic Product Offerings
- Reduction in Product Packaging, maintaining the ongoing reduction target of 20 tons of plastic annually
- 78-ton reduction in plastic packaging for fruits and vegetables since 2018



Regional Figures



182

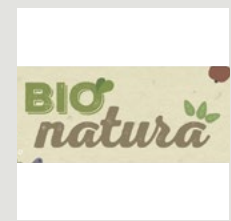
Certified Products as of 2022



98,993

Products with sustainable attributes (CL+PE)  

Programs Related to Marketing and Conscious Consumption



Mundo Bio
(Supermarkets Chile)



There is a continuous search for products that make a difference in innovation and sustainability, with a focus on offering products suitable for various nutritional needs or dietary preferences. This includes trends and customer needs such as Organic, Vegan, Natural, Clean Label, Gluten-Free, Common Allergen-Free, Low Carb, Added Sugar-Free, Bulk Nuts, among others.

100% of Mundo Bio personal care products are nationally or internationally certified as “Cruelty-Free” (not tested on animals)

100% of Jumbo stores have “Sello Azul” certification, a responsible consumption program promoted by the National Fisheries and Aquaculture Service of Chile

+1,600 bovine products from Regenerative Livestock and Organic Livestock

+280 pork products with organic certification

+300 different poultry products (chickens and turkeys) with certifications such as “Non GMO,” “Certified Humane”, “USDA Organic”



“Viví Saludable” and “Nutriditos”
(Supermarkets Argentina)



Focused on promoting healthy eating and well-being through exclusive in-store spaces and the creation of engaging content to support customers and the community in their pursuit of a more balanced lifestyle.



Viví Saludable - JUMBO
+1,500 products in the segment

+15 gluten-free and healthy recipes



Nutriditos - VEA

4 healthy social media talks

+250 attendees

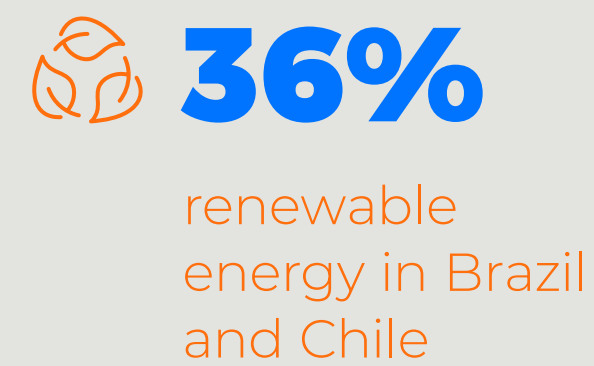
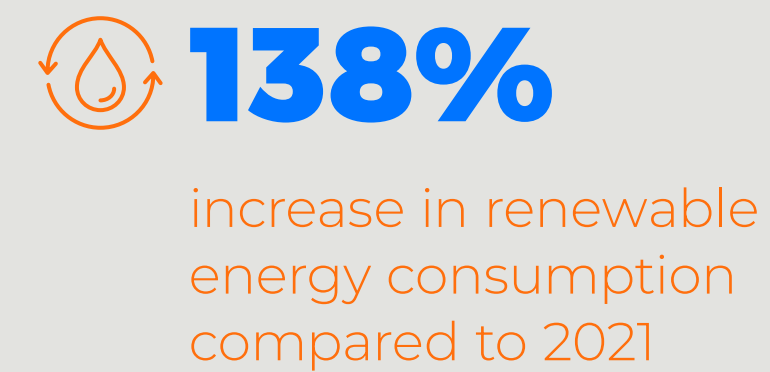
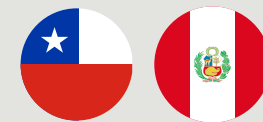
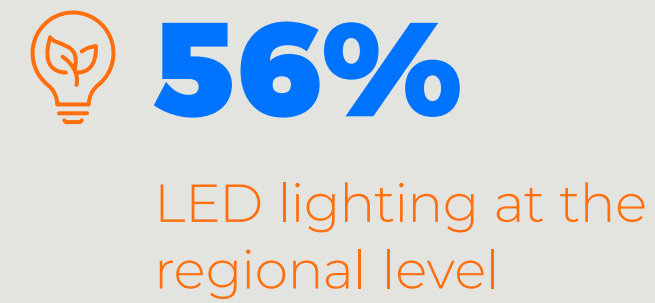
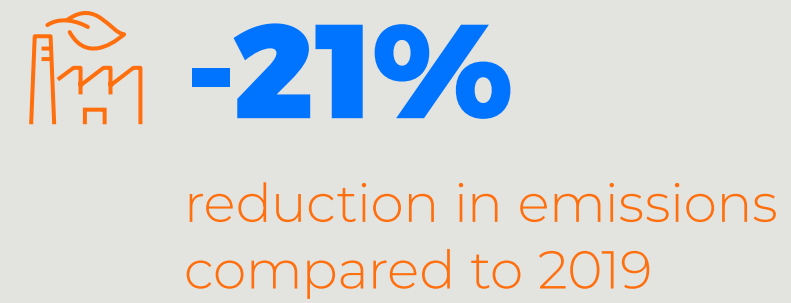
+2 monthly recipes and recommendations

