

INTEGRATED ANNUAL REPORT 2019



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01

CENCOSUD, AN OVERVIEW



Message from the Chairman

Dear shareholders,

Here you will find Cencosud S.A.'s annual report and financial statements corresponding to the tax year 2019. During this period we carried out very relevant projects for our company while, at the same time, we had to face challenging situations in all the countries we operate.

A big project for Cencosud was, without a doubt, the initial public offer (IPO) of our branch of shopping centers, Cencosud Shopping. We worked hard to achieve the biggest operation of this kind in Chilean history, raising CLP 717,912 millions, which were used to strengthen Cencosud's financial position. We are grateful to our new shareholders and bondholders for trusting our Company and for wanting to be part of one of the leading businesses in the region.

During 2019, we strengthened our omnichannel strategy because we understand that the way in which we interact with each other is evolving and we are making an effort to lead that change, taking care to deliver in each contact, whether in our in-person or digital shops, the best shopping and service experience to our customers.

When assessing the tax year 2019, it is necessary to mention that it was affected by very challenging contexts in the region, and that it was ruled by a macroeconomic environment determined by expense reductions and the fluctuation of exchange rates, which had an impact on our results. In Chile, specifically, during the last quarter of the year, there was a social movement which affected part of our operations.

To date, in this year 2020, we are facing an even greater challenge, the effects and consequences of the global pandemic of Coronavirus. In the face of this situation, we have looked for ways to adapt our operations and guarantee the continuity of our service. Flexible schedules, telecommuting, permanent contact with our suppliers, and, especially, working together with more energy and solidarity. Each of Cencosud's employees share this commitment and will continue doing so in regards to the challenges presented to us by our environment.



Horst Paulmann
Chairman of the Board

With these parting words I would like to thank the dedication of the Cencosud. Our employees are the driving force of development in this company and we have worked to keep that hallmark in each of the countries in which we operate. To all of them, receive a warm greeting for your dedication and the professionalism with which you do your work and deliver a top service every day. Likewise, I would like to thank our suppliers, who are part of our commitment to providing the best products. Finally, I send out special thanks to our customers who continue choosing us every day.

Letter from the CEO

GRI: 102-14; 102-23; 102-13

Dear Shareholders,

For Cencosud, 2019 was a year of great achievements and challenges amidst a complicated macroeconomic environment in the region.

Withing the process of financial strengthening, Cencosud carried out the biggest initial public offer in Chilean history and the issuance of Cencosud Shopping bonds in the local market, raising USD 1,055 millions for 27.7% of the shares. With the funds raised by this, Cencosud's debt level was reduced, managing to reach, together with the improvement of profitability of operations, a stronger financial position.

Another source of development has been the increase of Cencosud's profitability. Among the various efforts to achieve this is the new organizational structure implemented towards the end of last year and which assigns managers by country. The purpose of this is to accelerate the process of decision making, to generate cross-sectional efficiency in each country, and to promote focusing more attention on the customer, so as to improve our value proposition in each business and market in which we operate.

Regarding omnicanality and new trends, our strategy has started to produce results. During 2019, online sales increased in real terms in all formats and countries, reaching double digits in many cases. We thank our customers for their positive response towards the innovations we have made to our formats. In relation to this, we would like to highlight the launching of the New Businesses Portal, a digital platform through which Cencosud channels, quickly and directly, its connection to the companies interested in offering their products and services.

2019 turned out to be a year in which we had to face new difficulties. In Chile, since the social movement of the 18th of October, we've had to focus on adapting our operation to be able to provide continuity in all our business units. As part of that, we made the workday more flexible, creating new schedules and shifts, we increased the transfer of employees, we adapted our opening hours and we expanded the security systems in our operations, all of this in order to safeguard the safety of our customers and employees. At the same time, we searched for the best tools to support SMBs and tenants in our shopping centers, who also form an integral part of our development.

I would like to point out that this document is the second Integrated Annual Report we have ever made. Here you will find information pertaining to all the programs and commitments we have made in regards to sustainability. Since the opening of our first supermarket, we have learnt that successful companies are no longer those who only try to produce the highest value



Matías Videla
CEO

for their shareholders, but rather those that grow in harmony with their communities, minimizing their operational impact, and, today more than ever, those who are able to read the dynamic environment in which they function.

Lastly, I would like to thank each and every one of our employees who, in times of huge social turbulence and pandemics, show their commitment and passion daily in our shops, offering a kind assistance and the best quality products to the more than 100 million customers that visit us yearly.

Thank you very much.

About the Annual Report

Frames of reference for its development

GRI 102-45; 102-49; 102-50; 102-51; 102-52; 102-54; 102-32

The 2019 Integrated Annual Report has been developed bearing in mind the framework of the *Integrated International Reporting Council* (IIRC) and the Sustainability Reporting Guidelines by the *GRI Sustainability Reporting Standards* (GRI Standards). This report has been prepared in accordance to the Comprehensive option. Cencosud will present omissions if the answer to some of the indicators is considered by the Company as confidential or strategic information.

This document has strictly followed the General Rule N° 30 of the Comisión for the Economic Market (CMF). It will make reference to Cencosud S.A. or, interchangeably, the Company. These guidelines constitute an international model regarding the contents and systems of units, favoring the accessibility and comparability of the information given by the organizations regarding environmental, social, and economic issues.

The document also complies with the requirements demanded by the United Nations Global Compact and which, for all intents and purposes, is presented as Communication of Progress (CoP). Regarding non financial metrics, this report takes into consideration the operations in Chile, Argentina, Brazil, Colombia, and Peru. The complete financial statements, rationale, and essential facts can be found in the following link: <http://investors.cencosud.com>. This Report is prepared every year, the date of the last report was March 2019.

According to what is stipulated in Article 74 of Law N° 18,046 regarding Public Limited Companies and in Article 10 of Law N° 18,045 of the Stock Market, all companies and security issuers registered in the Stock Market have to produce an Annual Report. Furthermore, it states that the Board of Directors must submit this document to the Annual General Shareholders Meeting for approval.

Scope of the Information

This Integrated Annual Report includes Cencosud S.A.'s main managerial processes and results between the 1st of January and the 31st of December, 2019, regarding economic, Corporate Governance, environmental, and social matters. It also includes the management of its material issues and of the commitments with their stakeholders.

Identification

Incorporation documents

GRI 102-5

The deed of incorporation was granted on the 10th of November, 1978, in the Notary of Enrique Morgan Torres in Santiago. Its existence and bylaws were approved through the resolution N° 554-S of the 27th of December, 1978. The deed of incorporation was registered on page 13,808 N°7412 in the Commercial Registry of the Land and Property Registrar of Santiago corresponding to the year 1978, and its excerpt was published in the Official Journal on the 30th of December, 1978, under N° 30,252.

Corporate purpose

GRI 102-5

The purpose of the Company is the exercise of trade in general, including the purchase, sale, consignment, distribution, import, export, representation, commission, packaging, retail packaging, and commercialization, either for themselves or for a third party, of all types of tangible assets. To carry out, in the country or abroad, long-term or income investments on all types of tangible and intangible assets. For these purposes, Cencosud will be able to acquire, keep, sell, transfer, and negotiate in any form and under any category, all types of tangible and intangible asset, whether inside the country or abroad, and receive its results and incomes. To carry out and enter into all types of acts or contracts conducive to the compliance of its corporate purpose.

General Background

GRI 102-1; 102-3; 102-4

Corporate Name	CENCOSUD S.A.
Legal Address	Av. Kennedy 9001, Las Condes, Santiago, Chile
Taxpayer's Identification Number	93.834.000-5
Phone Number	(56 2) 2959 0000
Line of Business	Investments and Supermarkets
Registration in Registry of Securities	N° of registration 743 of the 21 st of August, 2001
Website	www.cencosud.cl
Stock Mnemonic	CENCOSUD (Chile Stock Market)
Stock markets in which it is listed	Santiago Stock Exchange, Digital Stock Exchange
Indexes in which it participates	S&P/CLX IPSA, S&P/CLX IGPA Large Cap, S&P/CLX IGPA y S&P/CLX Chile 15
Contact information for shareholders and investors	Sercor S.A. El Golf N° 140 floor N° 1 Las Condes, Santiago F: (562) 2364 6786
Investor Relations	María Soledad Fernández, Investor Relations Officer maria-soledad.fernandez@cencosud.cl , F:(562) 2959 0545
Sustainability Area	Carmen Gloria Ide, Sustainability Assistant Manager carmen.ide@cencosud.cl , F: (562) 2959 0702
Communication Area	Danica Radnic, External Communications Assistant Manager danica.radnic@cencosud.cl , F: (562) 2959 0024
External Auditors	PricewaterhouseCoopers Consultores Auditores SPA
Credit Rating Agency	International: Moody's Corporation; Fitch Group (Fitch Ratings), Local: Feller Rate Clasificadora de Riesgo Limitada; Clasificadora de Riesgo Humphreys Limitada

Addresses and Websites

GRI 102-3, 102-4

Country	Address	Phone Number
Argentina	Suipacha Nº 1111, piso 18, C.A.B.A. Buenos Aires	54-11- 47331 4504
Brazil	Av. das Nações Unidas, 12.995 - 17º andar - Brooklin – São Paulo, CEP 04578-000	55-0 800 979 3290
Colombia	Avenida 9 No. 125 - 30, Bogotá	57-1- 657 9797
Chile	Av. Kennedy Nº 9001, Las Condes, Santiago	56-2-2959 0000
Peru	Calle Augusto Angulo Nº 130, distrito de Miraflores, Lima	51-1-626 0000

Country	Website
 Argentina	www.cencosud.com.ar
	www.jumbo.com.ar
	www.supermercadosvea.com.ar
	www.disco.com.ar
	www.easy.com.ar
 Chile	www.jumbo.cl
	www.santaisabel.cl
	www.paris.cl
	www.easy.cl
	www.tarjetacencosud.cl
	www.cencosudshopping.cl
	www.cencosudshoppingcenters.com
	www.costaneracenter.cl

Country	Website
 Brazil	www.gbarbosa.com.br
	www.bretas.com.br
	www.perini.com.br
	www.prezunic.com.br
 Colombia	www.tiendasjumbo.co
	www.tiendasmetro.co
	www.easy.com.co
 Peru	www.puntoscencosud.co
	www.wong.com.pe
	www.ewong.pe
	www.plazalimasur.com
	www.metro.com.pe

Main figures

GRI. 102-2; 102-4, 102-6; 102-7; 102-8

Cencosud is a multibrand and multiformat retailer, with branches in five Latinamerican countries.

Economic Summary

MM CLP	Financial Statements (excluding IAS29)		
	2019	2018	Var. %
Chile	4,529,151	4,546,128	-0.4%
Argentina	1,735,003	2,029,115	-14.5%
Brazil	1,376,277	1,357,931	1.4%
Peru	1,018,459	1,008,103	1.0%
Colombia	832,472	813,878	2.3%
Total Revenue	9,491,362	9,755,154	-2.7%
Gross profit	2,655,356	2,776,594	-4.4%
<i>Gross margin</i>	28.0%	28.5%	-49 bps ¹
Administrative and selling expenses	-2,201,965	-2,385,165	-7.7%
Operating profit	730,343	602,694	21.2%
Non operating profit	-333,670	-317,324	5.2%
Taxes	-112,598	-28,128	300.3%
Profit	284,074	257,241	10.4%

¹ Bps: basis points.

MM CLP	Financial Statements (excluding IAS29)		
	2019	2018	Var. %
Chile – SM (Supermarkets)	286,625	254,656	12.6%
Chile – CC (Shopping Centers)	125,106	124,171	0.8%
Chile – MDH (Home Improvement)	52,701	48,896	7.8%
Chile – TxD (Department Stores)	45,747	36,130	26.6%
Chile – SF (Financial Services)	12,861	19,340	-33.5%
Chile - Other	-81,396	-93,933	-13.3%
Chile	441,643	389,261	13.5%
Argentina	164,362	168,713	-2.6%
Brazil	51,039	-16,110	-416.8%
Peru	173,398	68,367	153.6%
Colombia	38,612	25,369	52.2%
Total Adjusted Ebitda	869,053	635,599	36.7%
Adjusted Ebitda Margin	9.2%	6.5%	264 bps

Results by business

MM CLP	Financial Statements (excluding IAS29)		
	2019	2018	Var. %
Revenue	9,491,362	9,755,154	-2.7%
Supermarkets	6,850,407	6,897,511	-0.7%
Shopping Centers	231,426	246,625	-6.2%
Home Improvement	1,129,627	1,190,508	-5.1%
Department Stores	1,100,637	1,165,238	-5.5%
Financial Services	169,762	248,946	-31.8%
Other	9,503	6,326	50.2%
Adjusted Ebitda²	869,053	635,599	36.7%
Supermarkets	460,697	343,774	34.0%
Shopping Centers	183,685	191,062	-3.9%
Home Improvement	130,037	124,242	4.7%
Department Stores	48,136	33,971	41.7%
Financial Services	97,054	120,011	-19.1%
Other	-50,556	-177,460	-71.5%

Business information

	2019	2018	2019	2018	2019	2018
	N° of stores		% leased		Total sales area (m ²)	
Supermarkets	921	925	62.3%	61.2%	2,280,932	2,327,673
Home Improvement	97	97	19.3%	18.2%	808,996	808,996
Department Stores	90	92	70.9%	71.5%	440,419	449,338
	N° of Shopping centers		Total sales area (m ²)		Occupancy rate	
Cencosud Shopping Locations	40	40	447,433	391,083	91.7%	99.0%
Non IPO Locations ³	27	27	383,115	383,115	97.0%	98.1%

² Adjusted Ebitda: the definition can be checked in the Rationale, which is in the Annex.

³ Non-IPO Locations correspond to Argentina and to 'trascaja' locations in Chile, Peru and Colombia.

Historical Background

- 1963** Opening of the first supermarket in Las Brisas de Temuco, Chile.
- 1970** Opening of Jumbo Kennedy in Santiago, Chile.
- 1982** Cencosud starts expanding internationally with the opening of the first Jumbo in Argentina.
- 1988** Opening of the Unicenter Mall in Buenos Aires, Argentina.
- 1993** Opening of Alto Las Condes mall and the first Easy in Chile.
- 2002** Purchase of two Home Improvement chains in Chile and Argentina.
- 2003** Launching of SF Chile. Opening of two shopping centers in Chile. Purchase of Santa Isabel supermarkets in Chile.
- 2004** Purchase of the supermarket chains Las Brisas, Montecarlo y Disco, and initial public offer on the Santiago Stock Exchange.
- 2005** Purchase of department store Almacenes Paris S.A. and rebranding from Montecarlo and Las Brisas to Santa Isabel.
- 2007** Purchase of Infante, Economax, Foster and Eurofashion. In addition, purchase of GBarbosa in Brazil and GSW (Wong) in Peru. Joint Venture with Casino Guichard-Perrachon S.A. for the development of Easy Colombia S.A.
- 2008** The Retail Banking operations start in Argentina, and purchase of a Home Improvement store in Argentina.
- 2010** Purchase of Súper Familia Alimento Ltda. in Fortaleza, Brazil, and Bretas, in Brazil.
- 2011** First international bond issuance Reg S. 144-A for USD 750 millions. Purchase of 38.636% of Jumbo Retail Argentina. Made a deal with Banco Bradesco to develop Financial Services Brazil and purchased Johnson's department store.
- 2012** Purchase of Prezunic, Brasil. Opening of the Costanera Center Mall. Purchase of Carrefour in Colombia. Issues an international bond Reg S/144-A for USD 1,200 millions. Cencosud made its initial public offer in the New York Stock Exchange.
- 2013** Carries out a capital increase in Chile for USD 1,636 millions. In addition, introduces the brands Jumbo and Metro to Colombian supermarkets.
- 2014** Cencosud seals an agreement for the joint development of Financial Services in Chile.
- 2015** Opening of Sky Costanera in Santiago, Chile, the highest viewpoint in Latin America. Sale of drugstore chain in Colombia. Issuance of international bond Reg S/ 144-A for USD 1,000 millions.
- 2016** Sale of the 33.3% of shares in the company Mall Viña del Mar S.A. and of Teleticket in Peru.
- 2017** Issuance of International Bond Reg S/144- A for USD 1,000 millions and tender offer for the 2021 and 2023 bonds. Leaves the New York Stock Exchange.
- 2018** Cencosud seals an agreement for the joint development of Financial Services in Peru.
- 2019** Initial public offer of Cencosud Shopping in Santiago, Chile. Tender offer for the 2023, 2025, and 2027 bonds.

2019 Milestones

GRI 102-10

Biggest initial public offer in Chilean history

June 28th, 2019

Cencosud carried out the opening of its subsidiary branch Cencosud Shopping, earning USD 1,055 millions and turning it into the biggest transaction in Chilean history. The operation, which had a set price of \$1,521 per share, had 4,760 orders for almost USD 3,000 millions, almost three times the offer. Among the investors that joined the Company, the main ones were the Pension Fund Administrators (AFP), who got 58.5% of the 472 million securities, equivalent to a 27.7% of the ownership. Local institutional investors acquired 11.7% of the offered securities, while international ones and the retail segment got 11.0% and 8.3% respectively.

Cencosud Shopping's Initial Public Offer



Initial Public Offer Award 2019⁴

January 29th, 2020

LatinFinance honored Cencosud with the Initial Public Offer of the Year Award due to the initial public offer of its branch of shopping centers. The prize reflects the general strategy followed by the Company in regards to its involvement in the capital market during the period of the operation. The decision was taken after the selection made by the LatinFinance publishers, who took into consideration the size, complexity, innovative elements, relevance of the market and execution of the transaction.

⁴ <https://www.latinfinance.com/pages/copyright-policy>



Sale of Banco Perú

January, 2019

The agreement between Cencosud and Scotiabank Peru for the joint development of the credit card business was approved. The Company sold 51% of its portfolio for USD 100 millions on a 15 years term.

Announcement of new stock options for executives

March, 2019

During the Extraordinary Shareholders Meeting held in March, 2019, the stock options incentive program for the executives of the Company was approved.

Changes in the Board of Directors and the Administration

March, 2019

During the General Shareholders Meeting held in March, 2019, the Board of Directors of the Company was renewed. In October, 2019, the departure of the Corporate General Manager, Andreas Gebhardt, was announced. Matías Videla, then Finance and Administration Manager, took up the position as his replacement. He had already worked for many years in the Company, where he started as a Controller and then took up the position of Argentinian Supermarkets Manager and Corporate Shopping Malls Manager.

Changes to the organizational structure

October, 2019

The Company announced a new organizational structure, assigning a manager to each country in which it operates, with the exception of Chile. The purpose of this new model, which is different to the old one based on business units, is to accelerate the decision-making process, to take advantage of the synergy involved in their deep knowledge of each market and their day-to-day operations, and to promote cross-sectional efficiency in each country.

Great Place To Work Ranking

Cencosud has been recognized for developing a strong organizational culture, centered on the people, focusing on achieving common goals and facing challenges resiliently and creatively. In 2019, eight enterprises from the Cencosud group were distinguished with their admission into the Great Place to Work (GPTW) ranking: six in Argentina, one in Chile, one in Peru and one in Brazil. In addition, the Brazilian Supermarkets Division received nine regional awards in the GPTW ranking in Brazil.

	<p>Cencosud Shopping Country: Chile Category: Best Place to Work in Chile in 2019 Place: 11</p>
	<p>Cencosud Shopping Country: Peru Category: Best Place to Work for Women 2019 Place: 7</p>
	<p>Cencosud Shopping Country: Argentina Category: Great Place to Work 2019 Place: 19</p>

Sustainability Indices in which Cencosud participates



Cencosud has taken care to integrate the management of the ESG variables (environmental, social, and governance) in its management in such a way as to be able to provide value to its customers, employees, suppliers, investors, shareholders and the community surrounding it. And all of this while taking care of the environment and mitigating the impact of its operations.

Dow Jones Sustainability Index Chile (DJSI Chile)

Formed by the leading companies in relation to ESG issues, DJSI Chile is the first sustainability index in Chile developed jointly with SP Dow Jones Indices and RobecoSAM. It is the first of its kind in the country to use the Dow Jones Sustainability Indices estimation method and the first one to use IPSA as its basis. The index used the Best in Class methodology in order to represent the top 40% of the eligible companies. Those are the ones who are part of the General Stock Price Index (IGPA) of the Santiago Stock Exchange and have an adjusted market capitalization with a float higher than USD 100 millions, and are based on long-term environmental, social and good corporate governance factors.

Dow Jones Sustainability MILA Pacific Alliance Index MILA

This index follows the performance of the companies with the highest ratings of sustainability assessed by RobecoSAM in the Pacific Alliance region, including Chile, Colombia, Mexico, and Peru. The index also uses the Best in Class methodology; therefore, the Chilean companies that participate in DJSI Chile are also eligible for this international index.

02

BUSINESS MODEL



Context and Trends' analysis

Context analysis

GRI 102-11; 102-15

The year 2019 was affected by the trade war between the United States and China, which, as a consequence, resulted in the rise of the prices of financial assets and a strong volatility in the markets during this period. The Brexit negotiations were also a source of uncertainty, aided by the recessionary environment that hit manufacture in a global scale and the fluctuations in the prices of commodities, which finally ended the year at levels similar to those in 2018.

In this context, the main Central Banks in the world implemented expansionary measures in their monetary policies to energize the economies most affected by the volatility and the slow-down of economic activity.

In December, 2019, the phase one agreement between the United States and China –signed on January, 2020- presented a more stable scenario, giving the financial markets a break. However, this was short-lived because of the arrival of Coronavirus, whose effects have been reflected in the stock exchanges and the economies around the world.

In Chile, the tax year 2019 was characterized by a weak economic growth, due mainly to lower-than-expected records in some areas such as mining, agriculture, and fishing. In spite of this, the activity most closely connected with the domestic demand was solid during the first part of the year. The second semester ratified the fact that the economy was going through a process of sustained recovery. In fact, up until September, around a 2.7% growth in activity was projected for the year. However, this trend changed due to the situation of socio-political conflict, the year 2019 ended with a 1.1% GDP variation.

Trends analysis

GRI 102-11; 102-15; 417-1; 301-2

Demographic characteristics have been changing quickly in the last few years and this has produced consumers with new needs. In this context, a high percentage of the food companies around the world recognize that these new changes in people's habits are a challenge for their business and that is why they are alert to the trends that are appearing:

- **Smaller households:** the average household size has decreased, which could be explained by families' decisions to have less children, the higher number of single-parent families, the increase of individual households and/or by the increase in the cohabitation of people unconnected by familial or affective relationships;
- **Increase in obesity and chronic illnesses:** an increase in chronic illnesses, caused mainly by the reduction of physical activity and bad eating habits can be observed. So much so, that in 2009, the World Health Organization reclassified obesity as a pandemic, term which until that point had only been applied to high impact infectious diseases;

- **Changes in tastes and preferences:** consumers are evolving towards a healthier lifestyle, which goes hand in hand with a special worry for taking care of the environment;
- **Local consumption:** some consumers with higher purchasing power look for local products with certain characteristics: small scale production, organic and seasonal foods that are free-range and don't use hormones or antibiotics. This presents the challenge to re-thinking business opportunities and traditional supply chains for the companies in that area;
- **Personalization of consumption:** in today's world, catching the consumer's attention is an increasingly bigger challenge. Creating striking and novel slogans is no longer enough. Now it is necessary to communicate with each of the potential customers in a unique way, appealing to their likes, their interests, and their needs. Therefore, the personalization of the offer of products and services is key for success;
- **Brand loyalty⁵:** the large food companies are facing new consumers with less loyalty to the brands they know. Young people are more interested in the quality of the product and they value aspects such as sustainability over the name and the image the conventional means project. People associate big brands with generic products and low grades of personalization.
- **Labeling Act in Chile:** three years after the implementation of the Food Law (Labeling Act), the third stage of the initiative came into effect. This stage raises the levels of requirements regarding the limits of the levels of fats, calories, sugars and sodium in the food that is being sold; it also includes small-scale food producers. During the first stage of the law, four labels that read *HIGH IN* calories, sodium, sugars, and saturated fats were added. The design of these labels stands out because of its black background and white letters placed on the front of the package to make it visible. Although the labels were kept during the third stage, the initiative established new limits to the levels of nutrients, and the obligation of including the message *Choose foods with less warning stamps* in the publicity of the products with these labels went into effect;

Stages of the Labeling Act			
	First stage	Second stage	Third stage
Calories	350 kcal/100g	300 kcal/100g	275 kcal/100g
Sodium	800 mg/100g	500 mg/100g	400 mg/100g
Sugars	22,5 g/100g	15 g/100g	10 g/100g
Saturated fats	6 g/100g	5 g/100g	4 g/100g

New limits (in the case of calories) for liquid foods

Calories	100 kcal/100g	80 kcal/100g	70 kcal/100g
Sodium	100 mg/100g	100 mg/100g	100 mg/100g
Sugars	6 g/100g	5 g/100g	5 g/100g
Saturated fats	3 g/100g	3 g/100g	3 g/100g

⁵ Brand consistency (*meaningful brands*).

- **More attention to nutrition labels:** besides demanding healthier products, the consumers are paying more attention to the ingredients of processed foods when choosing what to buy;
- **More awareness in consumers:** besides health considerations, the awareness of the need for a more responsible consumption has become an important trend. 73% of people around the world stated that they were willing to change their consumption patterns to reduce the impact on the environment (Nielsen, FMCG and Retail Insights, 2019). The companies that manage to adapt and to position their products as healthy and sustainable before their competitors do would be able to appeal to an ever growing number of consumers and get a higher market share. In addition, consumers are more conscious of their choices, which, in turn, means that they demand more of the companies regarding their values, the missions they state and how they manage the variables that affect the environment;
- **Extended Producer Responsibility (EPR) Law:** it tries to decrease the production of waste, encouraging reusing and recycling through the extended responsibility of the producer. It is a waste management instrument that forces manufacturers of certain products to organize and finance the management of the waste produced by them;
- **Digital transformation and the value of time:** technological and consumption changes are two other key factors; 5G technology will be a reality. This fifth generation technology will entail a new transformation for businesses because, with the arrival of connectivity, there will be even more devices connected to the net and a greater amount of data to manage. This will allow a more efficient use of the Deep Retail tool, an advanced trade analysis mechanism that helps to delve into trade data and to understand the demand for specific products.

Stakeholders

GRI 102-21; 102-40; 102-42; 102-43

In a globalized environment, the different stakeholders demand more responsibilities from the organizations with which they interact. In addition, these groups are able to affect the results of the companies with their choices.

In this context, for any organization that wants to be responsible and sustainable, the importance of communicating with the stakeholders increases.