12 posts per year with the hashtag #LaComidaNoSeTira (Food Shouldn't Be Wasted)





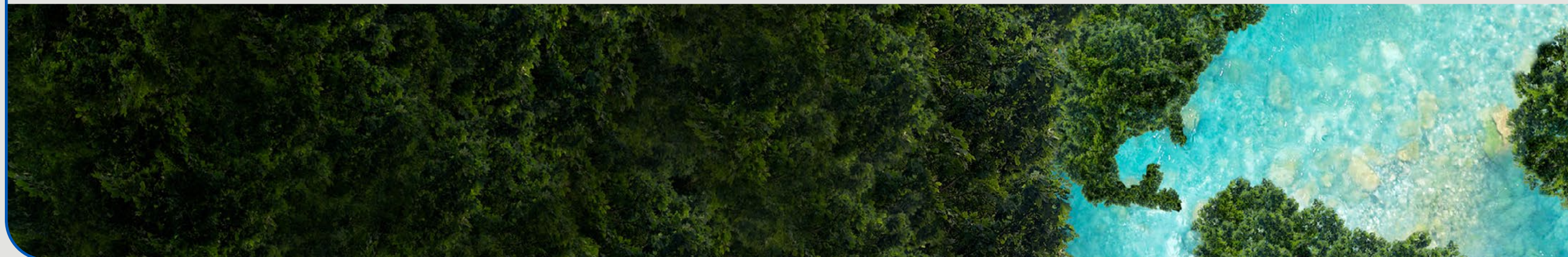
Planet - Climate Change, Energy Efficiency, and Water

Regional Figures



Milestones



- Mapping of risks and opportunities associated with TCFD (Task Force On Climate-Related Financial Disclosures)
- 100% LED lighting in new stores at the regional level
- Expansion of the electric vehicle fleet in Brazil and Peru