The companies that keep a steady dialogue with their stakeholders are able to achieve better risk management and to keep ahead in regards to new opportunities and relevant issues for their stakeholders. Furthermore, being in touch with the needs of the customers can benefit the innovation processes within the organization. Besides, this allows the senior management to reach a higher level of understanding of the social, economic, and environmental context – current and future-, which helps identify new markets and business opportunities. Currently, communication with the stakeholders makes a difference in the management and integration

of sustainability in company businesses. Finally, it is relevant to note that this communication also allows organizations to improve their reputation and the trust awarded them.

The stakeholders are a key part of Cencosud's daily operations. In its objective to be the most renowned retailer, it establishes the basis of its relationship with its employees, customers, tenants, shareholders and investors, the community and society, in order to get to know their expectations and adequately meet them.

The skill to face these requirements and expectations depends significantly on the ability to generate trust and reputation. In this context, understanding the issues that are relevant to the stakeholders, valuing them, prioritizing them, and taking them into consideration within the strategy of the Company are key aspects in the process of generating value, not only for their shareholders, but for all their stakeholders.

Cencosud produced its second Integrated Annual Report with the purpose of improving the integration of all this to its model. Identifying external social and environmental factors has been key during the process of its production. This exercise has helped the Company to find possible risks for the business and to identify opportunities for creating added value for society and the environment.

That is why Cencosud's sustainability strategy establishes a series of principles and commitments focused on the creation of long-term value for its main stakeholders. It also defines and identifies key aspects of its relationship with its different stakeholders, establishing it in a focused, aligned, collaborative, and fair way.

Cencosud's General Code of Conduct defines and lays the basis for the activities that the employees must perform daily, including their interactions with the stakeholders. In addition, the Company has specific policies and frameworks that establish the guidelines to follow when communicating with certain interested parties.

Group	Definition	Why is it important?	Communication channels
 Financial market	This interest group includes: <ul style="list-style-type: none"> Market analysts that follow the Company Cencosud's local and international credit rating agencies Bondholders and bondholder representatives Shareholders Financial institutions that are creditors of Cencosud 	Transparency and commitment to its shareholders, bondholders, analysts and participants in the financial market are a constant priority for the Company. That is why Cencosud makes it its mission to work transparently every day, generating value and strengthening the trust of its stakeholderse.	<ul style="list-style-type: none"> Institutional webpage, investors' section Attendance to meetings with local and international investors Peronal meetings with each one of the investors, credit rating agencies, analysts, and banks Conferences and breakfasts to present quarterly results Corporate presentations Integrated Report The Press
 Employees	Refers to all the workers of all the operations of the Company which, to the date when this report was closed, had a contract and which added up to 125,269 - 51% of which are female and 49% are male.	In order to be able to fulfill the promise to deliver quality service to its customers, Cencosud needs committed employees who are trained to understand the ever-changing needs of the customers and who have a solid culture with customer service at its core.	<ul style="list-style-type: none"> Integrated Report Institutional webpage Intranet Social Media The Press Meetings Presentations Training
 Civil society organizations	This group considers all the organizations of civil society who group together the community with which the Company interacts. Among them are trade unions, resident's associations, NGOs, consumer affairs bureaus, and the community in general.	Cencosud assesses and manages social and environmental external factors, which allows it to identify and mitigate possible risks to the business. Likewise, it also allows it to find opportunities to generate initiatives to produce shared value with its stakeholderse.	<ul style="list-style-type: none"> Hold meetings with the organizations Attendance to events and/or conferences Personal meetings Integrated Report Social Media The Press
 Suppliers	All those the Company works with to receive the necessary goods and services for its operation. The requirements for a sustainable supply chain and the management of procurement are systematically defined. Guidelines are developed and implemented. When doing this, Cencosud acts with the future in mind, it strengthens their procurement channels and makes sure that its range of products is sustainable.	The Company understands that the trust of the people is a key element to create long-term value. For that, the supply chain is an important part, establishing trust-based relationships through the promotion of an active monitoring of their requirements. Cencosud listens, analyzes, and tries to give an answer to their opinions and doubts, identifying risks and opportunities. This is a key group that allows the Company to rely on a sustainable supply chain.	<ul style="list-style-type: none"> Institutional webpage Attendance to meetings Personal meetings Training Integrated Report Social Media The Press
 Customers	They are the current and potential customers of the Company in all its operations	For Cencosud, the customers are at the core of their business model. It is for them that its purpose includes working daily with passion, respect, transparency and trust, so that it can be able to improve its customers' quality of life.	<ul style="list-style-type: none"> Institutional webpage Surveys Complaints Events Integrated Report Social Media The Press
 Authorities and regulators	They are the organizations that regulate the operations of the Company in each country and with which it interacts. In Chile, because it is a public limited company that has given an initial public offer in the capital market, it is regulated by the Commission for the Financial Market (CMF).	Cencosud is a company registered in the Chilean Capital Market, therefore, it has to comply with the requirements of the regulating agency.	<ul style="list-style-type: none"> Institutional webpage Participation in discussion tables with business associations and the community, among which are Pacto Global Chile and Acción Empresas Integrated Report The Press

Strategy

GRI 102-16; 102-17

How does Cencosud deal these changes?

An agile structure that allows the Company to keep ahead of changes and that, in addition, is able to adapt and incorporate consumer knowledge in the process of decision-taking must be established when working in a strongly competitive industry.

To achieve this, Cencosud manages its value chain using a business model based in four pillars: environmental development, climate change management, employee development, and sustainable offering, which has allowed it to add sustainability to its business model. Added to this are the five strategic focal points for 2020, which are the basis that will allow it to have the resources and structures necessary to face challenges and capture opportunities.

Nowadays, people care about what companies state and the purposes and values that move them, they also care about the impact they have on the places where they operate.

For Cencosud, there must be sustainability because it is related to its growth and innovation. This is because it recognizes that people take into consideration both the impact generated and the products, packagings, and prices.

Cencosud fulfills its mission of contributing to the improvement of the quality of life of its customers, employees and the community they are part of. It understands that it will grow not only as a business, but that it will support the communities where it is present in facing the main challenges of climate change. For that, the Company is sure that the value they create must translate into benefits for all its stakeholders.

Cencosud: WE ARE ALL ABOUT THE DETAILS

Cencosud operates every day with passion, respect, transparency, and trust in order to improve its customers' quality of life through an experience that is unique, sustainable, and with unequalled quality standards in its products and services.

Focal points for the 2020 plan

- To optimize the financial structure;
- To restart the sustainable development of the more profitable businesses;
- To improve the strategy in order to increase productivity;
- To develop an omnichannel model;
- To continue with the digital transformation of each one of its operations.

Axes of the Business Model

To achieve this, Cencosud manages its value chain using a business model based on the following axes:



Focal Point	Explanation	Progress during 2019
 To optimize the financial structure	Debt reduction, improvement of liquidity and increase of duration. To this end, the initial public offer (IPO) of the shopping center business, the tender offer and the make-whole redemption were carried out.	Chapter 6
 To restart the sustainable development of the more profitable businesses	This means optimizing the use of working capital, improving the cash flow with a mix of more appropriate products. Offering perishable goods because this gives the Company an advantage over its competitors who are focused on price.	Chapter 2
 To improve the strategy in order to increase productivity	Revising the structure of the organization, changing the focus from business units to countries and processes in order to become more efficient. A deep understanding of local culture leads to an appropriate mix of products and the choosing of those suppliers whose offers fit the demands of the customers.	Chapter 2
 To develop an omnichannel model	To use in a more efficient manner the Company's GLA, combining different brands and focusing on developing a unique marketplace.	Chapter 8
 To continue with the digital transformation of each one of its operations	The aim is to make the different processes more efficient, allowing the segmentation of the customers in order to deliver products that answer to their specific needs.	Chapter 8

How is Cencosud integrating Sustainability into its Business Model?

GRI 102-16

“Always do the right thing”

The Company has been increasingly demanding more inclusive, honest, and transparent brands which are able to fulfill what they promise. This has resulted in the requirement of an increasingly higher ethical standard.

For Cencosud, one of its core values has been the commitment to *always do the right thing*, by always fulfilling its promises through sound and coherent actions. Every time the Company makes a decision, it tries to find the way to strengthen the bonds of trust with its stakeholders. Every one of its employees understands that the trust with the customers and stakeholders is earned day by day.

This is part of the DNA of the Company, and it is something that it has passed on to future generations since its inception because it knows that generating a reputation is an ever-evolving process and it is affected by the attitude of each and every person. Cencosud looks

to promote inspiring and respectful leaderships in the younger generations, ones that are committed to the results of the Company, and which are also in harmony with the respect and care for the environment and the community in which it works.

These challenges are faced by the Company with responsibility and as an opportunity to shape its business, together with its stakeholders, employees, customers/tenants, suppliers, financial market, and the community.

Our inspiration

Cencosud operates every day with passion, respect, transparency, and trust in order to improve its customers' quality of life through an experience that is unique, sustainable, and with unequalled quality standards in its products and services.

How is the integration of sustainability managed?

This integration is related to its business model and is understood as a key aspect, in which society is responsible and handles the relations with each one of the interest groups with which it interacts. This is achieved by building transparent and inclusive brands which are connected to society and sensitive to its environment. The purpose is to keep a balance between generating profitability and contributing and generating social value, fulfilling the commitments to the stakeholders, decreasing the negative impact on the environment and always thinking about the long term.

Cencosud understands that this sustainable development is a process and that it allows the construction of a society with quality of life levels in its social, economic, and environmental dimensions. To that end, all the business units are making an effort, working responsibly and respectfully to create valuable relationships with their employees, customers, suppliers, financial market, community and environment.

Consequently, the activities are designed with the purpose of creating shared value and minimizing the negative effects on the environment in which it acts. This is what it means for the Company to *always do the right thing* and it helps making all aspects of its business sustainable. This is what has moved Cencosud since its creation.

How will that be achieved?

The Company has decided to move forwards with a strategy that is able to identify Cencosud's unique abilities and responsibilities, to make them scalable, and that boosts its reputation, commitment, relationship, and impact on brands. And, all of this, while maximizing its leverage with all of its stakeholders. That means that the initiatives spearheaded by the businesses attract investments from other stakeholders into the causes the Company supports.

This way, the integration of sustainability implies generating related economic, environmental, and social activities, and where its connection has a great potential for generating value for everyone involved. Cencosud has accepted this challenge, not only in its

operations, but also in trying to identify innovative actions in one area and that may affect another.

Sustainability strategy

GRI 102-16

In accordance to the above, it was defined that the strategy of the Company will be characterized by being:

- **Focused:** it is focused on relevant areas where real social needs can be met;
- **Aligned:** it supports the commercial objectives of the Company and it is based on its assets (including geographical area) and its specific abilities;
- **Collaborative:** it utilizes a several-interested-parties approach and works inclusively with other organizations;
- **Measurable:** it establishes metrics both for the business and for the communication to the community of the mitigation of impacts.

Cencosud has five great business units: Supermarkets, Home Improvement, Department Stores, Shopping Centers, and Financial Services. This last one has not been included in the scope of the non-financial variables of this report. There are four key axes or pillars to carry out the integration of sustainability in Cencosud's different business units and which are based on the objectives and dimensions that rule their actions.

The Sustainability Strategy has pillars and each of those, in turn, consider areas of activity specifically defined. All the activities carried out are developed considering this vision and are cross-sectional, affecting all the different stakeholders and taking into account the different stages of the value chain.

The elements included in the strategy address the essence of the business, starting with the quality of life of all its employees, while, at the same time, including the management of eco-efficient processes and the protection of the environment.

All of the above allows the creation of a unique relationship and experience with the customers, which has integrated a relationship with the environment, searching for the development of the suppliers and their communities in order to insure long-term sustainability.

Cencosud has five business units: Supermarkets, Home Improvement, Department Stores, Shopping Centers, and Financial Services.



Axes of the business model

GRI 102-16; 102-17

Pillar	Fields of action	Our aspirations	Progress during 2019
Environment Development 	Relationship with communities	To build long-lasting ties with the communities through various initiatives related to sustainable development within the framework of the Handbook of Community Relationships, and initiatives directly linked to the area of influence.	Chapter 10
	Development of suppliers	To monitor the stakeholders through the appropriate analysis and mapping of the information requirements of shareholders, investors and the financial market.	Chapter 10
	Relationship with the financial market	To monitor the stakeholders through the appropriate analysis and mapping of the information requirements of shareholders, investors and the financial market.	Chapter 10
Climate Change Management 	Care of resources	To include in the whole business' value chain a culture of eco-efficiency and protection of resources through the keeping of records and the handling of (electric, water, and CO2) consumption, the addition of new technologies to improve logistic operations, and the design of sustainable infrastructure.	Chapter 9
	Waste reduction	To value the existing opportunities in the life cycle of the operations through the effective monitoring of the fulfillment of environmental laws such as the EPR Law, the prevention of food waste, and the promotion of waste recycling initiatives.	Chapter 9
	Environmental awareness	To promote the participation of customers and employees in all the initiatives that encourage a more efficient use of resources and the reduction of waste, keeping them informed and actively involving them in the management of the life cycle of the products and services which are part of the Cencosud business.	Chapter 9
Sustainable Offerings for the Customers 	Responsible Marketing and Advanced Analytics	To carry out marketing campaigns that encourage the alignment between the sustainability initiatives and the characteristics of the brands under Cencosud's wing. And this together with the use of processes that require more technology in the interactions between the Company and its customers.	Chapter 8
	Healthy nutrition and well-being	To promote healthy life-style habits, focused on accessibility, through different campaigns systematically developed in time and which promote a balanced consumption of food and a healthy life-style.	Chapter 8
	Experience and relations	To generate memorable and sustainable experiences for the customers and their relations with Cencosud's brands through a digital transformation of the business that shows investments in new technologies and the ideal management of cybersecurity.	Chapter 8
	Life Cycle and Traceability	To establish an offering of sustainable products that strengthen the traceability of the value chain through the increase of product and/or service certification as an integral part of the commercial mix and the realization of ESG audits to the suppliers.	Chapter 8
Employee Development 	Diversity and Inclusiity	To be a relevant participant in the promotion of diversity and inclusivity of all the minority groups in the countries where it operates, developing gender equality initiatives and including Persons With Disabilities (PWD), as well as including risk groups to the staff.	Chapter 7
	Ambassadors of our brands	To promote the participation of the employees as agents of change for a sustainable development, encouraging their participation in initiatives of corporate voluntary work and managing an ideal work environment.	Chapter 7

MATERIALITY



Materiality analysis

Scope of the information

GRI 102-45; 102-46; 102-49; 102-50;

This Integrated Report contains the performance of Cencosud S.A., including all its business units and formats in the five countries where it operates, between the 1st of January and the 31st of December, 2019. Regarding the economic information, the scope comprises the contents of the Consolidated Financial Statements up to the 31st of December, 2019, and whose reach is detailed in its notes. Regarding the ESG figures, the scope of the information reported will be specified for each of them.

Period of publication

GRI 102-51; 102-52

This document is published annually since it is so determined by the corporate bylaws. The last report was published in April, 2019, regarding the tax year 2018.

GRI

GRI 102-54; 102-48

The information reported fulfills the requirements in accordance to the option “Comprehensive” of the GRI Standard⁶, based on principles of accuracy, balance, clarity, comparability, reliability and timeliness. Nevertheless, Cencosud will omit the answers to any indicators that are considered as confidential or strategic information for the Company.

Materiality

GRI 102-42; 102-43; 102-44; 102-47

For the elaboration of Cencosud’s Second Integrated Annual Report, the 2019 materiality process followed the specific stages shown below:



⁶ <https://www.globalreporting.org/standards/gri-standards-translations/gri-standards-spanish-translations-download-center/>.

Identification

GRI 102-42; 102-43; 102-44; 102-47

For the identification stage, Cencosud's strategic focal points and four pillars, detailed in chapter 2, were taken into account.

Likewise, a benchmark against the other companies in the business was carried out, which allowed the identification of relevant supplementary topics to take into account in management. In addition, the specific topics of the Dow Jones Sustainability Index (DJSI) –one of the main stockmarket indexes in sustainability- were added, particularly in relation to corporate liability and sustainability in the "Food & Staples" industry, category under which the Company is analyzed.

Regarding the Shopping Centers division, the GRESB methodology –main ESG benchmark for infrastructure assets and real assets- was used for the preliminary identification of material topics and the key questions.

The Materiality Map by the SASB® -Sustainability Accounting Standards Board⁷, an independent, non-profit organization-, was also examined and analyzed. This map identifies and compares the dissemination topics of different industries and sectors, helping companies to focus their sustainability strategies on the most important issues and to understand the metrics that support each material issue. Taking the aforementioned analysis as basis, a comparison was made between the stakeholders' key issues, using for this purpose the secondary data obtained through the communication channels. From this, it can be gathered that there are critical areas of management that deal with Cencosud's work and its operational continuity, in the short as well as the middle and long term, considering the economic, social, and environmental sustainability of the Company and its operation.

For the purposes of the methodology of this document, both areas have been identified as material issues in this 2019 Integrated Annual Report, according to the GRI Standards from the last edition of the GRI Handbook, made by the Global Reporting Initiative (GRI). This methodology provides guidelines that enable the comparative review regarding the performance of the organizations in relation to sustainability issues and puts special emphasis on the Materiality Process. This defines a set of activities to identify those environmental, economic, and social issues that are relevant, both for the corporate management of the Company and for its stakeholders. Based on that, the Integrated Annual Report gives an account of the treatment of these topics and gives qualitative and quantitative information about its management.



⁷ <https://www.sasb.org>

Priorization

GRI 102-42; 102-43; 102-44; 102-47

The prioritization of each of these material issues was the result of an exercise based on interviews of the Management and the Sustainability and Finance areas. Furthermore, the revision of secondary information⁸ about Cencosud and its different business units was also used, such as the information that has appeared on Press reviews, mentions on social media, information and/or studies by investors regarding the variables relevant to the industry, among others. Cencosud's stakeholders consist of its shareholders, workers, employees from external firms, suppliers, customers, community and tenants (in the case of Shopping Centers). The addition of these groups to the elaboration process of the Integrated Annual Report came about through the analysis of the results of the different channels of permanent communication of each business unit.

Validation

GRI 102-42; 102-43; 102-44; 102-47; 102-48

Finally, the prioritization of material issues was made by the Corporate Sustainability division and validated by the Corporate Manager of Legal Affairs and Institutional Relations and the General Manager.

Cencosud's material issues

2018	2019
<ul style="list-style-type: none"> Profits 	<ul style="list-style-type: none"> Financial performance
<ul style="list-style-type: none"> Corporate Governance 	<ul style="list-style-type: none"> Good Corporate Governance, ethics and compliance
<ul style="list-style-type: none"> Quality and safety of the products 	<ul style="list-style-type: none"> Cycle of life and the traceability of products
<ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Eco-efficient handling of resources Waste management
<ul style="list-style-type: none"> Supplier management 	<ul style="list-style-type: none"> Supplier development
<ul style="list-style-type: none"> Ties to the communities 	<ul style="list-style-type: none"> Relationships with the communities
<ul style="list-style-type: none"> Responsible consumption 	<ul style="list-style-type: none"> Marketing and responsible consumption
<ul style="list-style-type: none"> Memorable experience 	<ul style="list-style-type: none"> Experience and interaction with customers
<ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Employee development
<ul style="list-style-type: none"> Diversity and inclusivity 	<ul style="list-style-type: none"> Digital transformation

⁸ A secondary source is usually a commentary or analysis of a primary source.

Material issues

GRI 102-15; 102-31; 102-44; 102-47

Pillar	Cencosud's material issues 2019	Why is it material?	Relation to risks
	<p>Economic performance The continuity of Cencosud's businesses depends on the efficiency of its daily operation. The economic outturn is its outcome and an aspect that is always present as a cross-cutting pillar in the Company.</p>	Cencosud's financial soundness allows it to have the necessary means to face their middle and long-term projects.	This material issue is related to liquidity risks, indebtedness, interest rates and the risks that affect the economic continuity of the Company.
	<p>Good Corporate Governance, ethics and compliance The structure is supported by a management framework ruled by Cencosud's Code of Ethics, which is the cornerstone for the definition of the principles, policies and rules that govern and guide the Company's behavior. The strengthening of the Corporate Governance is an ongoing improvement process which grows stronger through the support of cross-cutting initiatives.</p>	The Corporate Governance management is in charge of putting together and running the Company's strategy, that is where key aspects about it must be decided. It is essential for the operation of the whole Company to have a solid Corporate Governance model.	It is related to reputational risks, risks of conflicts of interest, risks of failing to fulfill the rights of minority shareholders. In addition to the risks related to implementation, ethics and compliance.
	<p>Supplier development For Cencosud, the relationship with its suppliers is essential for its business model, considering them as strategic allies who, through their products and services, allow the Company to offer unique experiences to its customers. In order to achieve this, varied initiatives are carried out with them, with the purpose of supporting their development and promoting collaboration.</p>	In Cencosud's business model, its suppliers are essential to ensure the conveyance of products and services to its customers.	Operational risks, supply risks, financial risks, reputational risks.
	<p>Relations with the community One of Cencosud's basic pillars and values is developing its business with responsibility towards the community. It is a way of relating to the environment that surrounds its operation and of connecting with reality. The Company wants to grow together with its communities and to support their social and economic growth because it is convinced that the creation of shared value only improves when its surroundings do so too.</p>	The Company interacts and operates in a community, and, for this, it is necessary to have a social licence to operate.	Reputational risk.
	<p>Products' life cycle and traceability Cencosud accepts the role and the responsibility it has of creating a sustainable value chain. To this end, the Company takes care to move forwards incorporating, whenever possible, the traceability of origin of the products it offers. For that purpose it is adding tools that help test and handle this. Furthermore, these metrics and handling of sustainability variables are being used in the production of home brand products.</p>	In the integration of sustainability in a Company such as Cencosud, who interacts with various suppliers, both SMBs and big enterprises. This can have a key role in generating a virtuous circle for the promotion of a socially responsible culture. That is why testing and handling traceability are key factors for its business model.	It is related to reputational risks, risks of practices that are not in line with the policies used by its suppliers to manage their businesses and which could affect the Company's reputation and standing. The quality and safety of its products and services.

Pillar	Cencosud's material issues 2019	Why is it material?	Relation to risks
	<p>Digital transformation Cencosud wants to adapt to the changes around it, incorporating behaviors inside the Company related to the digital world as a new way of interacting with its customers, establishing omnichannel strategies for its brands, incorporating new technologies in its processes and implementing cybersecurity procedures to ensure the protection of its customers' information.</p>	<p>In an increasingly more interconnected society, it is essential for the Company to integrate the digitalization both of its processes and of what it offers to its customers. This allows it to have an operation that is more constant and more resistant to the vulnerabilities of physical work.</p>	<p>Risk of losing sales, risk of operational continuity, risk of operational efficiencies.</p>
	<p>Marketing and responsible consumption Cencosud is committed to promoting responsible consumption among its customers and suppliers through different initiatives and campaigns with ethical content and which support several causes that give meaning to its brands and operational management. This benefits the relationship with its customers through topics that are relevant to its surroundings and which allow it to protect the organization's reputation.</p>	<p>Handling its communication and marketing campaigns responsibly is an essential factor to maintain the trust of its stakeholders.</p>	<p>Reputational risk, financial risk, risk of losing customers.</p>
	<p>Experience and interaction with customers This topic includes the elements that form Cencosud's DNA and which aim at creating memorable experiences that heighten the actual and potential customers' appreciation of the Company's brands. The business model is related to the ties to the customers.</p>	<p>The customers are the core of all Cencosud's business units. Therefore, anything that affects quality of service, relationship and trust is a pressing matter for the Company.</p>	<p>Reputational risk, trust risk, risk of losing customers and sales.</p>
	<p>Eco-efficient handling of resources Through its different business units, Cencosud tries to manage efficiently the environmental impact it generates in the areas where it operates. For this, it makes systematic and regular efforts to identify, measure and mitigate the environmental effects of its operations, taking into consideration the distinctive features of every format and country. This aims at achieving an eco-friendly operation, minimizing the ecological footprint and protecting water and energy resources through a rational and efficient use of them.</p>	<p>It is relevant because the stakeholders are increasingly more demanding regarding the enterprises' commitment and management of the protection of natural resources.</p>	<p>Reputational risk, risk of losing customers, risk of losing investors who prefer companies that are committed to working on their ESG variables.</p>
	<p>Waste management This corresponds to the series of actions carried out by the Company to efficiently manage the waste produced by its operation, both regarding its customers and through its value chain, taking into stark consideration the handling of food wastage, as well as waste recovery and recycling initiatives.</p>	<p>It is relevant because the stakeholders are increasingly more demanding regarding the enterprises' commitment and management regarding aspects that affect climate change.</p>	<p>Reputational risk, risk of losing customers, risk of losing investors who prefer companies that are committed to working on their ESG variables.</p>
	<p>Employees' development Successful companies need to have trained and committed teams. Responsible companies are able to attract and keep the greatest talents because they earn their trust.</p>	<p>This is a key material issue for Cencosud, which is why it is carrying out different actions to attract and keep the most talented individuals. In addition, it is interested in managing the working environment and, to that end, it has established standards and tools to evaluate performance. Also, it has taken care of providing benefits that allow its employees to balance their family/private and working life.</p>	<p>Risk of not having the necessary talent required by the Company to operate.</p>

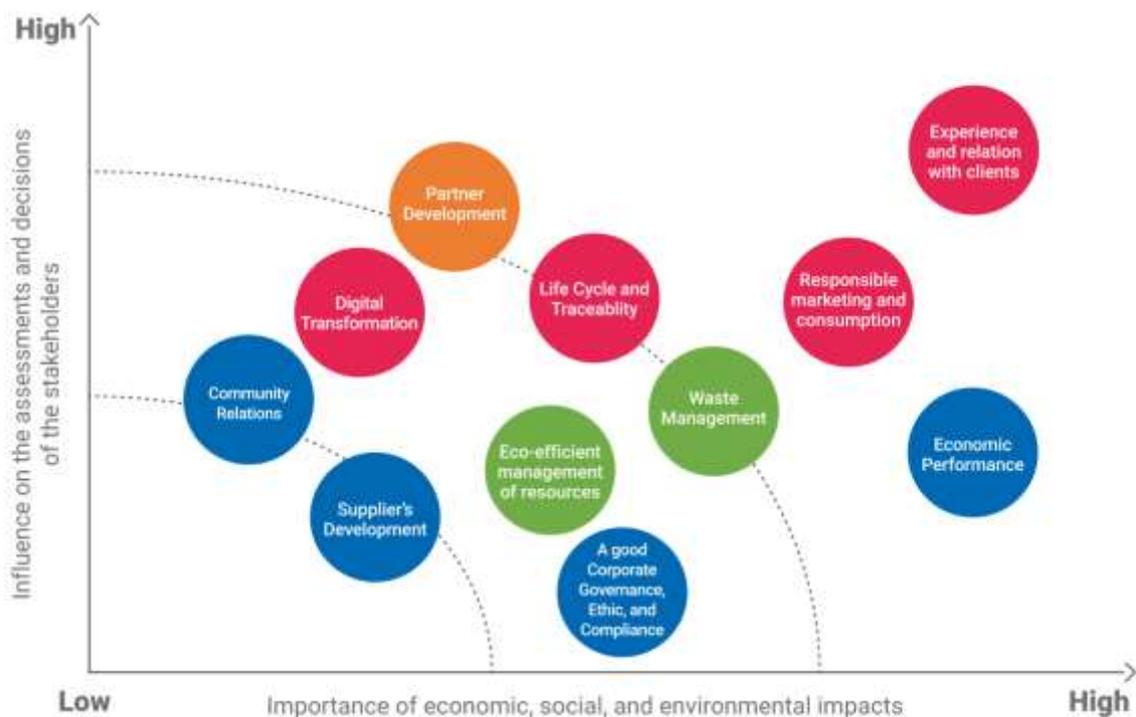
Grid of relevant issues

GRI 102-42; 102-43; 102-44; 102-47

The results of the analysis of materiality are presented in a grid. The location of the topics in the grid was established using a quantitative assessment, which represents the degree of importance of each topic both for the Company and for the stakeholders.

The aspects that can be found on the first level of the grid are those of greater importance for Cencosud and the stakeholders. On the second level are those topics of moderate relevance, both for the Company and for its target audience. Finally, on the third level are located the least relevant and important topics, which were handled by fulfilling the associated regulations, but which were not a focal point during 2019.

The material issues pointed out in the 2018 Annual Report have been included in the issues considered in this edition and their follow-up is detailed in the graph below:



Axes of the Business Model



2019 Material issues and their relation to the Business Model:



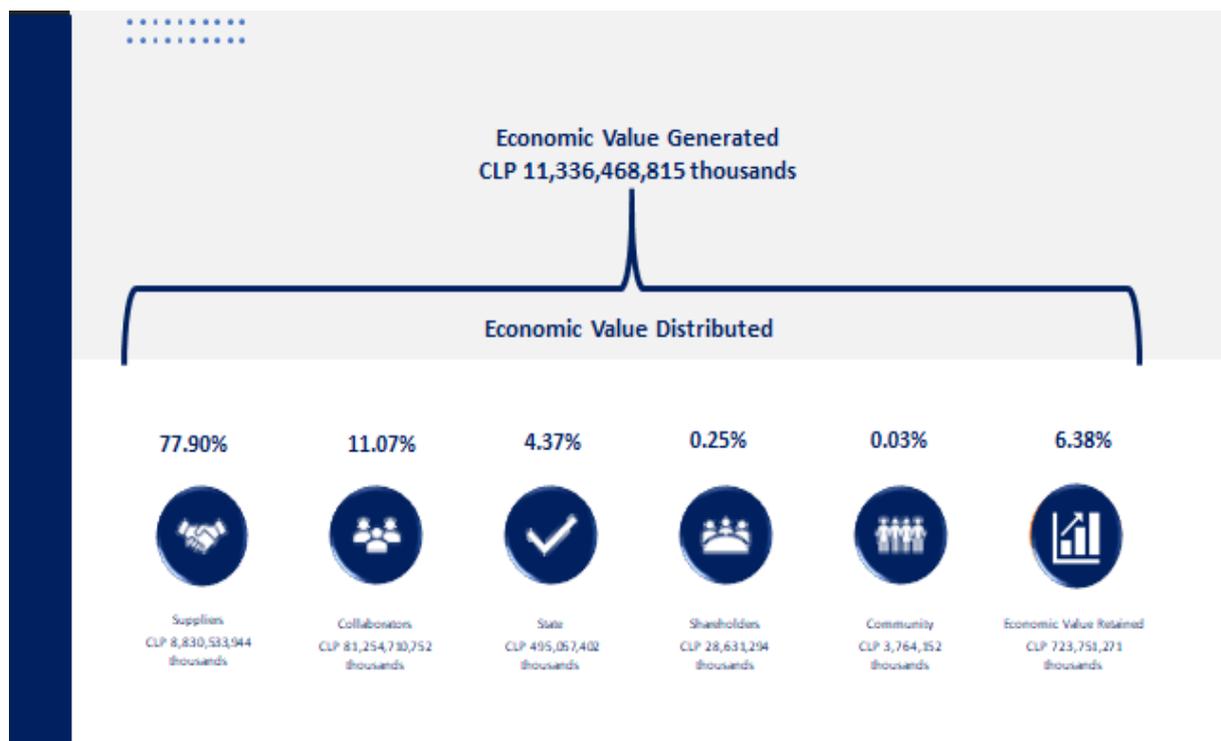
Generated and distributed economic value

GRI: 201-1

During the 2019 period, Cencosud generated an economic profit for CLP 11,336,468,815 thousands. From this sum, 77.9% was destined to pay suppliers, 11.7% was paid to employees (wages and other events related to the payment of employees), 4.4% was paid to the State, and 0.3% was paid as profits to the shareholders.

The Social Investment for the period was of 0.03% of the economic profit and it is comprised of monetary contributions, hours of voluntary service, donations in kind, and management expenses (*).

Regarding the retained value, this reached 6.38% of the total generated profit.



(*): The Social Investment is distributed as follows: cash contributions: MCLP 2,117,049; Equivalent of hours of voluntary service: MCLP 113,579; Donations in kind: MCLP: 1,2014,784; Social Investment management expenses: MCLP 328,739,529.

04

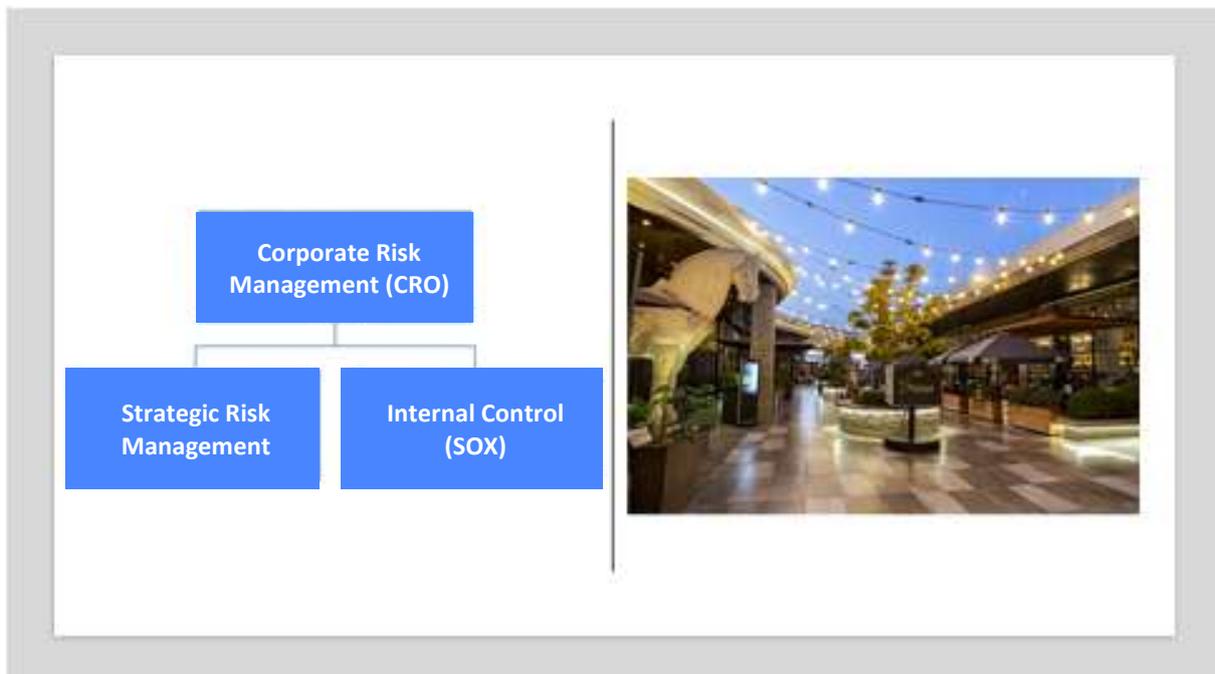
RISK MANAGEMENT



Risk management

GRI 102-11; 102-15,102-29 102-30 102-31

Cencosud has developed practices for a comprehensive management of its risks in order to insure both trustworthiness of its Financial Statements and the appropriate treatment of the risks that the business faces at a strategic level.



The risk management area is under the care of the Corporate Risk Management department (CRO), which is responsible for dealing with the Company's strategic risks and internal control (SOX), and which reports regularly to the Directors Committee.

In order to adopt the best practices in this topic, Cencosud has decided to voluntarily comply with the Sarbanes-Oxley Act (SOX), as well as with internationally accepted standards for risk management, such as ISO 31000. This has allowed, besides strengthening the Company's governance and planning, to be up to par with global and local good practices, such as those suggested by the Dow Jones Sustainability Index (DJSI) or the General Rule N° 385 of the Chilean Commission for the Financial Market (CMF) in regards to risk management practices.

Strategic risk management

Since 2012, Cencosud has developed its Risk Management Corporate Policy based on the ISO 31000 standard. This establishes guidelines to regulate the administration of strategic risks, including those related to financial, operational, compliance and management aspects.

For the implementation and practical application of this Policy, the Directors Committee approved a procedure that organizes the risk management methodology. The policy's main guidelines are:

- The Corporate Risk Management department is responsible for providing the necessary tools to facilitate the discussion and handling of risks, supporting the Administration in the organizational change management regarding the issue of risks, corporate communication, risk awareness and risk education;
- In addition, this Management reports back regularly to the Directors Committee regarding main conclusions, risk maps and action plans;
- The policy establishes a Risk Management process, which is carried out every two years at a corporate level and takes into consideration each of the countries and their main divisions;
- In this sense, the Risk Management process is used as a strategic tool in decision making due to the fact that it is an exercise that comes from the the administration itself.

The document organizes the risk administration methodology by defining the following steps:



Each one is described below, where the stages of risk identification and assessment are of a confidential nature:

- **Risk identification:** through a round of confidential interviews with the senior executives of the Company, risk inventories are formed which include all the situations that could affect the fulfillment of Cencosud's goals;
- **Risk assessment:** in closed discussion panels with the participation of the leading Managements, all the identified risk situations are discussed and prioritized. This prioritization or evaluation is carried out using criteria that has already been defined and standardized for the whole Company. Those criteria take into consideration the possibility of the occurrence of the event and its residual impact in both qualitative and quantitative terms, using a five tier scale. The result of this stage is a risk heatmap regarding probability and impact;

- **Risk analysis and treatment:** the Administration assigns a person responsible for the analysis and treatment of each one of the most urgent risks assessed. Each person responsible must identify the causes and consequences of the risks, using the commentaries and discussions of the identification and assessment stages as input. In addition, they must carry out an analysis of the correlation between the risk analyzed and the other critical risks. The purpose of this is to identify favorable or unfavorable situations which could derive from a course of action of joint mitigation or treatment. The people in charge of each risk must inform the Corporate Risk Management department about the results of their analyses and action plans, including their respective implementation datelines, in order to be able to mitigate both the possibility and the impact of each of those risks;
- **Monitoring the action plan:** the Administration reports back to the Corporate Risk Management department on the progress of the implementation of the action plans involved. Since the process is carried out every two years, during the second year of the process a calibration is conducted, where the mapped risks are reassessed by the same managements who made the initial evaluation;
- **Communication:** the results are regularly reported back to the Directors Committee and the General Manager's Office during every step of the process.

The Company is supported and advised by consultant agencies specialized in this topic, both in the definition and the implementation of the Estrategic Risk Management.

Internal control – SOX

Since 2012, the Company has worked on the formalization of key controls regarding the trustworthiness of their Financial Statements. For this purpose, a management methodology was developed which every year tests the effectiveness of these controls; this permits the voluntary compliance with the SOX Act of the United States. The methodology considers the following stages:

- **Survey of Associated Risks (Identification):** in the first stage of the process, the Internal Control team and PwC auditors provided methodologies and established discussion pannels to help the Administration identify the main risks associated to the business, including those that have no effect on the Financial Statements. During 2019, the total risk inventory was completely updated by the Corporate Risk Management Office;
- **Analysis and assessment of SOX risks:** every year, the Administration informs the Internal Control team about changes in the processes, evaluating if there are new risks that may impact in a material way the Financial Statements for the audited period;
- **Updating and formalization of the controls (risk treatment):** based on the last stage, the Administration informs the Internal Control team of all the protections for the mitigation of the risks related to the Financial Statements. In this instance, together with the Internal Control team, all the effects, responsibilities, frequencies and characteristics of the control are formalized in order to make the audit of the period easier;

- **Testing (monitoring):** the controls that are determined as essential for the Financial Statements are audited every year. In addition to the inspection, at the end of the period, an internal review is carried out in the middle of the calendar year in order to raise the alarm in case of possible deviations in the design or execution of the control, which should be opportunely corrected, and without affecting the integrity of the annual reports in a significant way.

Management Control

The purpose of the Management Control area is to deliver clear, accurate and timely information to the Company to aid in the process of decision making, specifically, Cencosud's Board and Senior Management, as well as the different business units that form part of it.

The Management Control area was developed from the need to control the numbers until now, when its new aim is to create value for the Company, turning into one of its strategic areas.

This division bases their performance on the strategic pillars:



The Corporate Management Control team is organized by business in order to give the best support and generate the highest possible value, while always maintaining the corporate financial vision. In addition, it is supported by the different areas of the local Control Management divisions, which give them a closer grasp of the reality of the business.

The basis of the figures is the accounting information. This is presented in such a way that it reflects, in the best possible way, the work of each business in order to be able to control it better.

CORPORATE GOVERNANCE



Cencosud's commitment to creating value

GRI 102-17; 102-16; 102-14

It is essential for Cencosud to have the trust of its stakeholders. Therefore, their business view is based on accountability on everything they do. This is so because, nowadays, the consumers want to interact with brands they can trust and whose values and principles represent them.

In this context, the Company has to take a series of challenges into consideration. The first one, and one of the most important, is to develop and maintain the trust of its customers and to be, in its different business units, their favorite brand, generating long-term ties.

Doing the right thing is a guiding principle for Cencosud. That is why it does its job in a respectful, clear, and transparent way, always putting the customer first and offering a range of healthy products, and the best quality and service. For the Company, the key resides in giving its employees the right tools so that they can interact positively in the communities where it operates and, this way, they can generate shared value.

The second challenge is related to the new technologies that have invaded society because they have had an important impact on the way of living. Currently, customers have different sources of information which they use to make decisions. This is why it is important to rethink the way in which the Company interacts with its customers, sharing contents that create a positive impact.

Finally, the last challenge to be considered is climate change, whose effects may affect the Company's operations on the long term.

As a leading company in the retail market and with a strong presence in Latin America, the Company is aware of its role in the community. That is why, in the last couple of years, it has adjusted its strategic pillars so that its business units can operate in a sustainable way that can be kept in time.

That is Cencosud's views, and this Integrated Annual Report gives an account of that view, in which sustainability is part of the business model.

With this report, Cencosud wants to make public the progress achieved during 2019 in relation to environmental, social, and corporate governance issues, so that they can create strong, long-term ties with their stakeholders.

The focal point to work on these challenges are:

- Profits (profitability for shareholders)
- Responsible management and good Corporate Governance
- Employees' membership management
- Responsible consumption

- Commitment with the environment
- Supplier management
- Diversity and inclusivity
- Memorable experience
- Proactive customer management

Material Issue – Corporate Governance, ethics and compliance

GRI: 103-1, 103-2, 103-3, 102-17; 102-16; 102-14

Management approach

Definition

This topic is understood as the good practices related to governance present in the Company, including sustainability management, ethical behavior, integrity and regulatory compliance, especially in those aspects associated with corruption, bribery and free competition, among others.

Main topics

- Good practices
- Ethical management
- Regulatory compliance
- Mission, vision, and values of the Company

Motivation

They bring economic, legal, and reputational certainty to the Company, which is essential for the sustainability of the business.

How is it managed?

The ethical management is related to protocols, systems and employee training, including the code of conduct, the system of handling ethical enquiries and complaints, among others. One of its aims is to minimize the risks associated to the crimes of corruption, bribery or free competence. This reduces the probability of receiving a fine related to one of these crimes.

Progress

- Total of complaints in Cencosud's ethic channel.
- Total of fines associated to crimes of corruption, bribery, and practices that go against free competence.

SDGs affected



Stakeholders affected

- Financial market (shareholders, bondholders, creditors)
- Credit-rating Agencies
- Regulatory Agencies
- Customers
- Employees

Corporate Governance Model

GRI 102-16, 102-17; 102-18; 102-19, 102-22; 102-23; 102-24,102-26

The purpose of the Corporate Governance Model is to guarantee an efficient management to generate value for all the shareholders. In this regard, for Cencosud it is key to have a good Corporate Governance. To this end, the Company believes that transparency and the adoption of the best practices to safeguard the interests of its shareholders and stakeholders are essential.

The Company has an effective governance, management, and risk control system. Aligned to its business model, risk management is key for sustainability.

Cencosud's Corporate Governance is formed by different bodies, such as:

- General and extraordinary shareholders meetings
- Board of Directors
- Directors Committee
- Senior management
- Executive committees

The Board of Shareholders congregates all of Cencosud's shareholders, who, as a group, choose and designate a Board of Directors to manage the Company. The Board of Directors is the main body responsible for the management of the Company. It delegates part of its authority to the General Manager, who exercises a constant control and monitoring over the performance of the main executives of the company and the main areas of management. Finally, the executive team has several committees that help them in the daily running of the Company.

Corporate Governance Model



Good practices

GRI 102-17; 102-20; 102-25; 102-26; 102-27; 102-28; 206-1

Balance in the Corporate Governance structure

Practices of the Board

According to the bylaws, the shareholders must choose nine regular directors. These are elected in the General Shareholders Meeting for a three year term. The legal responsibilities for each one of the Board members are set according to the Chilean Public Limited Companies Act. According to the law, a statement of Independence is made by the Board members nominated as independent Director.

Training of the Board of Directors

The Board of Directors has approved an onboarding process for the new members that join the Company, its purpose is to provide information related to all matters of interest for them. This includes, especially, meetings with the main managers of the Company and the conveyance of a high amount of information relevant to them.

The process is comprised of meetings with the Corporate General Manager and with the Company's corporate and division managers. This is in order to give them general information about Cencosud, its history, financial position, its main businesses, risks, policies, general procedures, existing Corporate Governance practices, main accounting standards and standards of the most relevant current legal framework applicable to the Company and the Board of Directors, including the Minutes of the meetings of the Board of Directors which

contain the agreements reached by the Board. Also, it includes a meeting with the Corporate Manager of Legal Affairs, who acts as Secretary of the Board. At the same time, the following documents are delivered:

- The Company's last Annual Report;
- The Company's last two annual Financial Statements with their respective rationales;
- Last annual budget;
- Minutes of the Board of Directors' Meetings of the last 12 months;
- Cencosud's Code of Ethics and the Free Competition Handbook;
- General Policies regarding usual operations;
- Policy for hiring consultants for the Board of Directors;
- Policy for the safeguarding of the Board's documents;
- The Board of Directors' Code of Conduct;
- Regulatory Framework for the delivery of information;
- Handbook on Handling Information of Interest for the Market;
- Procedure for the assessment of the delivery of information to the Market;
- Onboarding procedure for Directors and any other policy or procedure adopted by the Company that may be of interest to the directors on the course of their duties.

Shareholders

GRI 102-18; 102-22

Shareholding structure

Until the 31st of December, 2019, the capital stock amounted to CLPM 2,422,055,488, divided in 2,863,129,447 registered shares, from a single sock issue and with no par value, distributed among 1,652 shareholders. The controlling shareholder has a share of 53.253%.

Shareholder	Taxpayer's ID Number	N° Shares	Percentage of Share
Inversiones Quinchamalí Limitada	86.193.900-6	573,754,802	20.039%
Inversiones Latadía Limitada	96.802.510-4	550,823,211	19.239%
Inversiones Tano Limitada	76.425.400-7	287,328,548	10.035%
Horst Paulmann Kemna	3.294.888-K	70,336,573	2.457%
Manfred Paulmann Koepfer	7.012.865-9	12,214,941	0.427%
Peter Paulmann Koepfer	8.953.509-3	15,156,766	0.529%
Heike Paulmann Koepfer	8.953.510-7	15,000,487	0.524%
Inversiones Alpa Limitada	77.946.640-K	50,100	0.002%
Controlling Shareholder		1,524,665,428	53.252%
Pension Funds	-	604,278,650	21.106%
Other shareholders	-	734,185,369	25.643%
Total		2,863,129,447	100.00%

Main shareholders and relevant parties

The 12 main shareholders up until the end of the 2019 term are detailed below:

Nº	Shareholder	Taxpayer's ID Number	Nº of shares	Percentage of Share
1	Inversiones Quinchamalí Limitada	86.193.900-6	573,754,802	20.039%
2	Inversiones Latadía Limitada	96.802.510-4	550,823,211	19.239%
3	Inversiones Tano Limitada	76.425.400-7	287,328,548	10.036%
4	Banco Itaú por cuenta de inversionistas	33.338.288-1	147,317,160	5.145%
5	Banco Santander - JP Morgan	33.338.330-6	118,537,958	4.140%
6	Banco de Chile por cuenta de terceros	33.338.248-2	89,189,190	3.115%
7	Horst Paulmann Kemna	3.294.888-K	70,336,573	2.457%
8	Fondo de Pensiones Habitat C	33.500.000-5	61,504,435	2.148%
9	Fondo de Pensiones Habitat A	33.500.028-5	57,587,699	2.011%
10	Fondo de Pensiones Habitat B	33.500.029-3	53,788,792	1.879%
11	LarrainVial S.A. Corredora de Bolsa	80.537.000-9	50,387,068	1.760%
12	Banco de Chile por cuenta de Citi N.A. New York	33.338.676-3	46,840,180	1.636%
	Other 1,640 shareholders	-	747,608,831	26.112%
	Subtotal		2,855,004,447	99.716%
	Treasury shares	-	8,125,000	0.284%
	Total		2,863,129,447	100.00%

None of the executives of the Cencosud Group has a share higher than 1% of the Company.

Existence of shareholders agreements

There were no shareholders agreements up until the date of closure of this report.

Shareholders' rights

Cencosud's bylaws state that the shares will be registered, common, and from a single issue, all of them conferring the same rights to their holders. The shareholders will hold general and extraordinary meetings. The general meetings will be held on the 1st of January and the 30th of April each year, in order to make decisions regarding the topics known to them and without having to specify them in the summons.

The following are topics for the General Shareholders Meeting: the inspection of the situation of the Company and of the external auditors' reports, the approval or rejection of the annual report, the balance, the financial statements presented by the administrators or liquidators of the Company; the distribution of the profits of each tax year, and, especially, the distribution of dividends; the election or revocation of members of the Board of Directors, of liquidators and auditors of the administration; and, in general, any matter of social interest that does not pertain to an extraordinary meeting.

Annual General Shareholders Meeting

The General Shareholders Meeting corresponding to the 2019 term was held on the 30th of April, 2019. In it 2,552,233,622 of the shares were present and represented, which means 89.143% of the total of the voting shares.

Extraordinary Shareholders Meeting

The Extraordinary Shareholders Meeting was held on the 30th of April, 2019, with the participation of 2,552,233,704 of the shares, whether present or represented, which means 89.143% of the total of the voting shares.

Summary of Essential Facts

During the year 2019, Cencosud S.A. reported the following relevant or essential facts which are summarized below:

January 10th, 2019

It is reported that, starting from February 1st, 2019, Mr. Sebastián Rivera Martínez, Cencosud's Manager of Legal Affairs in Chile, will become the head of Cencosud's new Management of Legal Affairs and International Relations.

In addition, it is reported that, from January 31st, 2019, Mr. Eric Basset, Manager of the Home Improvement Division of Cencosud S.A. will cease working in the Company due to personal reasons.

March 1st, 2019

It is reported that, having fulfilled the requirements noted on the essential facts reported on the 9th and 10th of May, 2018, Scotiabank Perú S.A. and Cencosud Perú S.A. realized the transfer of 51% of the shares of the banking company Banco Cencosud S.A. established in Peru to Scotiabank Perú S.A. In exchange, the latter paid Cencosud the amount of USD 100 millions.

March 6th, 2019

It is added to the essential fact of the 1st of March, 2019, noting that, as it was stated on the 10th of May, 2018, the funds raised from this operation will be destined to reducing the debt as a part of the plan for financial strengthening that the Company is carrying out.

Likewise, by virtue of this operation, the Company has seen an increase in cash flow, which will allow it to fulfill the fact noted before, reducing the current debt and saving on the financial expenses related to the debt owed by the Company.

Finally, it is reported that the book value of the investment held by the Company directly through Cencosud Internacional SpA in Cencosud Perú S.A. amounts to more than USD 1,140 millions.

April 1st, 2019

In the meeting held on the 29th of March, 2019, the Board of Directors agreed to summon a General Shareholders Meeting for the 30th of April, 2019.

In addition, the Board of Directors agreed to summon an Extraordinary Shareholders Meeting to be held immediately after the General Shareholders Meeting. The purpose of the meeting is to put to the vote the authorization of the purchase of shares of its own stock so that they can be given as part of a plan to retain their executives.

April 30th, 2019

In this day was held the General Shareholders Meeting of the Company. The main agreements include the payment of dividends, the election of the Board of Directors for the 2019-2022 term, the remuneration of the Board and the Directors Committee for the 2019 term, the election of the external auditing companies and the credit rating agencies for the tax year 2019. In addition, the Extraordinary Shareholders Meeting, held on the same date, authorized the purchase of shares for the executive retention plan.

May 2nd, 2019

The following changes in the administration are announced: from the 30th of April, 2019, Mr. Patricio Rivas de Diego, Manager of the Financial Retail Division of Cencosud S.A., by mutual agreement with the Company, has ceased working for Cencosud S.A. In addition, from the 1st of May, 2019, Mr. Diego Marcantonio, Finance and Administration Manager for Argentina, takes on, in addition to his current role, the responsibility for Financial Retail in the region, reporting directly to the Finance and Administration Corporate Manager.