- Telemetry: Argentina, Brazil, Chile, Colombia, and Peru




Planet - Circular Waste and Packaging Management

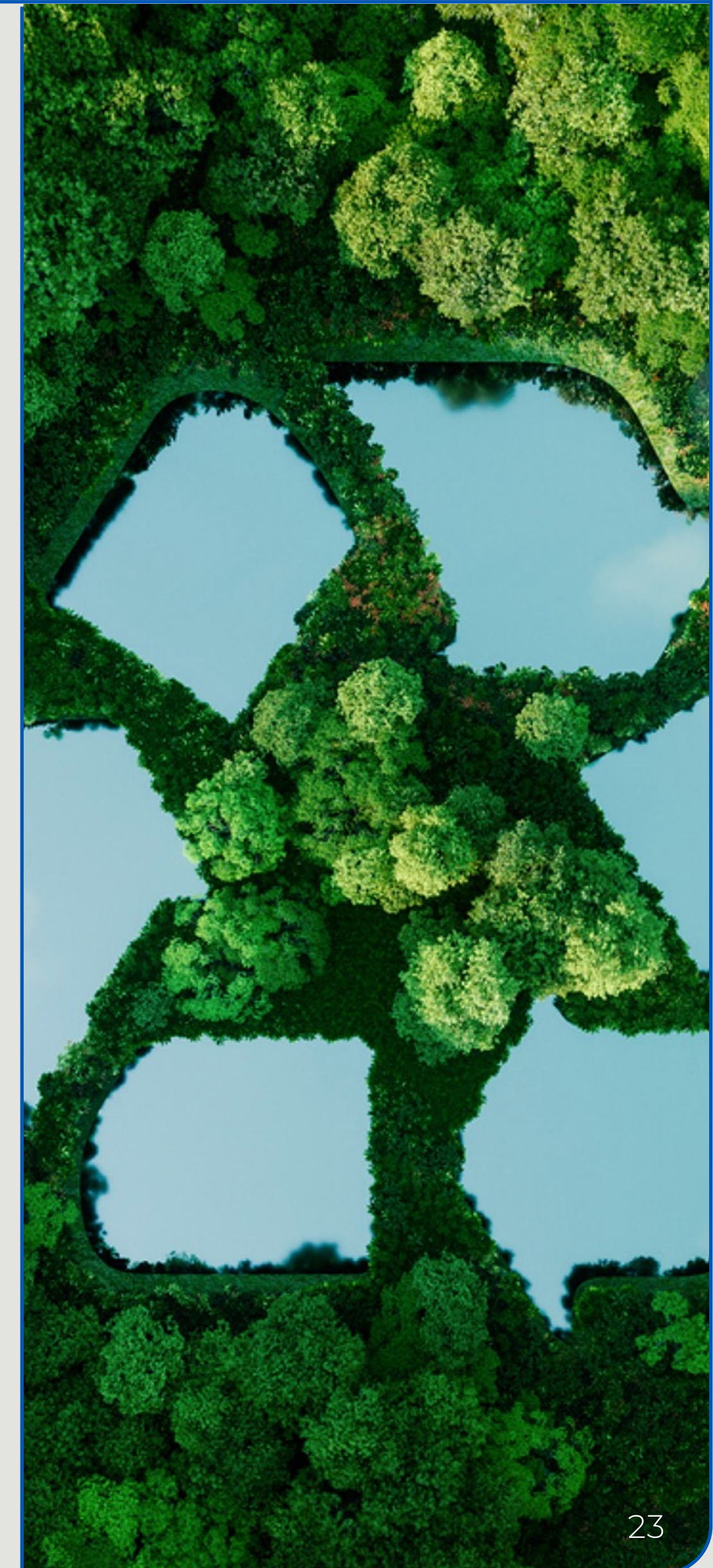
Regional Figures

 **31%**
OF WASTE
is recycled

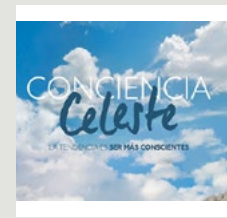
 **18,000** ton of
RECYCLABLE PACKAGING
 

Milestones

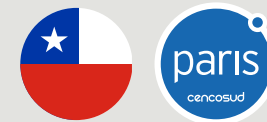
- Certification of the Eco-labeling and Traee APLs (Productive Local Arrangements). 
- Transition to the retirement of EPS (Expanded Polystyrene) packaging 
- Buying guide with a "Packaging Traffic Light" 
- Migration to bio-based packaging 
- Promotion of reusable bags and bulk product use mechanisms  
- Risk mapping and migration to R-PET packaging 
- Founding Partner of Chile's 1st Waste Management System   
- IFCO certification in Argentina, Chile and Colombia   
- "Plan de empaque responsable" ("Responsible Packaging Plan")     



Programs and Campaigns Related to Circular Waste Management

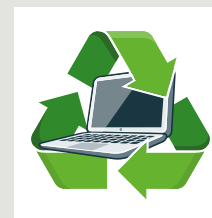


Conciencia Celeste (Paris Chile)



The program encompasses the production cycle, promotion of sustainable consumption habits among customers and employees, and the promotion of circularity. It implements a circular fashion business model based on circular economy, responsible consumption, and sustainability. Circular fashion encourages customers to purchase new products only when needed. Paris has expanded its range of second-hand clothing offerings, providing options and services such as selling customers' clothing, in partnership with Vestuá, purchasing second-hand clothing with the support of Nostalgic, Vestuá, and Market People, personalization and repair services in collaboration with Uh La Lá, recycling with Retex and 3co Fiber, and clothing exchange through The Ropantic Show.