May 28th, 2019

It is reported that on the 27th of May, 2019, Mr. Carlos Alberto Mechetti, Corporate Manager of Legal Affairs for Cencosud S.A., by mutual agreement with the Company, has ceased working for Cencosud S.A.

September 11th, 2019

On the 10th of September, 2019, the Board of Directors agreed to make a bid for the purchase of shares issued by the Company in international markets for up to USD 900 million.

October 10th, 2019

Cencosud S.A. reports that on the 10th of October, 2019, the process of purchasing bonds issued by the Company announced on the 11th of September, 2019, has ended.

November 18th, 2019

The following changes in the administration are announced: starting from the 30th of November, 2019, Mr. Andreas Gebhardt Strobel, Corporative General Manager of Cencosud S.A., will cease working for the Company. To replace Mr. Gebhardt, the Board of Directors has appointed Mr. Matías Videla Solá, current Finance and Administration Corporative Manager, who will take up the post as head of the Coporative General Management on the 1st of December, 2019.

Synthesis of shareholders' comments and proposals

There are no comments or proposals regarding the current state of business affairs either from the shareholders or from the Directors Committee, according to the terms stated in the third paragraph of Article 74 of Act N° 18,046 regarding Public Limited Companies.

Board of Directors

GRI 102-18; GRI 102-22; 102-23, 102-27

Mr. Horst Paulmann Kemna

Mr. Paulmann is the founder and president of the Board of Directors, of which he has been part since November, 1978. He has been President of the German Chamber of Commerce (Camchal) and of the Chilean-Argentine Chamber of Commerce.

Mrs. Heike Paulmann Koepfer

Mrs. Paulmann has been a member of the Board of Directors since April, 1999. She holds a Business Engineering degree from Universidad de Chile and an MBA from Universidad Adolfo Ibáñez.

Mr. Peter Paulmann Koeper

Mr. Paulmann has been a member of the Board of Directors since September, 1999. Currently, he is the President of Cencosud Shopping and General Manager of Genial gift shops. He holds a Business Engineering degree from Pontificia Universidad Católica de Chile.

Mr. Hans Eben Ivanschitz

Mr. Eben has been a member of the Board of Directors since April, 2019. Before joining Cencosud he worked as the General Manager of Unilever Chile. He also works as Director of ICARE Chile and Conar Perú (National Advertisers Association). Mr. Eben holds a Business Engineering degree from Universidad Adolfo Ibáñez and an MSc in Finance from the Kellogg School of Management.

Mr. Julio Moura

Mr. Moura has been part of the Board of Directors since September, 2011. He's the Director of Natura Cosméticos, Brinox, RAPS and President of the Arapyáú Institute. Before joining Cencosud, he was President of Masisa (2002-2007), CEO of Amanco and Grupo Nueva (1998-2007). He was the Executive Vice President of the Schindler Group in Switzerland (1992-1997) and member of the Board of Directors of the World Business Council for Sustainable Development in Geneva (2000-2010). Mr. Moura holds a Master's degree from the MIT Sloan School of Management and an Engineering degree from the Swiss Federal Institute of Technology (ETH Zürich).

Mr. Jorge Pérez Alati

Mr. Pérez has been a member of the Board of Directors since April, 2019. He's a founding partner of the Pérez Alati, Grondona, Benites & Arntsen law firm and he currently leads the Mergers and Acquisitions area. He holds a Law degree from Pontificia Universidad Católica de Argentina and an MSc in Law from Columbia University.

Mr. Alejandro Pérez Rodríguez

Mr. Pérez has been a member of the Board of Directors since April, 2019. He has been the Director of several companies, including Empresas Copec S.A., Entel S.A., Forestal Arauco S.A., Soprole S.A., Clínica Indisa S.A. and Puerto Lirquén S.A. He is also a member of the Board of Directors of Universidad San Sebastián. He was the General Manager of Watt's Alimentos S.A., Soprole S.A., and Celulosa Arauco y Constitución S.A. Mr. Pérez is an Industrial Civil Engineer from Universidad de Chile and holds an MSc in Economics from the University of Chicago.

Mr. Roberto Óscar Philipps

Mr. Philipps has been a member of the Board of Directors since 2003. He has held several executive positions in the Techint Group and, previously, in the Exxon Corporation. He is a former president of the Argentine Association of Financial Executives and forms part of boards of directors in Chile and Argentina. Mr. Philipps holds a degree in Business Administration and is a Public Accountant from the Universidad de Buenos Aires

Mr. Mario Valcarce Durán

Mr. Valcarce has been a member of the Board of Directors since April, 2016. At present, he is the Director of the Grupo Costanera SpA, Energía de la Patagonia y Aysén S.A and Transelec S.A. Previously, he was the General Manager of Enersis S.A. (2003-2006) and he was elected president of Endesa S.A in 2006, where he served in that position until 2009. Mr. Valcarce holds a degree in Business Engineering from Pontificia Universidad Católica de Valparaíso.

Board of Directors' composition and diversity

GRI 102-22; 102-23; 102-24; 102-26

In the General Shareholders Meeting held on the 30th of April, 2019, the new Board members for the 2019-2022 term were chosen. In a meeting held after the General Meeting, the Board of Directors chose Mr. Horst Paulmann Kemna as its President. The following table gives information about the directors of the Company between January 1st, 2018, and December 31st, 2019:

Directors who have held the position in the last two years ¹							
Name	Taxpayer's ID Number	Position	Years in Cencosud ³	Start date in the position	End date in the position	Nationality	Profession
Horst Paulmann Kemna ²	3.294.888-K	President	41	11-01-1978		Chilean	Businessman
Heike Paulmann Koepfer	8.953.510-7	Director	21	04-01-1999		Chilean	Business Eng.
Peter Paulmann Koepfer	8.953.509-3	Director	23	09-01-1996		Chilean	Business Eng.
Hans Eben Ivanschitz	8.536.945-8	Director	1	04-30-2019		Chilean	Business Eng.
Julio Moura	21.814.616-3	Director	7	09-01-2011		Brazilian	Engineer
Jorge Pérez Alati	0-E	Director	1	04-30-2019		Argentinian	Lawyer
Alejandro Pérez Rodríguez	5.169.389-2	Director	1	04-30-2019		Chilean	Civil Engineer
Roberto Óscar Philipps	0-E	Director	16	04-23-2016		Argentinian	Business Administrator
Mario Valcarce Durán	5.850.972-8	Director	4	04-26-2016		Chilean	Business Eng.
Richard Büchi Buc	6.149.585-1	Director	6	04-01-2011	04-30-2019	Chilean	Civil Engineer
Cristián Eyzaguirre Johnston	4.773.765-6	Director	14	01-01-2003	04-30-2019	Chilean	Economist
David Gallagher Patrickson	3.413.232-1	Director	8	01-01-2005	04-30-2019	Chilean	BA in Literature

1. There are two independent directors in the current Board of Directors: Mario Valcarce Durán and Alejandro Pérez Rodríguez.

2. Horst Paulmann Kemna is the father of Heike Paulmann Koepfer and Peter Paulmann Koepfer.

3. Includes having occupied other positions in Cencosud S.A.

The following chart summarizes the diversity in Cencosud's Board of Directors up to December 31st, 2019:

Diversity of the Board of Directors			
By gender		By nationality	
Number of women	1	Local	6
Number of men	8	Foreigner	3
Total	9	Total	9
By age		By seniority in the Company	
Younger than 30 years old	0	Less than 3 years	3
Between 30 and 40 years old	0	Between 3 and 6 years	1
Between 41 and 50 years old	2	Between 6 and 9 years	1
Between 51 and 60 years old	1	Between 9 and 12 years	0
Between 61 and 70 years old	4	More than 12 years	4
Over 70 years old	2		
Total	9	Total	9

Remunerations of the Board of Directors

The Directors' remunerations for the 2019 term was determined during the General Shareholders Meeting held on April 30th, 2019, as stipulated in Article N°33 of Act N° 18,046 for Public Limited Companies. This amounts to the monthly sum of 330 U.F. for those in the position of Director. In the case of the President, the remuneration is twice that sum.

The following table details the remunerations received by the Directors of the Company during the years 2018 and 2019:

Remunerations of the board of Directors – CLP thousands	2019	2018
Horst Paulmann Kemna	220,826	215,374
Heike Paulmann Koepfer	110,413	107,687
Peter Paulmann Koepfer	110,413	107,687
Hans Eben Ivanschitz	74,004	-
Roberto Óscar Philipps	147,217	143,583
Jorge Pérez Alati	74,004	-
Alejandro Pérez Rodríguez	98,671	-
Julio Moura Neto	-	-
Mario Valcarce Durán	147,217	143,583
Richard Büchi Buc	48,546	143,583
Cristián Eyzaguirre Johnston	36,410	107,687
David Gallagher Patrickson	-	71,260
Total	1,067,721	1,040,444

Mr. David Gallagher quit the Board of Directors on July 29th, 2018. Mr. Richard Büchi Buc and Mr. Cristián Eyzaguirre Johnston ceased performing as directors on April, 2019. Mr. Julio Moura Neto has renounced his expenses as Director.

Consultancy expenses of the Board of Directors during the term

There are no amounts paid for consultancy services hired by the Directors Committee and the Board of Directors during the year 2019.

Directors Committee

GRI 102-18; 102-20;

Members of the Directors Committee

In accordance with the Chilean Law of Public Limited Companies, Cencosud S.A. has established a Directors Committee formed by three Directors, whose members were chosen on May 9th, 2019: Mario Valcarce Durán (President, independent), Alejandro Pérez Rodríguez (independent) and Roberto Óscar Philipps (not independent).

Fees of the Directors Committee

The remunerations of the members of the Directors Committee for the 2019 term was determined during the General Shareholders Meeting held on April 30th, 2019, in accordance to what is established in Article N°50 of Act N° 18,046 for Public Limited Companies. Thus, the members of the Committee receive the monthly sum of 110 U.F. each. The operational expenditure budget for the Committee and their possible consultants amounts, for the same period, to the annual sum of 2,500 U.F.

Directors Committee management report

GRI 102-20; 102-29; 102-30; 102-31; 102-33; 102-34

During the tax year 2019, the Directors Committee held eight meetings and carried out the activities detailed below:

Meeting	Topics
• 01/24/2019	<ul style="list-style-type: none"> • They received the preliminary Financial Statements of Cencosud S.A., up to December 31st, 2018, the consolidated retained earnings until that date and the projection of the Impairment Test regarding Brazil, Colombia and Argentina; • They were informed by the external audit agency regarding the auditing activities carried out on the companies involved in the IPO process and on the effects of the implementation of the IFRS 16 standard; • They were informed by the external audit agency about the state of the audit up to December 31st, 2018; • They received the semiannual presentation from the Compliance Department regarding the actions carried out to properly comply with the crime prevention model of the Company.
• 03/28/2019	<ul style="list-style-type: none"> • They went over and commented on the report of the consolidated Financial Statements of Cencosud S.A. up to December 31st, 2018; • They inspected the related party transactions up to December, 2018, and went over the fees paid to the directors; • They received the proposal to be presented to the Board of Directors regarding the distribution of dividends; • They inspected and agreed to make available to the Board of Directors of the Company the nomination of external audit agencies, as well as the records of the Credit Rating Agencies; • They agreed on the Budget and operational expenses for the 2019 term; • They examined and approved the text of the Annual Report of its management during the 2018 tax year, to be presented in the General Shareholders Meeting; • They received the conclusions of the external audit agency regarding the 2018 Audit; • They discussed, supplemented, and approved the publication of the information required by the General Standard N° 385 of the Commission for the Financial Market; • The Committee was informed about the cases reported through Cencosud's ethic line during the year 2018.
• 04/25/2019	<ul style="list-style-type: none"> • The Committee received and examined the Preliminary Financial Statements up to March 31st, 2019, and the consolidated retained earnings up to the same date.
• 05/30/2019	<ul style="list-style-type: none"> • A new president of the Committee is chosen; • The Committee received and approved the Financial Statements of Cencosud S.A. up to March 31st, 2019; • The Committee examined the related party transactions up to March, 2019, while, at the same time, they went over the fees paid to the Directors during 2019; • The Committee received information from the external auditors regarding the Limited Audit of the financial statements up to March 31st, 2019; • The Committee received the summary of the tasks carried out by the Internal Audit during the year 2018.
• 06/25/2019	<ul style="list-style-type: none"> • The Committee received and examined the Preliminary Financial Statements up to June 30th, 2019; • The Committee received the analysis of the external auditors regarding the value of Cencosud's rental payments; • The Committee received information about the Risk Management process.
• 08/29/2019	<ul style="list-style-type: none"> • The Committee approved the Financial Statements up to June 30th, 2019; • The Committee examined the related party transactions up to June, 2019; • The Committee learnt the conclusions from the external audit agency regarding the limited audit of Cencosud's Financial Statements up to June 30th, 2019; • The Committee heard a presentation from the external audit agency regarding the Audit Plan.
• 11/28/2019	<ul style="list-style-type: none"> • The Committee approved the Financial Statements up to September 30th, 2019; • The Committee inspected the related party transactions up to September, 2019; • The Committee learnt the conclusions from the external audit agency regarding the limited audit of Cencosud's Financial Statements up to September 30th, 2019; • The Committee heard a presentation from the Information Security Manager.
• 12/11/2019	<ul style="list-style-type: none"> • The Committee heard a presentation about Cencosud's existing System of Remunerations and Compensations.

Executive Management team

The following table shows the information of Cencosud's chief executives given to the Commission for the Financial Market on the 31st of December, 2019:

Taxpayer's ID	Name	Position	Years in Cencosud	Profession	Nationality
22.162.881-0	Matías Videla	Corporate General manager	23	BA in Business Administration	Argentinian
22.111.590-2	Bronislao Jandzio	Auditing Corporate Manager	21	Degree in Banking	Argentinian
12.584.647-5	Ricardo Bennett	Department Store Division Manager	14	Industrial Civil Engineer	Chilean
24.031.501-7	Germán Cerrato	Shopping Centers Division Manager	13	BA in Business Administration	Argentinian
12.869.193-6	Sebastián Rivera	Legal Affairs and Institutional Relations Manager	8	Lawyer	Chilean
6.065.239-2	Sebastián Conde ⁹	Human Resources Corporate Manager	1	Economist	Chilean

Matías Videla

Mr. Videla has been the Corporate General Manager since December, 2019. He joined the Company in 1997 as a trainee and then he became Head of Supermarket Management Control for Argentina. He was named the Company's Controller in 2003 and then he was promoted to General Manager of Supermarkets in Argentina in 2009. In 2018 he took the position of Corporate Manager of the Shopping Centers Division and then of Finance and Administration Corporate Manager. Mr. Videla holds a BA in Business Administration from Universidad del Salvador (USAL) and an Executive MBA from IAE (Universidad Austral).

Bronislao Jandzio

Mr. Jandzio has been the Auditing Corporate Manager since 1998. Before joining Cencosud he was the Regional Director of the International Accounting Department for the Deutsche Bank Group in Frankfurt, Germany. Mr. Jandzio holds a degree from the German Banking Academy Banklehre.

Ricardo Bennett

Mr. Bennett is the Company's current Department Stores General Manager, a position he took after his successful performance in the Corporate Business Management. He joined Cencosud eight years ago and he is an Industrial Civil Engineer from Universidad de Chile, with an MBA from the ESADE Business & Law School of Barcelona.

Germán Cerrato

Mr. Cerrato is the Shopping Centers Corporate Manager, post to which he was appointed in 2019. He joined the Company in 2007, taking up different positions in the Shopping Centers business unit in Argentina, Chile and Colombia. Before taking the position of Manager of the Shopping Center Division, he was the Regional Manager of Real-Estate Development (2016-

⁹ Sebastián Conde left the Company on the 7th of December 2019. This position was taken by Eulogio Guzmán on the 30th of March 2020.

2018) and he was the Manager of the Shopping Centers Division for Argentina during 2018. Mr. Cerrato holds a Bachelor of Arts degree in Business Administration by the Universidad Argentina de la Empresa.

Sebastián Rivera

Mr. Rivera is the Manager of Legal Affairs and Institutional Relations, position he took on February, 2019. He joined the Company on 2002 as an Advisor on legal matters for the Supermarkets, Home Improvement, Shopping Centers, and Financial Services business units. In 2012, after having been out of the Company for three years, he rejoined it as Assistant Manager of Legal Affairs and Regional Compliance Officer. He took the position of Legal Affairs Manager in 2014. Mr. Rivera is a lawyer from Universidad de Chile and has an MA in Business Law from Universidad Católica de Chile.

Remunerations of Senior Executives

GRI 102-35

For the year 2018, the total amount of the remunerations paid to senior executives was of CLP 5,015 millions, while the amount for the year 2019 was of CLP 4,484 millions.

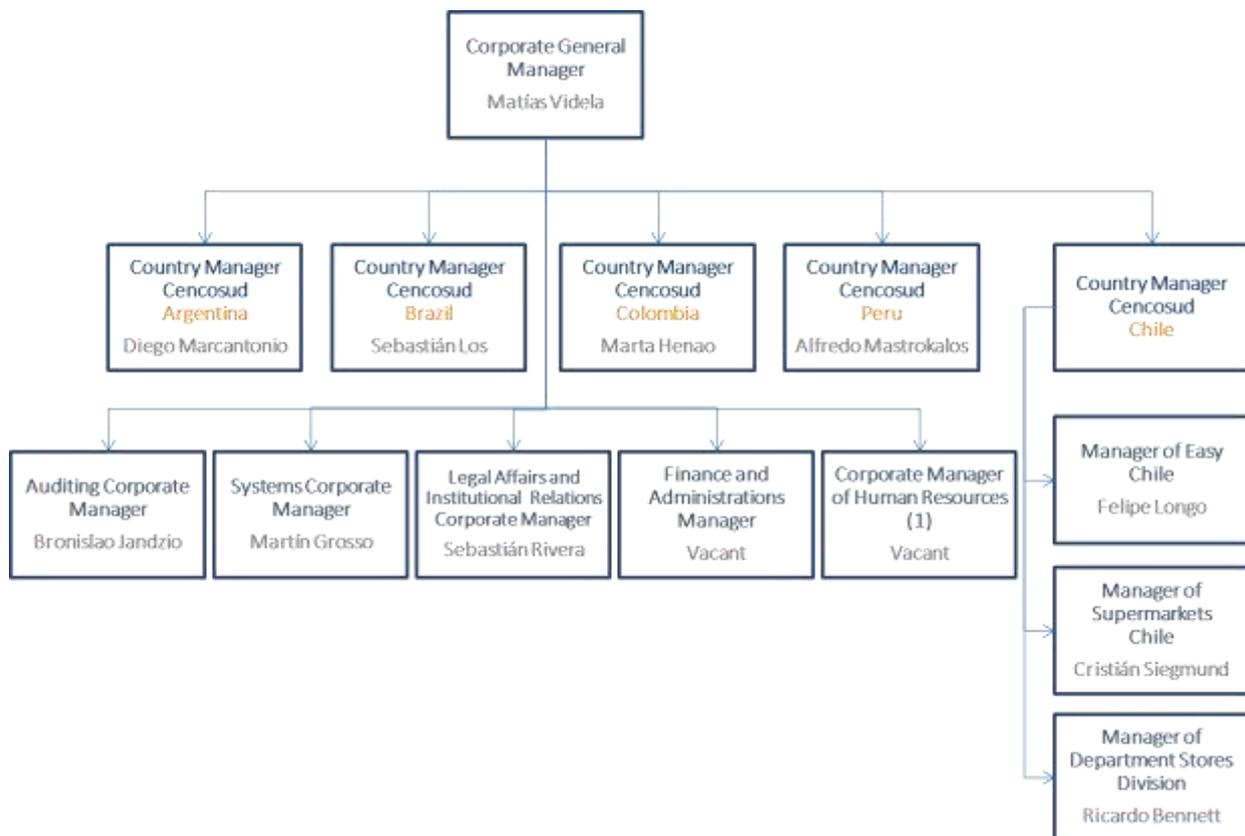
Diversity in the Executive Team

GRI 405-1

The following table shows the information regarding the diversity of the team formed by the Company's senior executives up to December 31st, 2019:

Diversity in the Executive Team			
By gender		By nationality	
Number of women	0	Local	3
Number of men	6	Foreigner	3
Total	6	Total	6
By age		By seniority in the Company	
Younger than 30 years of age	0	Less than 3 years	1
Between 30 and 40 years of age	1	Between 3 and 6 years	0
Between 41 and 50 years of age	3	Between 6 and 9 years	0
Between 51 and 60 years of age	0	Between 9 and 12 years	1
Between 61 and 70 years of age	2	More than 12 years	4
Over 70 years of age	0		
Total	6	Total	6

Organizational Chart



(1): Eulogio Guzmán Llona was appointed Head of Human Resources on March 30th, 2020.

Committees and management support areas

GRI 102-18; 102-29

Cencosud has established different support committees whose purpose is to regularly inspect the progress made in issues, topics or operations that are relevant to the Company and to share good practices that can be implemented in the different countries and/or business units that form the Company. The Committees are formed by the Corporate General Manager, the managers of the different business units and other executives that are directly related to the issues being addressed. Some of these committees are:

- Working Capital Committee
- Business and Risks Committee
- Finance Committee
- Omnicanality Committee

Support areas for the management of Cencosud

GRI 102-29; 102-30

Cencosud's Corporate Governance and the Senior Administration rely on different areas that support the operation, whether by defining the ethical work guidelines to be followed in Cencosud, by rating the risks that must be addressed in every one of the business units, or by giving them updated accounting information so that they can understand in greater depth the

performance of the Company. A brief summary of the guidelines and support areas for Cencosud's senior management is given below.



Administrative Transparency

Ethical framework and Compliance

GRI 102-17; 102-18; 205-1; 205-2; 206-1

The seal and the commitment of Cencosud is still the same: *To always do the right thing.*

The Code of Ethics, widely disseminated in the Company, reflects the way in which things are done in Cencosud. It states the commitments that guide its work and it is an essential part of the Company's culture. Every time a decision is made, all the ways in which the ties of trust with the customers and the stakeholders can be strengthened must be considered. Details do matter, and the consumer's trust must be earned every day. Due to the role and the function executed by Cencosud, it is essential to comply with the principles stated in the Code of Ethics and to use all available resources to channel concerns at work. Creating a reputation is an ever-evolving process and it is generated by each person through their relations with the stakeholders. Cencosud establishes long-term relationships with its stakeholders.

This is why Cencosud has had a corporate Code of Ethics since the year 2010, which was developed around five core areas that describe the expected behaviors of all the actors, as well as their commercial backgrounds.

This document is the cornerstone that reflects the Company's principles, culture and values, and which serves as a guide in domestic coexistence matters, determining the expected way of acting regarding the customers, the suppliers, the employees, the protection of the Company's assets, and the protection of corporate information.

The scope of the Code of Ethics includes the directors and all the employees of the companies and divisions where Cencosud holds control or a controlling interest. It is mandatory for each one of them to fully respect, know and comply with everything stipulated in it.

The five core areas of the Code of Ethics are specified below:



Interaction with customers



Interaction with suppliers



Interaction with employees



Protection of information



Protection of the Company's assets

Interaction with customers

Cencosud works daily to satisfy its customers' needs. In order to do that, it tries to deliver excellent service and to make available for them products for a good value for money through the following principles, practices, and procedures:

- Respect, transparency, dignity and equality in the interactions with the customers;
- Compliance with regulations in matters of hygiene and safety in the production of goods;
- Attention to the needs and complaints of the customers, which must be duly processed and replied;
- Cencosud's employees do not accept gifts or rewards from any of its customers;
- No false advertising in the commercialization of products and services is carried out under any circumstance;
- Respect of the customers' privacy and protection of any kind of information that they may give to the Company.

Interaction with suppliers

As leaders of the retail industry, the Company has a great responsibility to its suppliers, to whom it promises a fair treatment, always promoting mutually beneficial relationships through the following principles, practices, and procedures:

- It is forbidden to receive gifts, rewards or incentives from suppliers. Also, it is absolutely forbidden to receive commissions or payments from suppliers;

- A fair assessment of suppliers, prioritizing integrity, business reputation, observance of due dates, among other conditions;
- No participation in any kind of business decision when doing so could represent a conflict of interest;
- It is strictly forbidden to recommend or request from a supplier a job for a family member or friend;
- Compliance from the part of the suppliers with healthy and safe working conditions.

Interaction with employees

Cencosud's essential pillar is its employees, who, with their daily commitment, make this a leading Company through the following principles:

- Respect and dignity;
- Safe and healthy environment;
- Respect towards labor laws¹⁰;
- Employees' confidential and personal information;
- Personal relationships;
- Respect towards the community and the environment.

Protection of information

One of Cencosud's most valuable assets is its corporate information. That is why the Company takes care to administer it carefully and manage it responsibly, safely, and objectively through the following principles, practices and procedures:

- Respect and care with the dissemination of information;
- Information confidentiality;
- Responsible use of the information within the Company;
- Use of insider information;
- External communication;
- Commitment with free competence.

Protection of the Company's assets

All the Company's employees are responsible for making good use of the assets they use in their operations. These are provided in order for them to be able to work effectively and efficiently on the promise of being responsible and of using them modestly under the following principles, practices and procedures:

- Integration of failure rates;
- Compliance with protocols regarding: fraud, theft and larceny;
- Use and protection of the Company's assets;
- Respect towards trade secrets;
- Respect and compliance with the Company's practices regarding conflicts of interest;
- Compliance with donation policies;
- Compliance with the policies regarding the interaction with government employees;
- Compliance with the policies regarding political activities;
- Compliance with the policies regarding crime prevention.

¹⁰ Freedom of association, compliance with the laws of each country regarding matters of child labor.

Advertising media and implementation processes

A digital version of the Code of Ethics is available in Cencosud's various intranets and in the Company's website (www.cencosud.cl).

Cencosud's current and future employees must confirm having received and read the Code of Ethics by means of signing the "Letter of Commitment." A "Confirmation" process is considered, where the employees are asked for confirmation of having read and of possessing updated knowledge of the Code, stating any exception to its observance.

Moreover, an e-learning training is carried out every year for all employees. The statistics of the employees who have failed the final e-learning exams are kept and then personalized work is done with each one to ensure that they completely understand the bases of the Code of Ethics before being reexamined.

Additionally, the performance evaluation system takes into account the observance of the Company's ethical culture. The new competence system specifically includes behaviors related to ethics and doing the right thing. The internal audit function is evaluated once a year using this competence model.

Method of enquiry and channeling of complaints

As a complement of the Code of Ethics, Cencosud has established formal channels for reporting complaints which the employee can use in case of doubts or of non-observance of what is stated in the Code of Ethics. The Company has taken care to guarantee confidentiality regarding the reception of the reported situations and these channels are administered by an independent third party with international experience in channeling complaint reports.

Corporate Internal Audit Area

The Corporate Internal Audit department is in charge of receiving, channeling, and monitoring the complaints reported; it is also in charge of investigating them when it is appropriate to do so. In addition, it is also responsible of informing the Ethics Committee when merited by the relevance of the case.

Corporate Human Resources Area

The Corporate Human Resources department is in charge of the operative administration of the Code and is responsible for answering doubts regarding the contents of the document, as well as administering the e-mail address established for this purpose: etica@cencosud.cl.

The channels through which employees can report complaints are the following:

- Free telephone line
- Independent webpage provided by a third party
- E-mail
- Personal interview
- Post office box

Ethics committee

GRI 102-17; 205-2; 205-3

The Ethics Committee is responsible for knowing all the violations to the Code and the actions implemented regarding them; making decisions regarding the more complex cases of complaint, as determined by the General Management of Internal Audit; and approving the suggested modifications to the Code. This Committee is formed by at least one Director, the Corporate General Manager, the Corporate Manager of Human Resources, the General Manager of Internal Auditing, and the Corporate Manager of Legal Affairs, and it may hold its sessions with at least three members.

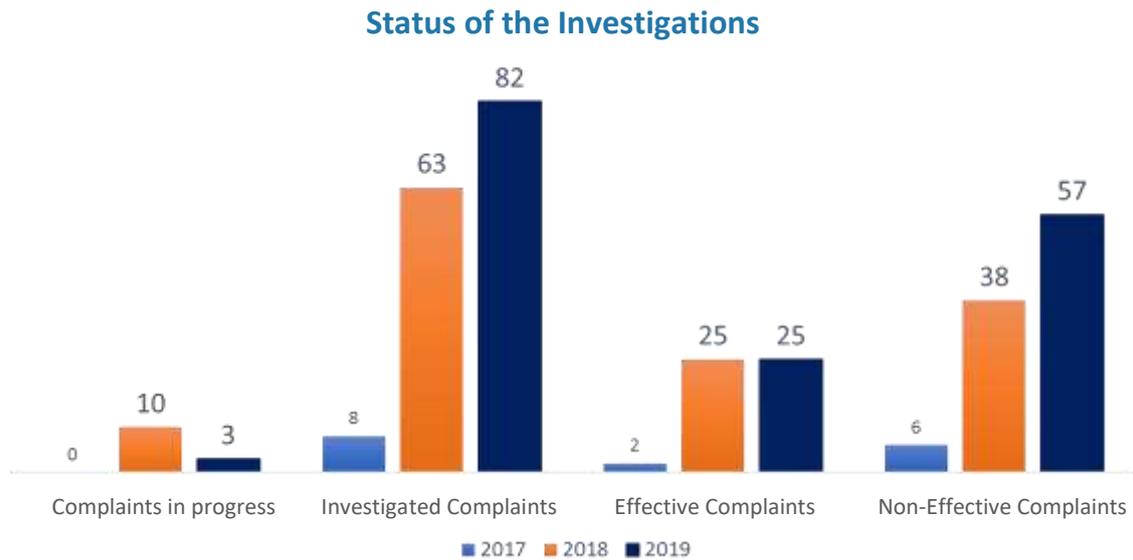
Formal channels of enquiry and complaint

GRI 102-17; 205-2

- Free telephone line: Cencosud's employees can call this line free of charge. This will be available during office hours: 800 104 031;
- Webpage: Internet webpage provided by an independent third party, eticacencosud.lineaseticas.com;
- E-mail: corporate e-mail address to which the employees can write and which is checked exclusively by an independent third party: lineaeticacencosud@kpmg.ar;
- Telephone number: 5411 4316 5800, "Cencosud's Ethical Line";
- Personal interviews: confidential personal interviews can be applied for at 800 104 031;
- Address to which the employees can send their letters: KPMG Forensic Services, Bouchard 710, 6th floor, Ciudad Autónoma de Buenos Aires, Argentina, Postal Code C1106ABL.

Law N° 20,393 Certification Model

Cencosud has a Crime Prevention Model in accordance to what is established by Law N° 20,303 of the Criminal Liabilities of Legal Entities. The model includes regulations, policies and procedures that prevent the crimes of asset laundering, financing of terrorism, and bribery. A total number of 28 of Cencosud's companies adhere to the Prevention Model. During 2019, there were 25 effective complaints out of the 82 that were received. Since 2018, pro diversity and inclusivity measures are carried out in Cencosud, where training sessions and internal communication campaigns took place to promote these good practices. It is believed that the increase in the number of complaints is a consequence of this.



Internal Auditing Management

Corporate Internal Auditing

Internal Auditing is an independent and objective insurance and enquiry activity, created to add value and improve Cencosud's operations. It helps the Company to fulfill its goals, contributing with a systematic and disciplined approach to assess and improve the effectiveness of the risk, control, and governance management processes.

Mission of the Corporate Internal Auditing Management

Its mission is to provide the Board of Directors, whether directly or through other competent parties (designated directores), with independent assessments regarding the Company's Internal Control Framework according to the best international practices.

Organization of the Internal Auditing Corporate Management

The Corporate Internal Auditing Management is present in each one of the country where Cencosud operates. In addition, there are specialized Auditing teams of a regional nature, such as IT, Business, Accounting, and Governance & Quality Assurance.

06

ANNUAL PERFORMANCE OVERVIEW



Macroeconomic Overview

Macroeconomic situation of the markets in which the Company participates

GRI 102-6; 102-7

According to the World Bank's report on World Economic Outlook of January, 2020, the activity of the world's main economies was lower than expected during 2019. The growth of these economies was affected by a weak manufacturing activity, product of the trade war between the United States and China. In addition, this maintained a level of uncertainty in the global markets, affecting investments and trade. At the same time, low inflation rates and economic activity drove more expansionary monetary policies. For its part, the labor market and the service sector remained relatively resilient.

To this is added the pandemic caused by the Covid-19 virus, which has generated a negative economic impact on China during the end of 2019 and the first quarter of 2020, affecting the economies of the countries that produce raw materials, such as the case of Chile. The expansion of the virus to the rest of the world during the last few months will translate into a greater weakness of the global economy during 2020, affecting both the developed and emerging economies in the production areas as well as those of services and consumption.

The economic scenario for 2020 sets an important challenge for global activity in terms of stopping the expansion of the virus and, at the same time, of minimizing as much as possible its negative impact on economy.

Moreover, radical steps have been announced after acknowledging that Coronavirus is not only a public health emergency, but an economic one too. During the first two months of 2020, the main signs, as is the case of industrial production, retail sales and investment in fixed assets, were deeply negative. It is estimated that, during the first quarter of 2020, China's GDP will experience a setback not seen since the end of the Cultural Revolution more than four decades ago.

Macroeconomic situation by country

Indicador	Chile	Peru	Colombia	Argentina	Brazil
GDP 2019	1.10%	2.16%	3.30%	-2.20%	1.10%
GDP Per Capita (M USD)*	26.32	14.72	15.54	20.06	16.46
Number of Inhabitants	19,107,216	32,131,400	48,258,494	45,376,763	210,147,125
Risk Rating	A1: Moody's A+: S&P A: Fitch Rating	A3: Moody's BBB+: S&P BBB+ Fitch Rating	Baa2: Moody's BBB-: S&P BBB: Fitch Rating	Caa2: Moody's CCC-: S&P CC: Fitch Rating	Ba2: Moody's BB-: S&P BB-: Fitch Rating
Inflation	3.0%	1.9%	3.8%	53.8%	4.3%
Unemployment	7.0%	6.1%	10.5%	8.9%	11.9%

Sources: Brazil: IBGE; Brazil: IBGE, Argentina: INDEC; Chile: INE, Centra Bank; Colombia: DANE; Peru: INEI; Generals: IMF.
(*) Measured as purchasing power parity (PPP).

Chile



The Chilean economy started the year 2019 with a better performance prospects compared to 2018. The numbers of the first semester reflected a slow growth, due in part to the mining, agricultura, and fishing sectors. However, the domestic demand kept showing a solid growth and big investment projects were starting to come to fruition.

The second semester saw the recovery of several sectors, specially the construction industry. That is why the GDP's growth projections up to September were around 2.7% for 2019.

The social movements that started in October marked a change of direction for the local economy. The projected growth suffered a big adjustment, which resulted in a decrease in productivity and even the paralyzation of some industries. In spite of this, a recovery of activity started becoming evident during December. Considering all this, the year 2019 ended with a GDP growth of 1.1% according to the numbers of the Chilean Central Bank, lower than the 4.0% of 2018.

Argentina



The country continued to show the effects of the crisis that broke out in April, 2018, after the economic activity contracted in 2.1% during 2019. This means that the recession that Argentina has been living since the middle of last year continues, showing an inflation rate of 53.8% and an unemployment rate of almost 9%, according to the National Institute of Statistics and Censuses.

In this context, the dollar was a key factor in the economy and in politics during the year, period in which the Argentinian peso showed a depreciation of 58.5% compared to the North American currency. To this was added the launching of the "solidary" dollar at 82 pesos announced by the government in December, and a 30% surcharge on international purchases in dollars using credit cards was added.

This decision was one of the first steps taken by peronist president, Alberto Fernández, who replaced Mauricio Macri in December. He set as one of his priorities the reorganization of debt maturity in pesos and dollars for the next few years, thus trying to lighten the amount of payments the State is facing between 2020 and 2023. However, Alberto Fernández stated on March, 2020, that he had informed the International Monetary Fund (IMF) that, given the country's economic situation, which had worsened due to Covid-19, a cutback of the international bonds debt was necessary.

Brazil



During 2019, Brazilian economy continued showing signs of a slow recovery after the recession that affected the country between 2015 and 2016. In spite of a weaker first semester –due to the effects of an environmental disaster in the mining industry, the consequences of drought, and the decrease of services due to high unemployment rates-, the second half of the year managed to balance things out so that the fiscal year closed with a rise of 1.1% of the GDP, managing an increase in activity for the third consecutive year. According to the Brazilian Institute of Geography and Statistics (IBGE), the greatest contributor to the registered expansion was household consumption, which rose 1.8% and the performance of the services sector (+1.3%), which represents two thirds of the country's economy.

The tax year was defined by a strong expense control applied by the government of Jair Bolsonaro, who became President on January 1st, 2019, after winning the elections of October 7th, 2018, thanks to the promise of making a series of organizational reforms to balance the country's public accounts. The most important of those included the reform to the pensions system, a project that was widely rejected by the people, but which was finally passed in October, 2019. With it, a minimal retirement age was established (62 years old for women and 65 for men) –it was one of the few countries that did not have that requirement-, which means an estimated saving for the public coffers of approximately 800,000 million reales (approximately USD 160,000 millions in a decade).

Regarding the unemployment rates, although they are still high, the year 2019 kept showing a downward trend compared to the peak of 12.8% in 2017. According to the IBGE, the tax year closed with a rate of 11.9%, a four point reduction compared to the previous year. This means that there are 12.6 millions unemployed people, 1.7% less (215,000 people) than in 2018, which showed an upwards employment trend under Jair Bolsonaro's administration. However, the informal workforce reached 41.1%, which is equivalent to 38.4 millions people, the highest number since 2016.

In relation to the consumer prices measured by the CPI reference index, IBGE stated that inflation rates reached 4.31% in 2019, closing over the Central Bank's goal of 4.25% for 2019 and 4% for 2020. However, the issuing authority has continued with its cutback policy, setting its reference rate at an historical low of 3.75% (March, 2020).

However, the first months of 2020 have been affected by the negative impact the Covid-19 pandemic is having on the economy.

Colombia



In the midst of the complex situation of the region, Colombia stood out with a 3.3% GDP growth during 2019. This was helped by the energy shown by the Foreign Direct Investment (FDI) with rises of over 25%, also aiding to improve tax revenue considerably. However, this trend could be affected during 2020 due to the economic impact of Covid-19, which has led to cutting private estimations of expansion back.

During this term, inflation rates rose by 3.8%, higher than those of 3.2% registered in 2018. This happened in a context in which household expenditures rose by 6% in relation to the previous year according to Raddar consulting company. They explained that expenditures had been restrained since 2015 due to financial uncertainty, a trend that started changing during 2019.

Regarding reforms, in December, the Congress passed a tax reform by President Iván Duque's government with which they hope to raise USD 4,071 millions. The initiative includes, among other aspects, a VAT reduction in the purchase of machinery and equipment (capital goods), a benefit for giving young people their first job, and a decrease in the general rate on income taxes. This new framework replaces the Financing Act of 2017, which had to go back to Congress by order of the Constitutional Court due to processing errors. Rejected by the opposition and the unions, before the passing of the Growth Act, a series of public protests were carried out, demanding a change of direction by President Duque's government.

Peru



Peru's economy has had one of the biggest growths in Latin America, with an average annual GDP expansion of 5.4% during the last 15 years. However, this growth has started to decrease due to the less favorable external scenario and unfavorable domestic factors. The economy grew 2.2% during 2019, below initial estimations, due to a weaker domestic demand and a drop in exports due to a worldwide slowdown of international trade and uncertainty in the financial market.

Domestically, according to the International Monetary Fund, the appropriate decisions regarding economic policies have been taken. However, several reforms proposed by Martín Vizcarra's government, including political reforms, were not accepted by the opposition, which led to the President dissolving parliament at the end of September.

In addition, several economic sectors reduced their productivity. Specifically, a lower rate of extraction and social movements had a negative impact on the mining industry, while the fishing sector was affected by the high comparison basis of 2018 and lower fees during the first half of 2019, and by the reduction of public expenditure due to restrictions in public

investment. In spite of all this, public investment and consumption stayed relatively strong, unemployment rates stayed stable, and inflation rates stayed within the goal rate of the Central Bank (1%-3%). Despite this, the monetary authority reduced the monetary policy rate to 2.25% in August and November.

Expectations suggest a gradual increase in growth for the next couple of years with the help of the recovery of public investment and of the mining and fishing industries. However, uncertainty regarding domestic politics and the global economy, which affects the prices of commodities, are still risk factors to keep in mind. The scenario is uncertain for 2020 because the negative impacts of Covid-19 are not yet clear so they are impossible to measure accurately.

Cencosud's Results – Rationale

Up to December 31st, 2019, Cencosud operates 1,108 stores and 67 shopping centers, with a total of 3.5 million m² of sales area and 830 thousand m² of areas rentable to third parties

Summary of consolidated results

In 2019, Cencosud achieved an increase in the adjusted Ebitda of 36.7% in relation to the previous year (excluding IAS29). This was the reflection mainly of operational improvements in Chile, Brazil, Peru, and Colombia.

- Excluding IAS29, revenues have had a 2.7% drop year-to-year, which can be explained by the devaluation of the Argentinian peso during the term and the lower incomes earned in Chile due to the events of the last quarter of the year. All of this was partially compensated by an increase in sales in Brazil, Peru and Colombia;
- In addition to the operational improvements, the adjusted Ebitda was benefited by the non-recurrent profit associated to the joint venture in financial retail in Peru;
- Non-operating losses increased in 5.2% due to a rise in net financial expenses which showed the impact of IFRS16. This was compensated by a lower loss due to currency rates as consequence of the reduction of dollar exposure due to the prepayment of debts and the increase of cash flow in dollars. The participation in the shareholders' profit decreased in relation to the previous year due to the results of joint venture profits in financial retail in Peru. The loss by units of adjustment was higher due to the rise in Chile's inflation rates;
- The revenue for the period (excluding IAS29) reached CLP 284,074 millions in 2019, that is, it showed a 10.4% increase in relation to 2018. This performance was the result of the increase of efficiency levels and the extraordinary profit of the new joint venture in financial retail in Peru. This was partially offset by lower incomes by function because of the lower investment property reassessment in Chile as a consequence of the impact of the social movements in shopping center incomes, and a higher income tax after making use of the changes in the Tax Act of that country.

Summarized consolidated results

CLP MM	Reported			Excluding IAS29			Var. % local currency
	12M19	12M18	Var. %	12M19	12M18	Var. %	
Revenue	9,548,213	9,646,002	-1.0%	9,491,362	9,755,154	-2.7%	6.4%
Gross profit	2,670,944	2,760,640	-3.2%	2,655,356	2,776,594	-4.4%	8.7%
<i>Gross margin</i>	<i>28.0%</i>	<i>28.6%</i>	<i>-65 bps</i>	<i>28.0%</i>	<i>28.5%</i>	<i>-49 bps</i>	
Administration and sales expenses	-2,238,593	-2,365,711	-5.4%	-2,201,965	-2,385,165	-7.7%	3.8%
Operating results	713,608	608,906	17.2%	730,343	602,694	21.2%	31.9%
Non operating results	-384,143	-330,559	16.2%	-333,670	-317,324	5.2%	8.7%
Taxes	-174,848	-87,752	99.3%	-112,598	-28,128	300.3%	300.3%
Profit	154,617	190,594	-18.9%	284,074	257,241	10.4%	3.7%
Adjusted Ebitda	872,060	642,139	35.8%	869,053	635,599	36.7%	49.5%
<i>Adjusted Ebitda margin</i>	<i>9.1%</i>	<i>6.7%</i>	<i>248 bps</i>	<i>9.2%</i>	<i>6.5%</i>	<i>264 bps</i>	

Relevant events

- As a result of the events that happened in Chile from October, 2019, onwards, the operations in Cencosud's stores and shopping centers were affected in different ways. Up to December 31st, it had 357 operating stores out of a total of 362. In the case of the shopping centers, these were closed an average of eight days during the last quarter.
- The main damages suffered were loss of stock, damage to property and equipment, and a decrease in sales due to both shorter opening hours and the impact on consumption. The Company has insurances at a regional level that cover its assets in the aforementioned areas. Even so, Cencosud provided for 100% of the damages suffered during the last quarter and is still waiting for the quantification of loss of profit.
- On the 21st of November, a change in Cencosud's organizational model was announced. Up to that date, the model had been structured by business units. From the announcement onwards, and aiming at a more agile decision-making process, a deeper knowledge of the market, a search for synergies, and higher flexibility, the adoption of an organizational model based on the countries was determined.
- The 2nd of March, 2020, the Company carried out the bailout of the total number of issued bonds under the indenture agreements of January 20th, 2011, and December 6th, 2012, with maturity dates on 2021 and 2023, 5.5% and 4.875% annual coupon respectively. This operation was realized under the make-whole redemption modality and at a rescue price of 103.34% by way of capital for the bonds of the year 2021 and of 109.51% by way of capital for the bonds of the year 2023, for a total amount of USD 876,428,000. Simultaneously, Cencosud paid the accrued interests for these bonds for a total amount of USD 5,172,187. The total amount of the operation was financed with the Company's own funds.

Consolidated results by country

Summary of results by country

GRI 102-6

CLP MM (excludes IAS 29)	12M19	% of revenue	12M18	% f revenue	Var. %	Var. % local currency
Chile	4,529,151	47.7%	4,546,128	46.6%	-0.4%	-0.4%
Argentina	1,735,003	18.3%	2,029,115	20.8%	-14.5%	33.6%
Brazil	1,376,277	14.5%	1,357,931	13.9%	1.4%	0.0%
Peru	1,018,459	10.7%	1,008,103	10.3%	1.0%	-6.6%
Colombia	832,472	8.8%	813,878	8.3%	2.3%	3.3%
Total income	9,491,362	100.0%	9,755,154	100.0%	-2.7%	6.4%
Chile	441,643	9.8%	389,261	8.6%	13.5%	13.5%
Argentina	164,362	9.5%	168,713	8.3%	-2.6%	54.2%
Brazil	51,039	3.7%	-16,110	-1.2%	n.a.	n.a.
Peru	173,398	17.0%	68,367	6.8%	153.6%	133.1%
Colombia	38,612	4.6%	25,369	3.1%	52.2%	52.6%
Total adjusted Ebitda	869,053	9.2%	635,599	6.5%	36.7%	49.5%

Chile



Chile is the market where Cencosud initiated its operations and the only market in which the five business units operate. In spite of its size –only 19.1 million inhabitants- it represents approximately 48% of the income and 51% of the adjusted Ebitda of the Company up to December, 2019. It is the country with the most profitable supermarkets operation, the largest sales area and the biggest shopping center, besides having the highest overlook in Latin America.

Cencosud has 362 (1,299,546 m²) stores in Chile, 247 of which correspond to Supermarkets (591,853 m²), 36 to Home Improvement (328,701 m²), and 79 Department Stores (378,992 m²). Besides, it has 35 Shopping Centers with a 91.5% occupancy rate and a total gross leasable area (GRA) of 1,240,110 m². Of that, 818,703 m² correspond to related businesses and the rest to third parties.

During the 2019 tax year, revenues dropped 0.4% due to the lower performance of the Department Stores (-7.0%), which was partially compensated by the increase in Home Improvement (+3.7%), Supermarkets (+1.3%), and Shopping Centers (+0.1%). The adjusted Ebitda rose 13.5% and the margin improved from 8.6% in 2018 to 9.8% in 2019, thanks to the higher profitability of the businesses in spite of the lower Ebitda in Financial Services (-33.5%).

Summary of Results Chile

Summary of results (CLP MM)	12M19	% of revenues	12M18	% of revenues	Var. %
Chile-SM	2,819,744	29.7%	2,782,370	28.5%	1.3%
Chile-CC	153,573	1.6%	153,389	1.6%	0.1%
Chile-MdH	553,927	5.8%	534,351	5.5%	3.7%
Chile-TxD	994,276	10.5%	1,069,323	11.0%	-7.0%
Chile-SF	0	0.0%	0	0.0%	n.a.
Chile-Others	7,629	0.1%	6,695	0.1%	14.0%
Total income	4,529,151	47.7%	4,546,128	46.6%	-0.4%

Adjusted Ebitda ¹ (CLP MM)	12M19	% of revenues	12M18	% of revenues	Var. %
Chile-SM	286,625	10.2%	254,656	9.2%	12.6%
Chile-CC	125,106	81.5%	124,171	81.0%	0.8%
Chile-MdH	52,701	9.5%	48,896	9.2%	7.8%
Chile-TxD	45,747	4.6%	36,130	3.4%	26.6%
Chile-SF	12,861	0.0%	19,340	0.0%	-33.5%
Chile-Others	-81,396	-1066.9%	-93,933	-1403.1%	-13.3%
Total adjusted Ebitda	441,643	9.8%	389,261	8.6%	13.5%

- Supermarkets:** incomes rose 1.3% in relation to the previous year due to an increase in SSS (Same Store Sales) of 0.5% during the year and an upturn in the last quarter (+6.0%), the opening of new stores and refurbishments, and was partially counteracted by the closing down of three stores as a result of the social movement in October. The increase in SSS reflects the rise in the sale of food, mainly perishable, mainly offsetting the fall in electronic devices.
- Shopping Centers:** the incomes have stayed practically level (+0.1%) mainly due to the voluntary discount of the fixed income of the rents and the reduced opening hours of the shopping centers during the last quarter. Even so, the margin of the adjusted Ebitda rose 46 bps. The adjusted Ebitda contracted as a consequence of the increase in expenditure due to higher bad debt provisions in easy payment plans for the tenants for the last quarter and an increase in security expenses, partially offset by lower rental expenses due to IFRS16.
- Home Improvement:** Incomes rose 3.7% in comparison to the previous year as a consequence of a 3.6% increase in SSS and partially offset by the closing down of some of the stores due to the social movements in the last quarter. The SSS reflected the increase to double digits of the online and wholesaler channels, and a greater focus on the finishings category.
- Department Stores:** the revenue decreased 7.0% in relation to the previous year, which can be explained by a 5.6% reduction in SSS. This reflected the stores's reduction of opening hours due to the social movement of the last quarter, which was partially compensated by an increase in online sales and an upturn in sales during December. Despite all this, the adjusted Ebitda increased 26.6% due to efficiency and economizing on advertising.
- Financial Services:** the results reflected higher fundings costs, higher risk charges and higher personnel expenses. All of the above was compensated by a 9.4% portfolio increase that can be explained by higher interest incomes.

Same store sales¹

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	6.0%	1.1%	0.0%	-1.5%	0.5%	0.6%	3.6%	1.9%	5.1%	2.8%
MdH	2.2%	1.9%	3.2%	6.8%	3.6%	3.9%	4.4%	7.9%	0.3%	4.0%
TxD	-5.1%	-4.4%	-5.8%	-7.6%	-5.6%	-3.2%	-6.9%	-1.0%	-0.7%	-2.9%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-6.7%	1.2%	0.9%	-0.1%	-2.2%	2.3%	2.6%	2.4%	1.6%	2.2%
MdH	-3.6%	-2.6%	-1.0%	1.2%	-1.3%	2.2%	1.3%	2.9%	0.0%	1.6%
TxD	-7.0%	-0.7%	-0.7%	4.1%	-0.9%	2.2%	5.5%	2.2%	3.5%	3.2%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	13.6%	-0.1%	-0.9%	-1.4%	2.8%	-1.7%	1.0%	-0.4%	3.5%	0.6%
MdH	6.0%	4.6%	4.3%	5.6%	5.0%	1.6%	3.1%	4.9%	0.3%	2.4%
TxD	3.0%	-4.0%	-5.3%	-11.5%	-4.7%	-5.4%	-11.4%	-2.9%	-3.7%	-5.7%

1. The stores that remained closed for more than 10% of the last quarter are excluded from the calculations.



Argentina



Argentina is the second most relevant country for Cencosud. In this country originated the shopping center operations that then expanded to Chile and where a chain of Home Improvement stores was purchased, and which later would become the most important operator in that industry. The Company has four business units there: Supermarkets, Home Improvement, Shopping Centers and Financial Services.

It currently represents about 18% of the incomes and 19% of the Company's adjusted Ebitda, in a market of more than 45 million inhabitants. Argentina's macroeconomic situation has led to a decrease in the country's contribution due to a drop in consumption, the devaluation of

its currency, and hyperinflation. However, the Company has a wide base of assets and a local management with ample experience to operate the business appropriately.

Cencosud has more than 335 stores (849,657 m²), 284 of which are supermarkets (451,681 m²) and 51 are Home Improvement stores (397,975 m²). Added to that are 22 Shopping Centers, with a total GRA of 747,894 m², of which 470,691 m² correspond to subsidiary companies and the rest to third parties. The shopping centers have an average occupancy rate of 96.5%.