In 2022, a total of 555,172 units of clothing were reintroduced under the "Moda Circular" Fashion program

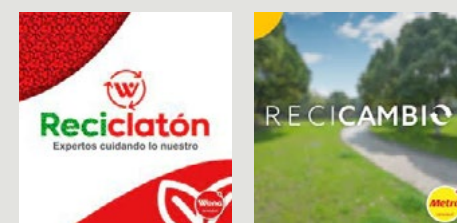


Equipment Renewal



Cencosud Corporate donated equipment to educational foundations, positively impacting the lives and development of children and youth across the country. This initiative also contributes to the environment by extending the lifespan of these devices.

- +5,000** computer systems
- + 400** chairs
- +400** benefited communities



Peru with "Reciclatón" by Wong and "Recicambio" by the Metro chain



Educational recycling campaigns targeting customers

- +1 million** people reached
- +25,000** kg of recycled waste



Food 4 The Future



In collaboration with F4F, a circular waste management approach is promoted, preventing over 372 tons of organic waste from reaching landfills.

- 86 locations** in 7 regions of Chile
- 7** beneficiary organizations
- +372** tons of rescued food



“Rescate de alimentos” (Food Rescue Program)

Description

The Company’s regional program, under the Planet pillar, aims to revalue products suitable for consumption that have been removed from supermarket shelves. Through partnerships with various civil society organizations, including the Red de Alimentos, these products are provided free of charge to the most vulnerable sectors in the countries where the Company operates. The core of the program focuses on reducing food and hygiene/cleaning product loss and waste, as well as generating a positive social and environmental impact.



Regional Figures



+2,000

of food and personal hygiene products were provided free of charge



2%

increase in tons compared to 2021

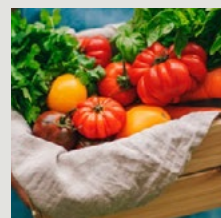


+9,000

benefited organizations



Initiatives Associated with the Regional “Rescate de Alimentos” (Food Rescue Program)

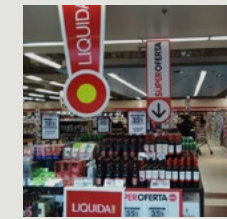


Program for the Reduction of Food Loss and Waste

Cencosud Group supermarkets are committed to the challenge of preventing and reducing food loss and waste through socially and environmentally responsible management.

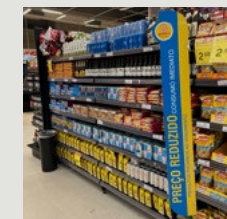
Key Focus Areas:

- Continuously drive improvements to reduce losses.
- Enhance logistics processes.
- Ensure food safety throughout the supply chain.
- Promote sustainable processes and partnerships for the free distribution of safe products for human consumption.
- Develop processes and partnerships for environmentally responsible product disposal, reducing waste.
- Continue to raise customer awareness to foster responsible consumption habits.



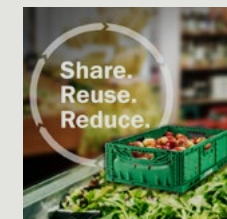
Argentina “Liquida” Program

An initiative to reduce products nearing their expiration date in distribution centers and stores. Products with discounts of **35% and 50%** are displayed in the “Liquida Shelf.” The program includes training for workers to ensure the proper handling and control of products to prevent spoilage and monitor expiration dates.




Brazil “Brigada de validación/Rebaja de precio”

Monitoring product expiration dates to take actions such as price reduction, avoiding product expiration. Policy for removing products with critical data from distribution centers.



“IFCO Certification”

A special transportation system for perishable foods using IFCO’s reusable transport packaging (ERT). The excellent ventilation of ERT ensures better temperature control during transportation, prolonging product preservation in the process.

 **+415**
tons of waste reduced

 **+67**
tons of product damage reduction



Perú “Cocina con Todo”

An educational program for customers aimed at maximizing food usage, reducing waste, and promoting balanced nutrition.



“Consumelo a tiempo” and “Consume Consciente”


A set of discount policies on merchandise close to the expiration date to accelerate its rotation and prevent loss. Implemented in the Metro and Wong chains, respectively.



Awards and recognitions

 Argentina   

 The Food Rescue program by Jumbo, Disco, and Vea received the Eikon Award


 Cencosud climbed from the 85th position to **N°71st** in the Merco ranking

 Brazil 


 Prezunic received recognition at the “SESC Rio de Janeiro 2022 Partner Meeting” for the free distribution of food

Awards and recognitions

Chile Corporate

 Forbes Chile highlighted Company President Ms. Heike Paulmann among the **30** powerful women

 Ms. Heike Paulmann entered the Merco ranking of the top **100** business leaders

 Cencosud ranked **42nd** in the Merco reputation ranking

 Recognition of Ms. Heike Paulmann in the “Exceptional Women of Excellence” at the Women Economic Forum Chile (WEF)

 EY and the Santiago Stock Exchange’s Market Voice Study recognized Cencosud as an “Outstanding Company” in **2022**

 Ranked **N°26th** in the Merco Talent 2022 ranking

 **1st** place as a company to attract and retain talent in the business holding sector in Chile



Awards and recognitions

 Chile Corporate



IMAD 2022 Ranking for the best progress in the evolution of female presence in senior management, moving from

25th
to 57th place



1st

place in “Corporate Brand” in the CADEM Citizen Brands ranking



“Commitment to Migrants” award presented by the National Migration Service and the Directorate of Labor.



1st

place in Procalidad 2022, awarded to Jumbo, Paris, and Easy



Awards and recognitions




 In the CADEM Citizen Brands ranking, Jumbo achieved the **16th** position, and Santa Isabel the **38th** position

 In the Merco 2022 ranking, Jumbo secured the **37th** position

 S&P included Cencosud as the most sustainable company in the supermarket category in Latin America

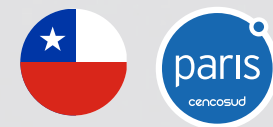


 Praxis Xperience Index 2022 Award, Jumbo in the supermarket category, and the Consumer Loyalty NPS 2022 Award



Awards and recognitions

Department Stores



At the Global Department Stores Summit, Paris received the award for the best Sustainability initiative for its “JugueteXJuguete” (Toy4Toy) campaign



E Commerce Awards Chile 2022 honored Paris in the Triple Impact in the Digital Ecosystem category for dress rentals



Fashion Transparency Index improved by **8** points, one of the world’s most important transparency indices



The Business Intelligence recognized Paris as the “Sustainable Initiative of the Year” for the “Moda Circular” (Circular Fashion) program

Home Improvement



Eikon Chile 2022 Award in the Social Sustainability category for the “Terapia de Hogar” (Home Therapy) initiative



“Woman Builds” Award for the “Terapia de Hogar” initiative along with “Desafío local” (Local Challenge)



Awards and recognitions

Colombia



Recognition from the Ministry of Labor for Cencosud Colombia's Labor Inclusion Program, which promotes access to employment and the creation of job opportunities for vulnerable individuals

Peru



In the Merco Peru ranking, Wong and Metro are among the top **100** companies with the best Corporate Reputation. They moved up 11 positions, ranking 33rd and 2nd in the Self-service sector



Awards of Happiness in the Diversity and Inclusion category



Responsible Consumption" category for the "Best Sustainable Project 2022"



"Empresas que Transforman el Perú 2022" recognition for Metro's initiatives "Consúmelo a Tiempo" (Consume It on Time) and "Cocina con Todo" (Cook with Everything) to reduce food loss and waste