During 2019, the income rose 33.6% in local currency (-14.5% in Chilean pesos) as a consequence of the devaluation of the Argentinian peso in relation to the Chilean peso. The increase can be explained by an improvement in the performance of all the businesses due to a higher demand for basic goods after the tax reduction, imported goods, and advertising efficiency. The adjusted Ebitda rose 54.2% in local currency and the margin expanded in 371 bps in comparison to 2018, reflecting the expenditure control due to process efficiency and rent expenses after adopting the IFRS16 regulation. This was partially offset by a contraction of the gross margin due to the rise in promotions and the drop in rebates because of the focus on working capital.

Revenues

(CLP MM)	12M19	%	12M18	%	Var. %	Var. % local currency
Argentina-SM	1,040,463	11.0%	1,210,425	12.4%	-14.0%	32.3%
Argentina-CC	45,929	0.5%	63,928	0.7%	-28.2%	14.6%
Argentina-MdH	504,381	5.3%	588,958	6.0%	-14.4%	36.6%
Argentina-SF	141,120	1.5%	162,502	1.7%	-13.2%	39.9%
Argentina-Otros	3,110	0.0%	3,301	0.0%	-5.8%	52.1%
Total revenues	1,735,003	18.3%	2,029,115	20.8%	-14.5%	33.6%

- **Supermarkets:** incomes rose 32.3% in local currency due to a 38.8% rise in SSS. This was the consequence of an expansion of basic goods due to the drop in VAT and higher annual inflation rates. The Adjusted Ebitda margin expanded 307 bps because of the decrease in expenditure thanks to the efficiency plans, and lower rent expenses after the implementation of the IFRS16 regulation. This was partially offset by a lower year-by-year gross margin due to higher competitive dynamics.
- **Home Improvement:** incomes rose by 36.3% in local currency due to the focus on the customer leading the market. The best performance was mainly in the finishings area and the expansion of the online channel. The Adjusted Ebitda margin fell 102 bps as a consequence of higher inflation rates and higher discounts in specific actions with suppliers, compensating for a drop in expenditure in basic services (cleaning, security, energy) and lower renting expenses after the implementation of the IFRS16 regulation.
- **Shopping Centers:** incomes fell 28.2% in local currency mainly because of a high basis of comparison in the last quarter due to an extraordinary income. This was partially compensated by higher incomes due to the freezing of inflation rates. The Adjusted Ebitda margin fell year-by-year because of an increase in upkeep expenses and a rise in provision for bad debt, offset by the lower expenditure in rent due to IFRS16.

- **Financial Services:** the Adjusted Ebitda margin stayed stable thanks to the support of higher rates, an increase in average time and a rise in commissions, while it also kept a more conservative policy of portfolio expansion to keep the year-by-year risk stable.

Same store sales

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	48.3%	37.5%	35.5%	30.8%	38.8%	33.0%	25.6%	17.7%	20.3%	24.8%
MdH	56.9%	37.6%	31.2%	24.8%	38.8%	17.7%	25.7%	29.8%	26.9%	24.4%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-2.9%	-4.5%	-2.8%	-3.1%	-3.3%	0.5%	-0.1%	-8.5%	-7.9%	-4.0%
MdH	-2.5%	-10.9%	-11.6%	-13.1%	-9.6%	-12.2%	-5.0%	2.0%	2.8%	-3.3%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	52.7%	43.9%	39.4%	35.1%	43.5%	32.4%	25.7%	28.6%	30.7%	30.1%
MdH	60.9%	54.4%	48.4%	43.6%	53.5%	34.1%	32.3%	27.2%	23.4%	28.6%

Brazil



Brazil is the third most relevant country for Cencosud in terms of sales, with a market of 49 million inhabitants in the Northeast, 13 millions in the Midwest, and almost 78 millions in the Southwest.

Cencosud arrived in Brazil in 2008 thanks to the purchase of the Super Familia (renamed GBarbosa) and Bretas chains, establishing itself as the fourth most relevant supermarket operator. In 2011, the Company made a deal with Banco Bradesco for the joint development of the financial retail business of GBarbosa. Finally, in 2012 it purchased the Prezunic chain in Rio de Janeiro. Cencosud has 202 Supermarkets in Brazil, which represent 566.466 m² of sales area.

The incomes were stable in the local currency during 2019 but they had a slight increase in Chilean pesos (+1.4%) due to the appreciation of the Brazilian real compared to the Chilean peso. The performance can be explained mainly by the sale for over inflation in Prezunic and of food in GBarbosa. The Adjusted Ebitda margin expanded and reached a 3.7% margin in comparison to the -1.2% of the previous year.

Revenues

(CLP MM)	12M19	% of income	12M18	% of income	Var. %	Var. % local currency
Brasil-SM	1,372,481	14.5%	1,354,798	13.9%	1.3%	-0.1%
Brasil-SF	3,797	0.0%	3,133	0.0%	21.2%	19.1%
Brasil-Otros	0	0.0%	0	0.0%	n.a.	n.a.
Total revenues	1,376,277	14.5%	1,357,931	13.9%	1.4%	0.0%

- **Supermarkets:** the incomes remained stable (-0.1%) in local currency due to the positive performance of Prezunic and GBarbosa in food. This was offset by a drop in household appliance sales after the tax rise on those goods. This increase was countered by a drop in sales in Bretas due to a higher base of comparison and an increase in competition. In spite of having higher expenses due to reorganization and increased energy rates, the Company had a positive Ebitda for the term. This is because of a change in the business transaction strategy and the efficiency programs, besides the adoption of the IFRS16 accounting regulation.
- **Financial Services:** the adjusted Ebitda rose 6.6% in local currency due to a minor risk compared to the previous year because of a more conservative strategy for the capture of leads.

Same store sales

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	0.6%	-2.0%	-0.2%	-2.0%	-08%	1.4%	-1.6%	1.6%	-0.7%	0.1%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-2.7%	-0.6%	-0.4%	-0.1%	-1.0%	0.2%	-1.2%	1.5%	0.6%	0.3%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	3.4%	-1.4%	0.3%	-1.9%	0.2%	1.2%	-0.4%	0.1%	-1.8%	-0.2%

Colombia



Colombia represents around 9% of the Company's income and a little more than 4% of its adjusted Ebitda. It is a market with high growth potential.

Cencosud arrived in Colombia in May, 2007, through a joint venture (JV) with the Guichard-Perrachon Casino to develop together the Home Improvement business. In April, 2009, it purchased the shares of the Casino in the JV and became its sole owner. In November, 2012, Cencosud entered the Supermarket business with the purchase of Carrefour Colombia.

The Company has kept a multiformat strategy, implementing four business units: Supermarkets, Home Improvement, Shopping Centers, and Financial Services.

In Colombia, Cencosud has 105 stores (476,413 m²), 95 of which are supermarkets (394,093 m²) and 10 are Home Improvement stores (82,320 m²). In addition, it has four Shopping Centers in the country, with a total GRA of 112,891 m², 55,348 m² of which are affiliated and the rest belong to third parties. These shopping centers have an occupancy rate of 95.0%.

During 2019, the income increased 3.3% in local currency (+2.3% in Chilean pesos), which was mainly due to the appreciation of the Colombian peso in comparison to the Chilean peso. The growth was mainly due to higher supermarket sales. The Adjusted Ebitda margin expanded 49.3% year-to-year in local currency.

Revenues

Revenues (CLP MM)	12M19	%	12M18	%	Var. %	Var. % local currency
Colombia-SM	745,052	7.8%	736,699	7.6%	1.1%	2.1%
Colombia-CC	8,568	0.1%	8,674	0.1%	-1.2%	0.2%
Colombia-MdH	71,319	0.8%	67,200	0.7%	6.1%	7.5%
Colombia-SF	10,478	0.1%	5,175	0.1%	102.5%	107.1%
Colombia-Otros	-2,944	0.0%	-3,870	0.0%	-23.9%	-22.9%
Total Revenues	832,472	8.8%	813,878	8.3%	2.3%	3.3%

- **Supermarkets:** the incomes rose by 3.3% in local currency (+2.3% in local currency) thanks to higher sales (SSS +3.3%). This was partially offset by the net closing of three stores. In turn, the SSS growth was a consequence of an almost double-digit increase in food sales, partially countered by the drop in sales of non-food related goods. The Adjusted Ebitda margin showed an improvement of 48 bps in local currency as a result of the adoption of the IFRS16 accounting regulation and the reduction in general expenses and public services, mainly on energy.
- **Home Improvement:** incomes rose by 7.5% in local currency due to an SSS 7.5% higher and which includes the good performance of the wholesale and Omnichannel channel. The Company managed a positive adjusted Ebitda for four consecutive quarters. This can be explained by the good results of the efficiency plans and lower rent expenditures thanks to the adoption of the IFRS16 regulation. All this was partially offset by a contraction of the gross margin of imported goods due to the rise in the price of the dollar.
- **Shopping Centers:** the incomes rose by 0.2% in local currency because of higher revenues due to variable rents as a consequence of the retroactive billing of some of the tenants. The Adjusted Ebitda margin contracted because of higher expenses and taxes associated to the initial public offer of the company CencoShopp, and an increase in personnel expenses due to an increase of staff.
- **Financial Services:** the adjusted Ebitda rose by 99.5% in local currency due to lower risk charges.

Same store sales

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	4.2%	5.3%	0.5%	1.3%	3.3%	2.4%	-2.9%	0.3%	-3.1%	-0.7%
MdH	3.6%	4.9%	9.2%	13.0%	7.5%	8.6%	5.2%	10.5%	6.2%	7.6%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-2.0%	0.3%	1.9%	-3.3%	-0.3%	-1.2%	-5.2%	-7.9%	-4.0%	-4.5%
MdH	-0.6%	-0.1%	6.5%	4.1%	2.3%	4.5%	1.9%	2.0%	2.6%	2.8%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	6.3%	5.0%	-1.4%	4.8%	3.6%	3.6%	2.4%	8.9%	0.9%	4.1%
MdH	4.3%	5.1%	2.6%	8.6%	5.0%	4.0%	3.2%	8.3%	3.5%	4.7%

Peru



Peru represents approximately 11% of the Company's income and 20% of its adjusted Ebitda, becoming the fourth most relevant country in terms of revenue.

The Company started operating in Peru with the purchase of the supermarket chain Wong in December, 2007. Since then, it has grown thanks to a multiformat strategy, managing to establish four business units: Supermarkets, Department Stores, Shopping Centers, and Financial Services.

The low levels of penetration in the more modern sales channels, the expectations of economic growth, its demographic characteristics, Cencosud's current land banks, and the solid positioning of its brands, make Peru one of the markets with the highest growth potential in the Company.

Cencosud has 104 stores in Peru (338,265 m²), 93 of which are Supermarkets (276,839 m²) and 11 are Department Stores (61,427 m²). In addition, there are six Shopping Centers with a 98.6% occupancy rate. These have a total GRA of 142,938 m², 74,395 m² of which are of third parties while the rest belong to related companies.

In 2019, incomes rose by 1.0% in local currency in comparison to the previous term (-6.6% in Chilean pesos) because of the appreciation of the Peruvian sol in comparison to the Chilean peso. The performance was mainly affected by the deconsolidation of the financial retail business and a drop in supermarket sales. Peru's Adjusted Ebitda margin expanded by 133.1% in local currency mainly as an effect of the IFRS16 regulation and the improvement of the results of Shopping Centers and Department Stores, offset by the deconsolidation of the financial retail in the country.

Revenues

(CLP MM)	12M19	%	12M18	%	Var. %	Var. % local currency
Perú-SM	872,666	9.2%	813,220	8.3%	7.3%	-0.8%
Perú-CC	23,356	0.2%	20,634	0.2%	13.2%	4.7%
Perú-TxD	106,361	1.1%	95,914	1.0%	10.9%	2.2%
Perú-SF	14,368	0.2%	78,135	0.8%	-81.6%	-82.9%
Perú-Otros	1,707	0.0%	200	0.0%	754.2%	690.7%
Total revenues	1,018,459	10.7%	1,008,103	10.3%	1.0%	-6.6%

- **Supermarkets:** incomes in local currency dropped slightly (-0.8%) due to a -2.7% SSS after a higher advertising dynamic in Metro and the decrease of Wong's sales. This was caused by the country's lower consumption rates. The Adjusted Ebitda margin expanded by 190 bps, mainly due to lower renting expenses (adoption of IFRS16), and partially offset by the increase in expenditures associated with the implementation of business efficiencies and changes in the country's organization.

- **Department Stores:** incomes dropped 2.2% in local currency mainly due to lower consumption. In 2019, the adjusted Ebitda registered an improvement in comparison to 2018 because of lower rent expenses (IFRS16), and partially offset by a decrease of margin due to a higher marketing activity.
- **Shopping Centers:** incomes rose by 4.7% in local currency due to the arrival of new tenants, partially compensating a high basis of comparison of the 2018 World Cup. The Adjusted Ebitda margin expanded mainly because of the adoption of the IFRS16 rule, and savings in basic services and advertising.
- **Financial Services:** the results of the quarter were affected by the deconsolidation of the business from March, 2019, onwards after closing the sale for 15 years of 51% of the business to Scotiabank Perú. This was partially offset by a reduction in portfolio exposure due to a more conservative strategy when capturing leads.

Same store sales

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-4.4%	-4.5%	-3.3%	2.1%	-2.7%	1.5%	2.0%	2.7%	1.9%	2.2%
TxD	-3.3%	2.1%	-0.8%	9.8%	1.1%	19.6%	13.2%	24.0%	11.8%	17.5%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	-7.8%	-2.2%	-0.9%	1.1%	-2.7%	3.5%	4.4%	0.4%	0.5%	2.4%
TxD	4.4%	10.6%	6.4%	9.7%	7.5%	14.4%	4.1%	3.6%	-0.1%	6.3%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
SM	3.6%	-2.3%	-2.4%	1.0%	0.0%	-1.9%	-2.3%	2.3%	1.3%	-0.2%
TxD	-7.5%	-7.7%	-6.8%	0.1%	-5.9%	4.6%	8.7%	19.7%	11.9%	10.6%

Results by Business



Supermarkets

Profit

CLP MM	12M19	12M18	Var. %	Var. % local currency
Chile	2,819,744	2,782,370	1.3%	1.3%
Argentina	1,040,463	1,210,425	-14.0%	37.4%
Brazil	1,372,481	1,354,798	1.3%	-0.1%
Peru	872,666	813,220	7.3%	-0.9%
Colombia	745,052	736,699	1.1%	-0.9%
Total revenue	6,850,407	6,897,511	-0.7%	7.2%
Chile	709,585	697,370	1.8%	1.8%
Argentina	312,595	383,529	-18.5%	30.8%
Brazil	290,289	279,815	3.7%	2.5%
Peru	202,372	183,710	10.2%	1.7%
Colombia	147,887	146,695	0.8%	2.0%
Gross profit	1,662,728	1,691,119	-1.7%	8.5%
Administration and sales expenses	-1,406,130	-1,494,767	-5.9%	5.1%
Operating profit	266,506	207,679	28.3%	31.9%
Adjusted Ebitda¹	460,697	343,774	34.0%	36.8%
<i>Adjusted Ebitda margin</i>	<i>6.7%</i>	<i>5.0%</i>		<i>174 bps</i>

1. Without IFRS 16

Business information

	N° of stores		% leased		Total sales area (m ²)	
	12M19	12M18	12M19	12M18	12M19	12M18
Chile	247	249	62.0%	61.0%	591,853	600,739
Argentina	284	284	56.0%	56.3%	451,681	476,223
Brazil	202	201	92.1%	92.0%	566,466	563,565
Peru	93	93	48.4%	49.5%	276,839	274,143
Colombia	95	98	36.8%	32.7%	394,093	413,004
Total Supermarkets	921	925	62.3%	61.2%	2,280,932	2,327,673

Same Store Sales (SSS)

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	6.0%	1.1%	0.0%	-1.5%	0.5%	0.6%	3.6%	1.9%	5.1%	2.8%
Argentina	48.3%	37.5%	35.5%	30.8%	38.8%	33.0%	25.6%	17.7%	20.3%	24.8%
Brazil	0.6%	-2.0%	-0.2%	-2.0%	-0.8%	1.4%	-1.6%	1.6%	-0.7%	0.1%
Peru	-4.4%	-4.5%	-3.3%	2.1%	-2.7%	1.5%	2.0%	2.7%	1.9%	2.2%
Colombia	4.2%	5.3%	0.5%	1.3%	3.3%	2.4%	-2.9%	0.3%	-3.1%	-0.7%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	-6.7%	1.2%	0.9%	-0.1%	-2.2%	2.3%	2.6%	2.4%	1.6%	2.2%
Argentina	-2.9%	-4.5%	-2.8%	-3.1%	-3.3%	0.5%	-0.1%	-8.5%	-7.9%	-4.0%
Brazil	-2.7%	-0.6%	-0.4%	-0.1%	-1.0%	0.2%	-1.2%	1.5%	0.6%	0.3%
Peru	-7.8%	-2.2%	-0.9%	1.1%	-2.7%	3.5%	4.4%	0.4%	0.5%	2.4%
Colombia	-2.0%	0.3%	1.9%	-3.3%	-0.3%	-1.2%	-5.2%	-7.9%	-4.0%	-4.5%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	13.6%	-0.1%	-0.9%	-1.4%	2.8%	-1.7%	1.0%	-0.4%	3.5%	0.6%
Argentina	52.7%	43.9%	39.4%	35.1%	43.5%	32.4%	25.7%	28.6%	30.7%	30.1%
Brazil	3.4%	-1.4%	0.3%	-1.9%	0.2%	1.2%	-0.4%	0.1%	-1.8%	-0.2%
Peru	3.6%	-2.3%	-2.4%	1.0%	0.0%	-1.9%	-2.3%	2.3%	1.3%	-0.2%
Colombia	6.3%	5.0%	-1.4%	4.8%	3.6%	3.6%	2.4%	8.9%	0.9%	4.1%



Home Improvement

Profit

CLP MM	12M19	12M18	Var. %	Var. % local currency
Chile	553,927	534,351	3.7%	3.7%
Argentina	504,381	588,958	-14.4%	36.6%
Colombia	71,319	67,200	6.1%	7.5%
Total revenue	1,129,627	1,190,508	-5.1%	20.2%
Chile	151,505	149,656	1.2%	1.2%
Argentina	205,180	228,431	-10.2%	42.5%
Colombia	16,400	16,219	1.1%	2.4%
Gross income	373,085	394,307	-5.4%	25.2%
Administration and sales expenses	-266,842	-294,102	-9.3%	17.8%
Operating profit	106,945	100,688	6.2%	46.9%
Adjusted Ebitda¹	130,037	124,242	4.7%	39.1%
<i>Adjusted Ebitda margin</i>	<i>11.5%</i>	<i>10.4%</i>		<i>108 bps</i>

1. Without IFRS 16

Business information

	N° of stores		% leased		Total sales area (m ²)	
	12M19	12M18	12M19	12M18	12M19	12M18
Chile	36	36	13.9%	11.1%	328,701	328,701
Argentina	51	51	21.6%	21.6%	397,975	397,975
Colombia	10	10	30.0%	30.0%	82,320	82,320
Total Home Improvement	97	97	19.3%	18.2%	808,996	808,996

Same Store Sales (SSS)

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	2.2%	1.9%	3.2%	6.8%	3.6%	3.9%	4.4%	7.9%	0.3%	4.0%
Argentina	56.9%	37.6%	31.2%	24.8%	38.8%	17.7%	25.7%	29.8%	26.9%	24.4%
Colombia	3.6%	4.9%	9.2%	13.0%	7.5%	8.6%	5.2%	10.5%	6.2%	7.6%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	-3.6%	-2.6%	-1.0%	1.2%	-1.3%	2.2%	1.3%	2.9%	0.0%	1.6%
Argentina	-2.5%	-10.9%	-11.6%	-13.1%	-9.6%	-12.2%	-5.0%	2.0%	2.8%	-3.3%
Colombia	-0.6%	-0.1%	6.5%	4.1%	2.3%	4.5%	1.9%	2.0%	2.6%	2.8%
AverageTicket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	6.0%	4.6%	4.3%	5.6%	5.0%	1.6%	3.1%	4.9%	0.3%	2.4%
Argentina	60.9%	54.4%	48.4%	43.6%	53.5%	34.1%	32.3%	27.2%	23.4%	28.6%
Colombia	4.3%	5.1%	2.6%	8.6%	5.0%	4.0%	3.2%	8.3%	3.5%	4.7%



Department Stores

Profit

CLP MM	12M19	12M18	Var. %	Var. % local currency
Chile	994,276	1,069,323	-7.0%	-7.0%
Peru	106,361	95,914	10.9%	2.2%
Total revenue	1,100,637	1,165,238	-5.5%	-6.3%
Chile	269,107	300,481	-10.4%	-10.4%
Peru	24,926	22,632	10.1%	1.1%
Gross profit	294,033	323,113	-9.0%	-9.6%
Administration and sales expenses	-305,467	-324,022	-5.7%	-6.5%
Operating profit	-9,725	228	-4,367.7%	-4236.6%
Adjusted Ebitda¹	48,136	33,971	41.7%	40.8%
Adjusted Ebitda margin	4.4%	2.9%		146 bps

1. Without IFRS 16

Business Information

	N° of stores		% leased		Total sales area (m ²)	
	12M19	12M18	12M19	12M18	12M19	12M18
Chile	79	81	67.7%	68.3%	378,992	387,911
Peru	11	11	91.3%	91.3%	61,427	61,427
Total Department Stores	90	92	70.9%	71.5%	440,419	449,338

Same Store Sales (SSS)

SSS nominal	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	-5.1%	-4.4%	-5.8%	-7.6%	-5.6%	-3.2%	-6.9%	-1.0%	-0.7%	-2.9%
Peru	-3.3%	2.1%	-0.8%	9.8%	1.1%	19.6%	13.2%	24.0%	11.8%	17.5%
SS tickets	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	-7.0%	-0.7%	-0.7%	4.1%	-0.9%	2.2%	5.5%	2.2%	3.5%	3.2%
Peru	4.4%	10.6%	6.4%	9.7%	7.5%	14.4%	4.1%	3.6%	-0.1%	6.3%
Average Ticket	4T19	3T19	2T19	1T19	12M19	4T18	3T18	2T18	1T18	12M18
Chile	3.0%	-4.0%	-5.3%	-11.5%	-4.7%	-5.4%	-11.4%	-2.9%	-3.7%	-5.7%
Peru	-7.5%	-7.7%	-6.8%	0.1%	-5.9%	4.6%	8.7%	19.7%	11.9%	10.6%



Shopping Centers

Profit

CLP MM	12M19	12M18	Var. %	Var. % local currency
Chile	153,573	153,389	0.1%	0.1%
Argentina	45,929	63,928	-28.2%	14.6%
Peru	23,356	20,634	13.2%	4.6%
Colombia	8,568	8,674	-1.2%	0.2%
Total revenue	231,426	246,625	-6.2%	4.2%
Chile	146,744	141,249	3.9%	3.9%
Argentina	34,966	51,285	-31.8%	8.2%
Peru	21,209	17,861	18.7%	9.6%
Colombia	7,883	8,484	-7.1%	-5.9%
Gross profit	210,803	218,879	-3.7%	5.0%
Administration and sales expensess	-32,786	-32,469	1.0%	8.4%
Operating profit	341,408	345,643	-1.2%	0.7%
Adjusted Ebitda¹	183,685	191,062	-3.9%	4.9%
<i>Adjusted Ebitda margin</i>	<i>79.4%</i>	<i>77.5%</i>		<i>190 bps</i>

1. Without IFRS 16

Business Information

	N° of stores		Total sales area (m ²)		Occupancy rate	
	12M19	12M18	12M19	12M18	12M19	12M18
Cencosud Shopping	33	33	350,788	344,437	99.1%	99.4%
Torres ¹	n.a.	n.a.	65,000	15,000	49.7%	97.8%
Non IPO locations	2	2	5,620	5,620	96.2%	95.7%
Chile	35	35	421,407	365,057	91.5%	99.3%
Cencosud Shopping	4	4	11,367	11,367	95.0%	97.4%
Non IPO locations	n.a.	n.a.	46,176	46,176	n.a.	n.a.
Colombia	4	4	57,543	57,543	95.0%	97.4%
Cencosud Shopping	3	3	20,279	20,279	95.7%	94.3%
Non IPO locations	3	3	54,116	54,116	99.7%	99.9%
Peru	6	6	74,395	74,395	98.6%	98.4%
Argentina	22	22	277,203	277,203	96.5%	97.8%
Total Shopping Centers	67	67	830,548	774,197	94.0%	98.5%

1. Las Torres are part of the IPO and are included in the 33 locations as the Costanera Center Complex.



Financial Services

Profit

CLP MM	12M19	12M18	Var. %	Var. % local currency
Chile	0	0	0.0%	0.0%
Argentina	141,120	162,502	-13.2%	39.9%
Brazil	3,797	3,133	21.2%	19.1%
Peru	14,368	78,135	-81.6%	-82.9%
Colombia	10,478	5,175	102.5%	107.1%
Total revenue	169,762	248,946	-31.8%	2.5%
Chile	0	7	-101.8%	-101.8%
Argentina	86,557	102,083	-15.2%	35.7%
Brazil	3,797	3,133	21.2%	19.1%
Peru	6,371	34,499	-81.5%	-82.8%
Colombia	10,478	5,176	102.4%	107.1%
Gross profit	107,202	144,898	-26.0%	9.7%
Administration and sales expenses	-25,227	-44,989	-43.9%	-18.0%
Operating profit	81,975	99,909	-18.0%	22.2%
Equity in income of affiliates	13,011	19,433	-33.0%	-
Depreciation and Amortization	131	-	-	-
Adjusted Ebitda	97,054	120,011	-19.1%	14.0%
<i>Adjusted Ebitda margin</i>	<i>57.2%</i>	<i>48.2%</i>		<i>896 bps</i>

Financial Indexes

Chile	4T19	3T19	2T19	1T19	4T18	3T18	2T18	1T18
Outstanding debt (CLP MM)	1,270,535	1,211,923	1,205,016	1,182,770	1,161,526	1,054,943	1,021,035	996,412
Provisions over nonperforming loan portfolio	2.5	2.0	2.4	2.5	2.5	2.7	2.8	2.8
Outstanding debt >90d (%)	3.0%	3.5%	2.8%	2.5%	2.5%	2.5%	2.3%	2.2%
Gross write-downs (CLP MM) ²	115,189	81,162	49,482	24,159	85,703	62,333	40,826	19,795
Recoveries (CLP MM) ²	20,054	16,030	10,389	5,000	18,665	13,908	8,553	3,654
Net write-downs (CLP MM) ²	95,135	65,132	39,092	19,159	67,038	48,425	32,273	16,140
Annualized net write-downs/ Term average balance (%)	15.8%	10.9%	6.6%	6.5%	6.4%	6.4%	6.4%	6.5%
Renegotiated portfolio (%)	12.2%	10.0%	9.6%	8.6%	7.9%	7.9%	7.0%	6.4%
% of Credit Card Sales in relation to total sales								
Supermermarkets	8.9%	9.3%	9.1%	8.9%	9.4%	9.7%	9.9%	9.1%
Department Stores	33.5%	31.6%	31.7%	27.8%	31.6%	30.7%	31.5%	27.7%
Home Improvement	15.6%	14.8%	15.3%	15.2%	17.1%	16.4%	16.7%	15.6%
Argentina	4T19	3T19	2T19	1T19	4T18	3T18	2T18	1T18
Outstanding debt (ARS M)	13,404,714	12,662,725	11,715,409	11,306,472	11,524,771	12,278,726	13,054,240	12,453,907
Provisions over nonperforming loan portfolio	1.2	1.7	1.4	1.0	1.0	1.0	1.3	1.7
Outstanding debt >90d (%)	5.4%	8.9%	8.3%	8.2%	6.5%	5.4%	3.8%	2.4%
Gross write-downs (ARS M) ²	1,983,337	1,150,470	859,081	465,262	1,313,090	830,745	427,760	188,131
Recoveries (ARS M) ²	662,279	476,468	281,386	123,681	280,977	177,786	100,645	48,160
Net write-downs (ARS M) ²	1,321,058	674,002	577,695	341,581	1,032,112	652,959	327,114	139,971
Annualized net write-downs/ Term average balance (%)	10.9%	7.6%	10.1%	12.0%	8.4%	7.0%	5.2%	4.7%
Renegotiated portfolio (%)	4.9%	6.0%	7.0%	5.2%	5.3%	4.5%	3.3%	2.8%
% of Credit Card Sales in relation to total sales								
Supermermarkets	8.8%	7.2%	7.1%	7.1%	7.4%	7.7%	10.9%	11.1%
Home Improvement	19.3%	19.5%	21.4%	20.6%	19.8%	21.0%	25.5%	26.5%
Peru	4T19	3T19	2T19	1T19	4T18	3T18	2T18	1T18
Outstanding debt (PEN M)	913,778	862,094	855,825	849,782	840,281	755,806	726,238	675,856
Provisions over nonperforming loan portfolio	4.1	3.1	2.3	2.1	1.8	1.8	1.8	2.2
Outstanding debt >90d (%)	3.5%	3.7%	4.2%	3.9%	4.6%	4.9%	4.9%	3.6%
Gross write-downs (PEN M) ²	188,090	145,033	97,695	50,300	159,400	112,757	62,580	25,844
Recoveries (PEN M) ²	20,540	18,594	11,939	6,445	24,427	17,989	11,428	5,551
Net write-downs (PEN M) ²	167,550	126,439	85,756	43,855	134,972	94,769	51,152	20,293
Annualized net write-downs/ Term average balance (%)	19.5%	19.8%	20.1%	20.7%	18.4%	17.9%	14.9%	12.2%
Renegotiated portfolio (%)	3.8%	3.6%	2.5%	1.3%	0.5%	0.6%	0.6%	0.6%
% of Credit Card Sales in relation to total sales								
Supermermarkets	12.5%	11.9%	12.4%	12.0%	12.8%	12.9%	13.4%	12.9%

Department Stores	34.1%	38.5%	37.8%	38.7%	35.0%	41.4%	40.7%	39.5%
Brazil¹	4T19	3T19	2T19	1T19	4T18	3T18	2T18	1T18
Outstanding debt (BRL M)	556,071	514,052	507,514	498,019	536,465	523,096	544,536	531,338
Provisions over nonperforming loan portfolio	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.7
Outstanding debt >90d (%)	4.8%	5.7%	5.9%	4.0%	4.8%	6.0%	7.2%	5.8%
Gross write-downs (BRL M) ²	107,992	88,764	64,591	34,082	107,838	80,321	54,686	26,757
Recoveries (BRL M) ²	7,877	5,669	4,271	1,898	18,482	10,939	8,876	7,052
Net write-downs (BRL M) ²	100,115	83,095	60,320	32,184	89,356	69,382	45,811	19,705
Annualized net write-downs/ Term average balance (%)	19.5%	21.8%	23.5%	25.0%	16.7%	17.2%	16.9%	14.5%
Renegotiated portfolio (%)	1.2%	2.1%	2.2%	3.0%	2.9%	2.6%	2.0%	1.4%
% of Credit Card Sales in relation to total sales								
Supermermarkets	29.5%	30.7%	29.1%	29.3%	31.6%	33.1%	34.6%	32.9%
Colombia	4T19	3T19	2T19	1T19	4T18	3T18	2T18	1T18
Outstanding debt (COP MM)	900,707	854,570	847,131	835,730	860,388	838,670	834,699	831,233
Provisions over nonperforming loan portfolio	3.1	3.1	3.2	3.0	3.0	3.0	2.7	2.7
Outstanding debt >90d (%)	2.6%	2.8%	2.9%	2.6%	3.0%	3.0%	3.0%	2.7%
Gross write-downs (COP MM) ²	90,659	68,101	45,229	24,581	94,041	69,873	46,304	24,152
Recoveries (COP MM) ²	2,293	1,773	1,262	656	3,489	2,963	2,264	1,311
Net write-downs (COP MM) ²	88,366	66,328	45,178	23,925	90,552	66,910	44,040	22,841
Annualized net write-downs/ Term average balance (%)	10.4%	10.4%	10.7%	11.4%	10.8%	10.7%	12.7%	10.9%
Renegotiated portfolio (%)	2.3%	3.0%	3.2%	3.9%	4.0%	3.4%	4.1%	3.5%
% of Credit Card Sales in relation to total sales								
Supermermarkets	18.2%	17.4%	17.1%	15.0%	15.5%	15.7%	18.1%	16.2%
Home Improvement	11.4%	10.6%	9.4%	10.2%	9.4%	10.8%	9.6%	8.7%

1. Only includes GBarbosa.

2. Accumulated at the close of each quarter.

Investor Relations

Cencosud has an investor relationship area that focuses on keeping the investors (shareholders and creditors) informed and in touch with the Company. It has a team dedicated primarily to this task.

In addition, Cencosud has a webpage specially dedicated to giving useful information to investors regularly (investors.cencosud.com). The Company's financial information, the quarterly and annual Financial Statements, prospectus of issued bonds, and the Integrated Annual Report, as well as information related to the Corporate Governance of Cencosud and its shares, among others, can be found there.

Contact with investors and market agents

During 2019, the Company carried out several activities to keep its investors informed, such as attending national and international conferences, visits and telephone calls with analysts and investors, and corporate presentations.

Stock-market information

Cencosud's shares are traded in the Chilean Stock Market (Santiago Stock Exchange and Electronic) under the mnemonic CENCOSUD. The following chart summarizes the transactions between January 1st, 2018, and December 31st, 2019:

Year	Term	N° traded shares	Total traded amount ¹ (MM\$)	Average price (\$)
2019	1T19	268,213,314	344,763	1,270
	2T19	303,447,154	396,006	1,297
	3T19	205,967,442	255,312	1,251
	4T19	212,152,963	221,685	1,054
2018	1T18	220,563,665	406,249	1,848
	2T18	221,189,161	387,723	1,757
	3T18	160,353,728	258,024	1,614
	4T18	349,600,587	512,407	1,493

1. Calculated by multiplying the total number of traded shares by the average Price for the term. Source: Bloomberg

Returns

Dividend policy

The policy for the distribution of dividends used by Cncosud S.A. establishes the payment of 30% of the distributable net profit. In addition, regarding Notice N° 1945 of the Securities and Insurance Commission (SVS) –currently the Commission for the Financial Market (CMF)-, the Board of Directors agreed on October 29th, 2010, that the distributable net profit for the tax year 2010 and those that followed will appear in the financial statements as the income for the year attributable to parent, excluding the unrealized result due to fair value reevaluation of the investment property, net of deferred tax.

The Company makes a provision at the end of every tax year of 30% of its income, minus the provisionally distributed dividends in accordance to Act N° 18,046, as the minimal dividend. This is due to the fact that this law mandates the distribution of at least 30% of the tax year's financial results, unless the Board of Shareholders, with unanimity of the issued voting shares, stipulates otherwise. The dividends to be paid are proposed by the Board of Directors and approved by the Board of Shareholders. The following table shows a list of the dividends paid by the Company from the year 2012 onwards:

Type of Dividend	Payment Date	\$/share	Charged against yearly income
Final	05-13-2019	10.0000	2018
Extra	05-14-2018	45.00000*	2017
Provisional	11-13-2017	20.00000	2017
Extra	05-17-2017	30.00000	2016
Provisional	12-07-2016	20.00000	2016
Final	05-17-2016	10.00000	2015
Contingent	05-17-2016	50.00000	Previous years
Provisional	12-04-2015	16.00000	2015
Final	05-13-2015	20.59906**	2014
Provisional	12-03-2014	8.00000	2014
Final	05-15-2014	20.59906**	2013
Provisional	12-10-2013	8.00000	2013
Final	05-04-2012	23.52339	2011

* Accounts for the payment of the provisional dividend at \$20/share

** Accounts for the payment of the provisional dividend at \$8/share

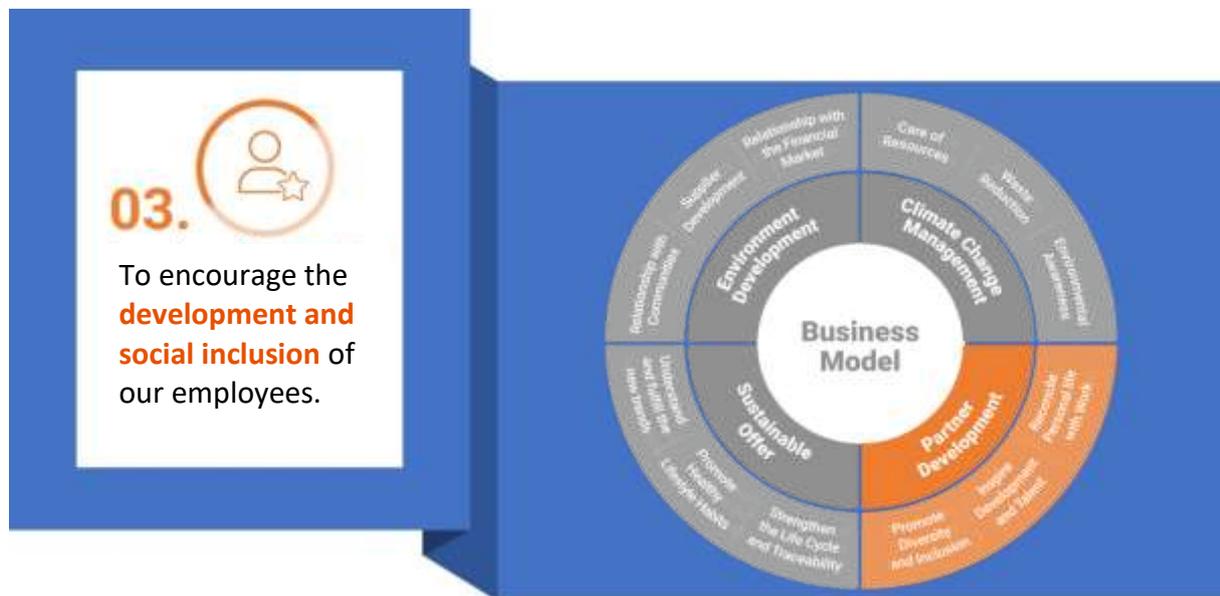
COMMITMENT WITH EMPLOYEES



Employees as ambassadors of Cencosud's culture

GRI: 103-1; 103-2; 103-3

For Cencosud, its employees are culture ambassadors, they are the ones who interact with the Company's customers and deliver the best quality service.



Material Issue – Employee development

The customers are at the core of Cencosud's business model. However, to be able to fulfill its value promise it is essential to have a culture that promotes and moves the Company along those lines. That is why, in order to achieve this goal it is indispensable to have employees that are motivated and committed to delivering quality service to the customers. This is how it has advanced in the promotion and management of a business environment in which fair and safe work and respect towards diversity are promoted. Therefore, the Company is interested in attracting and retaining the best talent and in looking for young people who are committed to managing a sustainable business model.

Management approach

Definition

The development of its employees is a material issue for Cencosud and it includes the guiding principles that govern the relationships of the Company with all of them and which are expressed in its different policies and guidelines. It also takes into account everything that is related to the activities that promote the integral development of its employees and that allows them to work feeling respected and supported. All of this encourages an environment in which they can develop their abilities to their full potential. The Company wants all its employees to feel proud of being part of Cencosud. It also wants them to promote a working environment where trust, mutual respect, and inclusivity prevail.

SDGs affected



Stakeholders affected

- Employees
- Community
- Investors

Key aspects taken into consideration for the management of this material issue

- Diversity and inclusivity
- Cencosud’s culture
- Talent development and management

Motivation

The employees are key for the proper operation of any company. That is why their improvement and the provision of spaces that allow the development of their full potential are essential for the sustainability of the business. The appearance of new technologies, and the ever-changing habits and needs of the consumers, demand constant training to be able to have the necessary skills the Company requires. Additionally, processes to attract and keep talent become necessary in order to have diverse and inclusive teams that are able to understand the new consumers.

How is this managed?

One of the pillars of the Company’s Sustainability Strategy is the Development of Employees and three lines of work are considered for this: promoting diversity and inclusivity, inspiring the development of talent, and encouraging initiatives and programs that allow a balance between work and personal life.

Main numbers



Diversity and Inclusivity

GRI 102-8

Cencosud has a Diversity and Inclusivity Policy because the Company wants all their operations to become spaces of development for its people, with an environment that is respectful and free of discrimination. This policy gives the guidelines for treating all the employees and customers with respect so that they can feel valued and supported.

Personnel compared by gender and type of position

Personnel	2019	%	2018	%	2017	%	2016	%
Compared by gender								
Women	63,705	50.9%	67,779	50.6%	68,488	50.4%	69,627	50.4%
Men	61,564	49.1%	66,067	49.4%	67,333	49.6%	68,533	49.6%
Total	125,269	100.0%	133,846	100.0%	135,821	100.0%	138,160	100.0%
Compared by type of company								
Holding	1,167	0.9%	1,316	1.0%	1,326	1.0%	1,163	0.8%
Subsidiary	124,102	99.1%	132,530	99.0%	134,495	99.0%	136,997	99.2%
Total	125,269	100.0%	133,846	100.0%	135,821	100.0%	138,160	100.0%
Compared by type of position								
Managers and senior executives	356	0.3%	361	0.3%	383	0.3%	374	0.3%
Professionals and technicians	16,026	12.8%	20,663	15.4%	18,961	14.0%	17,841	12.9%
Workers	108,887	86.9%	112,822	84.3%	116,477	85.7%	119,945	86.8%
Total	125,269	100.0%	133,846	100.0%	135,821	100.0%	138,160	100.0%
Women by type of position								
Managers and senior executives	76	0.1%	74	0.1%	93	0.1%	81	0.1%
Percentage of women in relation to total number in the position	21.3%		20.5%		24.3%		21.7%	
Professionals and technicians	6,923	10.9%	9,737	14.4%	7,901	11.5%	8,438	12.1%
Percentage of women in relation to total number in the position	43.2%		47.1%		41.7%		47.3%	
Workers	56,706	89.0%	57,968	85.5%	60,494	88.4%	61,108	87.8%
Percentage of women in relation to total number in the position	52.1%		51.4%		51.9%		50.9%	
Total	63,705	100.0%	67,779	100.0%	68,488	100.0%	69,627	100.0%

Employees with a diagnosed disability (%)	2019	2018
Women	0.76%	1.41%
Men	1.16%	2.06%
Total	0.96%	1.73%

Cencosud's Culture

The Company promotes and manages an organizational culture with its customers and employees at its core. To this end, it makes a daily effort to be the best employer in the industry, believing strongly that having leaders that are close, inspiring and humble leads to employees that are committed and willing to give its in-person and online customers a great experience.

Model of six core competences

All personal interactions are linked to Cencosud's DNA, represented in a six core competences model.



In my mind, the customer always comes first



Strong cultures centered on the people



Individual talent at the disposal of the team



Owner mentality



Constant challenge and development



Cencosud delivers and moves forwards

In my mind, the customer always comes first

	<ul style="list-style-type: none"> • Cencosud improves its customers' quality of life through memorable shopping experiences; • It serves the customer with dedication, making them feel special, surprising them with its innovation, and opportunely solving their problems; • It acts with the firm belief that employees are domestic customers.
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Strong cultures centered on the people



- The Company promotes a culture where the people always act with their coworkers in mind;
- It takes care to build work atmospheres that promote trust and happiness;
- Cencosud is a leading figure and active participant in training activities;
- It takes charge of its development, asks for feedback, fulfills its action plans and knows its policies;
- It values and promotes diversity;
- It leads with closeness and inspiration; it always aspires to attract, keep, develop and promote talent.

The individual talent at the disposal of the team



- It promotes teamwork and collaboration with other areas;
- It sets collective objectives over individual ones;
- It addresses all problems by making itself part of the solution, proposing alternatives to solve and move forwards.

Owner mentality



- Takes care of its customers, teams, suppliers, resources, goods, places and work elements;
- It seizes challenges, fulfills its commitments, and always takes responsibility for its actions in an ethical way;
- It promotes productivity and efficiency, protecting the reputation and sustainability of its brands.

Constant challenge and development



- It builds transparent and reliable brands that are in sync with their surroundings, society and their stakeholders;
- It challenges the *statu-quo*, provoking change and innovation in its businesses;
- It develops trends and pairs them with effectiveness, speed, and flexibility.

Cencosud delivers and moves forwards



- It fulfills its quantitative and qualitative goals, regardless of them being set down as KPIs or not;
- It fulfills its promises and takes charge;
- It makes decisions based on the reality of the business, in touch with its results, commitments, and financial situation.

Management and development of talent

GRI: 401-1; 403-2; 403-3; 404-1; 404-2; 404-3; 405-1; 407-1; 401-1; 412-1

Employer Branding strategy

- During 2019, the Company tried to position Cencosud's employer branding. This was carried out through a strategy that was coherent with the management of the internal environment, taking care of and sharing its external talent, the experience of working in the companies of the Cencosud group, and the appeal the Company holds as a place to work.
- It strengthened its activities to attract talent and foster loyalty in its employees through LinkedIn, reaching almost 500,000 followers in Cencosud's account.
- During this period, it received more than 360,000 applications and was placed among the 100 companies that attract and retain the highest amount of talent in the Merco Talento ranking in Argentina, Chile, Peru, and Colombia.

Innovation and optimization

- It managed the best experience and productivity in its processes of selection and development of organizational talent.
- During 2019 it consolidated in the same management platform the processes of domestic recruitment, training, working environment management, performance management, and succession management for the whole region, with the purpose of streamlining the domestic experience.
- It also launched self-service portals for all its employees in Chile and Argentina, which allowed the simplification of daily operations regarding receipts of salary, certificates, holiday requests, among others.

Career plans

- It has career plans that are a guideline for the development and participation of the employees of Cencosud's companies to face the current and future challenges of the business, strengthening the employment's value proposal.
- In 2019, more than 32,000 people took on new responsibilities or rose internally due to the different development programs available in the Cencosud companies and which are supported by strong systems of career and succession planning.

Talent Review

- The Talent Review (TR) management guarantees that all its companies have the appropriate human capital to face the challenges of their business. Based on the performance results, the executives are mapped according to their performance and potential, and according to the needs and emergencies of the business. The TR is an open collegiate debate about performance (looking backwards) and potential (looking forwards) in terms of homogeneous groups of executives that allow, in practice, to understand and align the “talent stock” that Cencosud has for all its companies.
- In it, the human capital of the leadership positions is measured and agreed on from the perspective of historic performance / developmental potential of the senior executive. Short and long term career moves are planned, including succession plans if necessary in order to define specific actions to cover possible gaps in talent.

Percentage of employees that receive regular performance appraisals	Argentina	Brazil	Chile	Colombia	Peru
2017	98%	20%	84%	18%	36%
2018	96%	21%	83%	19%	88%
2019	96%	41%	86%	18%	95%

Successions

- Cencosud’s succession method allows the identification of potential successors and their development, so that the key roles are covered quickly and with talented people, ensuring the sustainability of the business.

Personal development

- Each one of Cencosud’s companies has development curriculum maps that promote the growth and education of its people.
- It looks for better employees and better people by making available for them training programs on topics related to the strengthening of Business Strategy, Cencosud’s Culture and DNA, Leadership, Ethics and Sustainability, Customer Experience, Personal and Family Development, among others.
- During 2019, this was reflected in a total of 1,758,710 hours of imparted training or in the almost 112,684 employees trained in the whole region, 37% of which correspond to in-class training and 63% to e-learning.
- Cencosud has an internal platform called Campus Cencosud, which allows all its employees to get online training. E-learning courses about Sustainability, Human Rights, and Inclusivity topics are offered there. They are available in Spanish and Portuguese and with subtitles in both languages.
- More than 81% of the employees received training through this platform, increasing the numbers to an average 4.5 hours per person in e-learning.

- Training of directors and employees regarding issues of ethics and integrity.
- Mandatory courses for the whole Company are carried out through the e-learning modality as a way of modeling the commitment to good practices according to Cencosud's mission and principles. These contents are part of the Onboarding Program and the Ethics Strengthening Program at a regional level.
 - Cencosud's Code of Ethics: extended version addressed to directors, executives, leaders, and individual employees;
 - Cencosud's Code of Ethics: simplified version addressed to individual employees in all operations;
 - Ethical challenges: using everyday examples, this course tries to periodically strengthen the importance of acting correctly and honorably.

Work Environment

- Promoting work environments based on trust and respect is essential to produce happiness in the employees and offer memorable experiences to the customers. That is why the work environment in the whole Company started being measured eight years ago. In 2019 a new model of work environment management was developed, answering the needs of Cencosud's businesses.
- This new survey, 100% internal and confidential, allows the gathering of the employees' satisfaction index throughout their whole life experience in Cencosud. Based on that, the Company can continue creating environments that promote its talents' happiness and commitment to achieving the common goals.
- In addition, eight of the companies of the Cencosud Group were recognized in the Great Place To Work (GPTW) ranking in 2019: six in Argentina, one in Chile, and one in Brazil. Moreover, the Supermarkets Division in Brazil received nine regional recognitions in the GPTW ranking in Brazil.

Actions carried out during 2019 to support employees during the contingency:

- Means were activated for the employees to work from their homes;
- The network of shuttle buses was increased;
- Reduced opening hours were established to ensure that employees could get home safely;
- Support campaigns were carried out in stores where the employees were able to do their jobs in locations near their homes so that they did not have to travel too far.

Unionization

	2019	2018	2017	2016	2015
Argentina					
Total staff	21,929	23,297	24,332	24,918	25,590
Unionized staff	10,183	10,792	11,347	11,622	11,239
Percentage of unionized staff	46.44%	46.32%	46.63%	46.64%	43.92%
N° Unions	2	2	2	2	2
Brazil					
Total staff	24,040	26,047	26,644	28,340	30,315
Unionized staff	1,509	1,548	1,515	1,207	1,234
Percentage of unionized staff	6.28%	5.94%	5.69%	4.26%	4.07%
N° Unions	75	75	76	87	73
Chile					
Total staff	53,470	56,861	57,156	56,432	55,807
Unionized staff	40,214	40,371	39,961	40,221	37,240
Percentage of unionized staff	71.67%	71.00%	69.92%	71.27%	66.73%
N° Unions	122	118	113	114	110
Colombia					
Total staff	12,283	13,072	13,364	13,980	14,796
Unionized staff	7,157	6,410	6,944	6,285	6,253
Percentage of unionized staff	58.27%	49.04%	51.96%	44.96%	42.26%
N° Unions	3	2	2	2	2
Peru					
Total staff	13,547	14,569	14,325	14,490	13,966
Unionized staff	423	547	756	402	183
Percentage of unionized staff	3.11%	3.75%	5.28%	2.77%	1.31%
N° Unions	1	1	1	1	-

The distinctive features of each country in which the Company is present are detailed below:

Country	Highlights of Labor Relations
 <p>Chile</p>	<ul style="list-style-type: none"> The employer cannot give benefits on a unilateral basis; During 2019, collective bargaining processes were carried out with several trade unions and which involved approximately 40% of the work force of the business units; These changes are not considered in the collective contracts, but they are covered by the law. The Company's policy is to respect 100% the Independence of the trade unions, respecting their directors, members, and all their activities.
 <p>Argentina</p>	<ul style="list-style-type: none"> Labor relations are regulated by the National Parity Commission. Until now and by the Government's decree there is a bonus proportional to the hours worked. There was a change in Governance 12/2019 - DNU regarding the payment of double indemnity; Sindicalization: the majority of the employees are associated to the trade union (the only collective agreement for all the employees). At the same time, a large amount of these collaborators have joined the union. There is also union representation of the senior staff (staff not included in the Trade Union), who do not have a collective agreement, but it does have legal status as a union with simple registration; Progress in 2019: only one collective negotiation was carried out in which raises from May, 2019, to March, 2020, (May, July, September, November, January, March) were agreed on. Argentina's Labor Contract Law considerably limits the changes in employment contracts. For collective changes, a previous negotiation must be made with the union and the worker, and this has to be homologated by the Ministry of Labour. Individual modifications can be made by mutual agreement with the employee, the company and the union, without having to homologate it first. There is no minimum time limit for any of these situations; The Freedom of Association and collective negotiation are regulated; it is not only provided for in the Union Association Act, but also in the National Constitution. This can clearly be seen since 83.33% of the employees are Under Agreement and enjoying the benefits and freedoms that the regulations allow them.

 <p>Brazil</p>	<ul style="list-style-type: none"> • During 2019, less than 6% of the employees were part of the trade unions, but Brazilian legislation establishes that all the employees represented by or associated to the trade union are covered by the regulations of the CCT (Collective Labor Agreements). Therefore, the 24,886 employees are protected by the CCTs; • There are no minimum time limits in Brazilian law or in the CCTs for operational changes, therefore, the Company may alter them at any time; • The Company does not pose as a threat to the employee’s right to exercise free association. Each individual employee exercises their right to join the trade union or not.
 <p>Colombia</p>	<ul style="list-style-type: none"> • To regulate labor relations, the Company uses as ethical and regulatory framework the honest work according to the terms established by the ILO. Likewise, it accepts, recognizes, and commits itself to fulfill in their entirety the points stated in conventions 87, 98, 135 and 154 of the ILO; • In 2019 there was a collective covenant negotiation. This took place between May and June, and it was because that year a new union was created (SINALTRACOM) in the country; • There were no regulatory changes related to shifts, schedules, among other, in 2019; • In the Collective Convention the freedom of association and collective negotiation are established; the right to free association is respected there.
 <p>Peru</p>	<ul style="list-style-type: none"> • The employer has the power to give benefits on a unilateral basis because it is a minority union. The extension of benefits in a collective negotiation to non unionized workers will require a previous agreement between employer and unions; • 3.1% of the employees are part of the only union formed in 2013. During 2019, the Collective Negotiation was taken up again, this time to reach an agreement regarding the Terms of Claims 2019-2020, which is still being negotiated. The Company views this as one of its priorities, which is why it is continuously working to build a good relationship both with its employees and with the union; • There have been no pacts made regarding this issue in the collective agreements; • One of the Company’s premises is to guarantee the right to exercise the freedom of association and of collective negotiation; however, it has not carried out support activities. Regarding employees in general (whether they are affiliated to the trade union or not) it follows a policy of transparency and equality.

Formal health and safety committees between worker-company

Country	Worker-Company Committees
 <p>Chile</p>	<ul style="list-style-type: none"> • There are 397 stores that have joint committees. These hold monthly meetings and are formed by 12 people (six incumbents and six substitutes), represented by the administration of each store and the workers elected by vote every two years. In total, there are approximately 4,764 people who form part of these committees in Cencosud. 52,14% of these committees are certified by the Mutual Insurance Company; • 95% of the workers are controlled by the joint committees.
 <p>Brazil</p>	<ul style="list-style-type: none"> • There are health and safety committees in the organization. According to the law, there must be formal worker-company committees called “CIPA” in all shops with 50 or more workers. The companies with fewer workers must have a representative.
 <p>Colombia</p>	<ul style="list-style-type: none"> • Up to 2019 there were 81 Joint Committees on health and safety in the workplace. The percentage of employees whose work or workplace is controlled by them is of 100%.

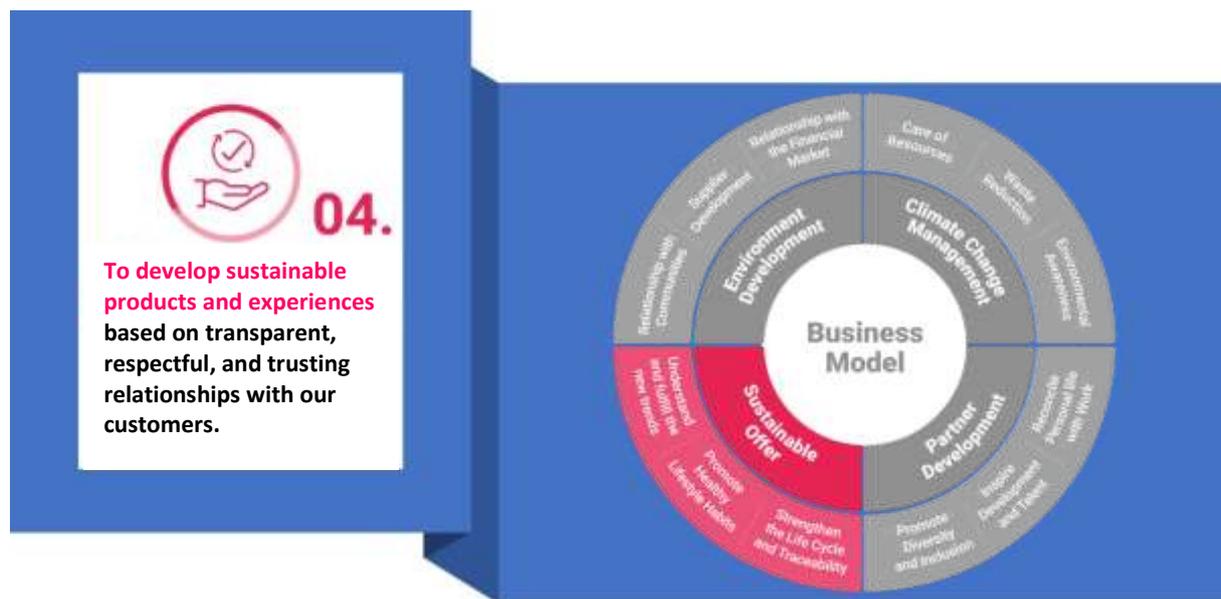
SUSTAINABLE OFFERING FOR CUSTOMERS



Sustainable Offering

GRI: 103-1; 103-2; 103-3; 417-1; 417-2; 417-3; 418-1

Cencosud is aware of the unprecedented challenges it is facing in economic, environmental, social, and cultural matters. The Company wants to deal with them and it is sure that the way to do so is through the integration of sustainability to the business model, which is key to transform challenges into opportunities and to mitigate risks. This allows the Company to develop its business in balance and harmony with the interests of its customers, employees, investors, suppliers, and shareholders, among others.



Material issue – Life cycle and traceability of the goods

- The traceability of goods consists of the tracking of the chain of production, which includes the necessary logistics for their supply and distribution. That means, it follows the products from their origin to when they reach the customers;
- Knowing the traceability of the goods offered by Cencosud is an essential process to foster the Company's commitment to a sustainable operation. This allows Cencosud to fulfill its promise and deliver the best quality products, with an excellent service, and giving the customers information that is timely and transparent;
- The management of this material issue allows the Company to keep the high quality standards that characterize it and that are part of the distinguishing features of its value proposition.

Management approach

Definition

This material issue contains everything related to the delivering to Company's customers goods that are of high quality, safe, and that come from a sustainable chain of production. This means keeping Cencosud's promise to the customer.

SDGs affected by the management



Stakeholders affected

- Customers
- Investors
- Community
- Suppliers
- Shareholders

Key aspects taken into consideration for the management of this material issue

- Responsible Supply
- Traceability

Motivation

Customers are increasingly more aware of what they consume, and that is why they demand more transparency from the part of the companies regarding the value offering they deliver. Cencosud is very aware of the impact its operation generates, as well as the demands of its customers and stakeholders due to this effect. That is why it takes care of measuring, managing, and mitigating this impact in order to keep the trust and transparency of its operation in all its business units and in all the countries where it operates.

How is this managed?

Cencosud manages this material issue through one of its pillars of sustainability, Sustainable Offering, acting upon the following lines of work: to understand and satisfy the new trends of the consumers, to promote healthy habits, and to improve the life cycle and traceability of the products.

During 2019, Cencosud started working on this issue through the traceability of the goods of its suppliers. This involved the need for certifications, as well as the need for more awareness of traceability. This way, it can be guaranteed that its supplies contribute to mitigate and generate the lowest possible impact.

The Company wants that, in the middle term, 20% of its supermarket sales come from goods that have certifications related to the life cycle of the product, which includes sustainability standards.

Main Certifications

Certification	Logo	Detail
Rainforest Alliance		This certification applies to all grain products and the production of cattle, fallow land, and natural ecosystems.
Global G.A.P.		It is a certification that measures good practices in agriculture and has a certification for fruit and vegetables, for aquaculture products, for grain crops, for flowers and ornamental plants, for beef cattle and dairy cattle.
Organic (USDA / EU / SAG / Others)	  	Certifications that apply to meat, cotton, dairy products, eggs, fish and seafood, fruit, goats, lambs, nuts, pigs, chicken, rabbits, and other specialty products, tobacco, vegetables, wool and mohair.
Fair Trade		It is a seal that has as main principles: social development focused on small businesses that can enter the market or contractors that ensure their employees' health and safety. Economic development, where a minimum fair price is set that allows the payment of the costs of a sustainable production or a premium that must be focused on improving workers' lives. Environmental development, with emphasis on improving environmental practices in agriculture. Prohibition of forced or child labor. It is focused on small business organizations and on farm workers of the poorest countries in the world.
NON- MO Project GMO free		These certifications are focused on seeds and other propagation material, products for consumption or for skin application, such as food, ingredients, supplements, and personal care articles, such as lotions, soaps, balms, and make-up, over-the-counter medications including homeopathic medicine, cattle feed and supplements, products not for consumption or skin application, such as packaging, cleaning and textile products and pet food.
MSC (Marine Stewardship Council)		Certification for fisheries that ensure the continuity of the fish population in the places where they operate, that minimize the environmental impact they generate, and that have an effective management. They have standards for the chain of custody and the production of seaweeds.
ASC (Aquaculture Stewardship Council)		Certification for companies that produce, through agriculture, abalones, bivalve, fresh water trout, swai, salmon, greater amberjacks and cobia, prawns, tilapia, seaweeds, and the food for these species.
Dolphin Safe Fishing		Protects dolphins, whales, and the oceanic environment. They are pioneers in the "Dolphin Safe" standards for fishing tuna, which applies to the fishers of yellowfin tuna because their shoals tend to swim below groups of dolphins.
Certified Humane (Animal Welfare)		These are animal welfare standards for the production of beef cattle, chicken, laying hens, dairy cattle, goats, pigs, sheep, turkeys, and young dairy cattle. In addition, they have standards for dressing (abattoir) for cattle, pigs and sheep.

Certification	Logo	Detail
Roundtable on Sustainable Palm Oil		Certification that sets standards for the production of palm oil, which is used in many products in the food industry. It protects the workers, the environment and the fauna affected by the palm plantations.
Forest Stewardship Council		Certification for forestry companies. They can join when they purchase certified products, which means that they come from certified plantations. It applies to any type of forest.
Programme for the Endorsement of Forest Certification		Forestry certification system that seeks to ensure that forests around the world are managed responsibly, and that their multiple functions are protected for future generations.

Value chain

During 2019, and as a part of the Company's Sustainability Strategy, a series of sustainable audits to suppliers were carried out with the purpose of developing a system of traceability of their products. This allows the competitive positioning of Cencosud in relation to the great companies of the industry, and to minimize the possible risks of the Company.

Parallel to this, Cencosud worked on the creation of a *Supplier's Code* to promote the standardization of those commitments throughout all its business units. The implementation of this code has been planned for 2020.

Supermarket Division

With the aim of boosting sustainable initiatives throughout the value chain, the *Handbook of Sustainable Supermarkets* was implemented during 2019. This set action guidelines based on the following principles:

- **Responsible supply:** it aims at making sure that the offering of goods has been generated in decent working conditions, fostering the alignment of the purchasing process with the good practices of *Fair Trade* and, in this way, supporting sustainability with its strategic allies. This allowed the Company to make progress in initiative such as:
 - Endorsement of the regional supply standards of the Company;
 - Mapping of suppliers, identifying state and profile in relation to good practices and sustainability certifications;
 - Designing of an action plan together with specialists from Universidad de Concepción to train and advise the suppliers located in areas of hydrological risks;
 - Developing a map of the certifications related to the suppliers of perishable goods and promoting them strategically.
- **Sustainable production:** to incorporate suppliers with sustainable features and the selection of the most environmentally friendly raw materials.
- **Sustainable consumption:** to ensure customer satisfaction at all times through a process of continuous improvement, staying on top of the preferences of the consumer and educating in an environmental culture.

Sustainable Supermarkets Strategy		
		
Sustainable supply	Sustainable production	Sustainable consumption
<ul style="list-style-type: none"> • Working Conditions • Human Rights • Health and Safety • Environment • Ethical Practices 	<ul style="list-style-type: none"> • Resource efficiency • Research and Development (R+D) • Sustainable Agriculture • Employees Development • Corporate Citizenship 	<ul style="list-style-type: none"> • Sustainable offer • Customer satisfaction • Quality • Communication and Education

In the Supermarkets Division, Cencosud offers a wide range of sustainable goods to meet the global demand for sustainable food, environmental care, and social development. Below is a list of the different initiatives that aim at improving the Life Cycle and Traceability of the product offering:

		
Management	Initiatives	Results
Meats: beef, chicken, and pork	<ul style="list-style-type: none"> • Healthy chicken: increase the participation in the area of the category of chickens that are non-marinated and have no black labels. 	<ul style="list-style-type: none"> • This category represents 20% of the total sales of the Chicken category¹.
	<ul style="list-style-type: none"> • Organic products: to create a certified alternative of organic products for each protein product. 	<ul style="list-style-type: none"> • In 2019 there are organic beef and chicken alternatives. In 2020 there will be turkey, pork, and lamb organic alternatives.
	<ul style="list-style-type: none"> • Beef centralized manufacturing: to continue moving forwards with the standardization of these products' manufacturing centers. 	<ul style="list-style-type: none"> • Supply for the whole chain from Arica to Puerto Montt
	<ul style="list-style-type: none"> • Sustainable supply of beef and pork: a work plan will be established during 2020 to promote the supply that complies with the seal defined by the Company. 	<ul style="list-style-type: none"> • A Cencosud's Meat Suppliers' Code will be implemented in 2020.
Fish	<ul style="list-style-type: none"> • Blue seal, fresh fish: this seal certifies fisheries that promote responsible extraction as well as fight against illegal fishing. 	<ul style="list-style-type: none"> • 100% of the stores² that have fisheries have the Blue Seal Certification given by Sernapesca.
	<ul style="list-style-type: none"> • Alliance with WWF: gathering of supplier information with the purpose of ensuring responsible fishing. 	<ul style="list-style-type: none"> • 100% of the information was gathered in 2019. In 2020 progress will be made in the development of three fisheries.
Production	<ul style="list-style-type: none"> • Products without plastic: to continue eliminating the amount of plastic the Company uses, which contributes to reduce its presence in the ocean. 	<ul style="list-style-type: none"> • From the beginning of the project in June, 2018, the Company has managed to reduce the use of 19 tons of plastic.
Fruit, vegetables, and eggs	<ul style="list-style-type: none"> • Pineapple, bananas and rainforest: all the pineapples and bananas sold by Jumbo come from audited and certified fields or forests. 	<ul style="list-style-type: none"> • In 2020, formal communication with customers.
	<ul style="list-style-type: none"> • Promoting Free-range Hen: to become the only house brand in the national market that offers this category of free-range eggs and hens. 	<ul style="list-style-type: none"> • In 2019, Jumbo achieved a 25% participation in the total sale of free-range hens
	<ul style="list-style-type: none"> • Development of supplier Avícola Coliumo with eggs of free-range hens: company that measures and verifies its greenhouse gas emissions. 	<ul style="list-style-type: none"> • This supplier represents 15% of the amount of solar pannels installed in the Ñuble región, reducing GHG emissions.



Management	Initiatives	Results
	<ul style="list-style-type: none"> Development of a vegan line: this will allow to establish the Company's leadership. 	<ul style="list-style-type: none"> Tofu: in 2019 there are three big local suppliers that supply big supermarkets. Vegan cheese: there are two big local suppliers that supply big supermarkets.
Dairy	<ul style="list-style-type: none"> 100% recyclable packaging and biodegradable labels for yogurts and desserts: encourage the use of 100% recyclable and/or biodegradable containers and labels by suppliers. Promote free-range dairy products: add and promote products that are healthy, natural, and without chemicals with milk from free-range cows. 	<ul style="list-style-type: none"> In 2019, Nestlé started with this initiative in their yogurts. They expect to extend it during 2020. Dairy Farm was incorporated in 2019. The yogurt, butter, cheese, milk, and caramelized condensed milk (<i>manjar</i>) lines are expected to be promoted during 2020.

1. In Chile (Jumbo).
2. In Chile.

Customer experience

GRI: 103-1; 103-2; 103-3; 417-1, 417-2, 417-3, 418-1, 419-1

For Cencosud, its customers are at the core of its business model and it operates its business in such a way as to provide them with a memorable shopping experience. In the Shopping Center area, where its tenants are its customers, the Company establishes relationships of trust and interacts with them as strategic partners. The Company takes care to manage the shopping and services experience it gives to its customers and tenants. It focuses on achieving memorable experiences. In order to do this, it makes an effort to establish bonds of trust and to search for new ways of interaction.

Cencosud faces an environment that is dynamic, particularly volatile, and where the perception of its customers and tenants affects its results. This is a challenge because it adds new demands from its stakeholders, which the Company tries to answer as quickly and as efficiently as possible. The Company wants to have an emotional connection with its brand, and that requires keeping its trust. One way to achieve this is by giving its customers information that is timely and transparent.

Material issue – Customer interaction and experience

Management approach

Definition

This material aspect comprises everything that affects the customer's experience. This includes both all the things related to the quality and diversity of goods as well as their management.

SDGs affected



Stakeholders affected

- Customers
- Community
- Investors
- Suppliers

Key aspects taken into consideration for the management of this material issue

- Customer experience
- Satisfaction measurement

Motivation

The customers are at the core of Cencosud's business and, to be able to appropriately manage its relationship with them, it is important to have the tools that allow the measuring and accounting of their views. This way Cencosud can improve aspects that its customers view as important and, by doing so, fulfill its promise to them. This allows to attract new customers and to strengthen ties with the current ones, making it possible for the Company to have a middle and long-term sustainable business.

How is this managed?

To manage this relationship it is important to know how much the customers value the products and services that Cencosud provides them. With this in mind, satisfaction surveys are carried out each year. They give feedback that helps identify what needs to be improved and what is being done well and valued accordingly, and, therefore, must continue working that way. This also helps to bear in mind the challenges that the Company needs to keep working on to provide its customers with a unique experience.

Cencosud's *Code of Ethics* is the document that guides the interactions with the customers because it contains the guidelines to guarantee a fair and equitable treatment, always

encouraging mutually beneficial relationships. Among other aspects, it guides the interaction with its customers, the quality of its products and the excellence of its services.

Likewise, the *Sustainable Offering Policy* states the promotion of the development of sustainable relationships with the customers of all the Cencosud brands, where the features of each business unit are aligned with their commercial offerings, creating memorable experiences that reflect a high level of satisfaction.

Customer satisfaction

During the 2019 operations, the Company kept the use of mechanisms and channels to measure customer or tenant satisfaction through both qualitative and quantitative indicators according to the need of each business unit.

These were used to strengthen closeness and trust bonds with the stakeholders. In order to facilitate communication with customers, different support channels have been implemented at a regional level to give a more specialized attention depending on each customer's need.

The available channels are:

- Phone assistance (*call center*)
- In-person customer service
- Customer service e-mail
- Webpage
- Social Media
- Satisfaction Survey (NPS)
- Complaints book

Customer Service*	Number of complaints received	Number of complaints processed	Percentage of solved complaints
Chile	119,051	118,667	99.6%
Colombia	56,759	51,279	90.4%
Argentina	65,989	65,830	99.8%
Brazil	3,778	3,778	100.0%
Peru	5,412	4,960	91.7%
Total	250,989	244,514	97.4%

* Does not include the information of Department Stores, Supermarkets, and Shopping Centers Chile.

Customer service vía Call Center*	
Number of complaints during the period	209,080
Number of solved complaints during the period	200,474
Number of requests	303,636
Number of enquiries	1,051,127

* Does not include the information of Department Stores and Shopping Centers Chile.

In addition to the complaint calls, the Company also receives calls to place sales orders. During 2019, there were a total of 5,645,917 calls.

The commitment to deliver a memorable shopping experience is reflected in the NPS (*Net Promoter Score*) indicators in the different countries, which show a follow-up of the

customers' evaluation. This measurement allows the Company to find out the customers' assessment of its service, shopping experience, and attachment to the brands.

NPS*	2019
Chile	54.0
Colombia	27.0
Argentina	54.6
Brazil	36.5
Peru	43.0
Total	54.0

* Considers Supermarkets Chile and Home Improvement.

Index of customer's global satisfaction CADEM*			
2016	2017	2018	2019
82%	86%	88%	89%

* Source: Second evaluation "Customers's Shopping Experience Study," December, 2019, CADEM

Initiatives related to customer satisfaction

Country	   
<p>Colombia</p> 	<ul style="list-style-type: none"> Look for commercial strategies, such as advertising the brands present in the stores with visible ads near the entrances to the store, in parking lots, among others; Invite the dealers to participate in the store's activities.
<p>Argentina</p> 	<ul style="list-style-type: none"> Periodical meetings with areas and stores to update procedures and improve the customers' experience; Daily notifications for each management regarding the number of cases they have and, reminding them about their deadline regarding their answers; Improvements in the Siebel system which generate a better customer experience, providing the information needed instantly both in the call center and in person; To analyze the areas in which the higher number of incidents occur to try and identify a common indicator that will help find the root of the problem. This allows the education of the different areas regarding the handling of claims, the way of addressing customers, the information to provide, and what to do in a difficult situation.
<p>Peru</p> 	<ul style="list-style-type: none"> The complaints were used as opportunities of improvement and standardization, reducing the response times, managing adjustments, and standardizing processes; Improvement in the response time in the handling of claims, going from 25 to 15 days in the shopping centers in Peru.

Shopping Centers	
	
<p>Chile</p> 	<ul style="list-style-type: none"> This business area has customer satisfaction and experience measurements regarding the services offered by the shopping centers at a national level through the Index of Global Satisfaction, which is applied biannually. This measurement has allowed the strengthening of the most valued aspects and prioritizing the management of experience. In addition, the Company has a Digital Attention Desk for Customers, which is a platform that receives all the requests both from customers (MAC) and from tenants (MAS); The management of Social Media is used as channel of communication with customers. Through these platforms, which operate by brand, the Company provides information quickly and receives enquiries; In 2019, the Company achieved 89% of satisfaction regarding the tenants in shopping centers in Chile (this assessment included ten centers). The details are in the following table.

Shopping Centers



Colombia



- In 2019 evaluations were carried out using the “Mystery Shopper” technique, which measures and evaluated customer service through the study of mystery customers assigned according to the characteristics and the needs of each brand.

Argentina



- Quantitative indicators were evaluated using the Zendesk platform, taking as basis the number of tickets generated in the different channels and the number of achieved solutions. Likewise, the Company incorporated the installment of an NPE measuring point in Unicenter. During this period a 65% of customer satisfaction was achieved, evaluation which considered the areas of Operations and Telemarketing between the months of January and July, 2019.

Peru



- A Customer Satisfaction and NPS Survey was carried out in 2019. A 75% customer satisfaction was achieved during that period, taking into account the household appliances, decoration, sports and supermarket sales areas.

Safety and healthy eating habits

The customers and tenants’ memorable experience is also reflected in the delivery of products and services that are responsible regarding the safety of those products and services. This, besides fostering healthy habits, shows an approach based on accessibility, which promotes a healthy lifestyle.

Main initiatives



- In Chile, the regulation about food labeling and publicity (Act Nº 20,606) mandates the use of warning seals according to the nutrient composition. This has required a joint effort with Cencosud’s suppliers in order to comply with the datelines and legal stipulations.
- As part of their operational management, the Shopping Centers business unit finds it essential to have secure spaces. This is one of the main tasks in shopping centers and a constant concern for the operation, and for which different programmes in conjunction with civil society organizations were carried out. In addition, the crime prevention campaign was strengthened during 2019. During this period, the Company faced one of its biggest challenges regarding safety. That is why it incorporated, as part of the protocol associated to the social context, reinforcements to the security personnel in Chilean shopping centers. Also, the decision was made to close the operations in shopping centers (between 1 and 16 days depending on the context of each one). Later, and based on detailed analysis, they were gradually reopened, making sure they had security measures.



- There are quality processes and protocols, both for the imported and for the national products. The quality control area has procedures that help make sure that the products that are sold in the Wong and Metro stores comply with Cencosud's domestic rules and requirements. In order to avoid and mitigate any impact on health and safety, Cencosud has various systems and tools that help control the different business units. Among them are:
 - **HACCP pre-requisite systems:** implemented in stores in Lima and in provinces, it ensures the sanitary quality of the products and the health of the customers.
 - **Shelf life rules:** internal regulation that set the minimal shelf life for the receiving and bringing food and drinks into the stores. This way, the quality of fresh products in optimal conditions is ensured.
 - **Hygienic and sanitary inspections:** carried out every month.
 - **Microbiological analysis of products:** carried out each year. In 2019, 65% of the analyses were executed.
 - **Inspection of suppliers:** annual follow-up of the different suppliers. 60% of the inspections were carried out in 2019.
 - **New products:** validation carried out by the area of quality control on every incoming product. During 2019 the labeling on 899 products was reviewed.



- The operations in Argentinian sales offices function based on good practices in manufacture and standardized processes of cleaning and pest control. In addition, they comply with the current legislation for the sale of food products (Act N° 18,284), the Argentinian Food Code, and the Mercosur Regulation. During 2019, 70% of the branch offices were certified under the ISO 9001 Regulation, which incorporates the application of internal policies for the early recall of food products, the use of raw materials for the elaboration of products, the selection of suppliers by the purchasing department, which are tested according to laboratory procedures and/or third party audits.
- Moreover, the Quality Management and Food Quality Department implements every year a timeline of rounds with *in situ* trainings, preventive visits, and unscheduled audits in sales offices, manufacturing plants, and distribution centers.

Close and honest communication with customers

GRI: 103-1; 103-2; 103-3; 417-1; 417-2; 417-3; 417-8

Material Issue – Marketing and responsible consumption

The Company is responsible for the reach of its marketing campaigns, which are a channel to cover topics that are important for the customers and the sustainability of the business. This way, the marketing effort must be used in an ethical and responsible way as a means to contribute towards a higher awareness of the impact of consumption on customers who prefer the brands and, at the same time, to be able to promote conscious consumption.

Management approach

Definition

It corresponds to the set of marketing campaigns, social media and press management, among others, where the Company expresses its opinion and/or way of doing things. These material issues are key because they affect its reputation.

SDGs affected



Stakeholders affected

- Customers
- Community
- Suppliers

Key aspect taken into consideration when managing this material issue

- Marketing
- Brand positioning
- Relationship with customers

Motivation

Based on the development of a consumer that is aware and concerned about the impact of their consumption, among other variables, on the continuity of the business, for the retail industry it is essential that brands establish differentiating elements in their interaction with their customers. In this context, the development of campaigns allows the creation of bonds beyond the commercial mix when they support issues that are important and are related to the consumers' concerns.

How is it managed?

Through campaigns such as:

- **Supermarkets:** Eating Healthy, Cooking it all
- **Department Stores:** Clothes for clothes, Paris's Christmas
- **Shopping Centers:** Put a Stop to Cancer, Women who Leave a Mark
- **Home Improvement:** exChange Easy, Proud of What We Do

Initiatives regarding responsible marketing and consumption

Eating Healthy

A cross-sectional approach to healthy eating



From its Supermarkets business unit perspective, Cencosud understands the value generated by developing sustainable products and experiences for its stakeholders on the base of transparent, respectful, and trusting relationships. This allows the strengthening of the commitment towards wellbeing through the adertizing of initiatives that promote healthy eating and lifestyle habits. It si because of this that the Healthy Eating program was born. It encompasses all the initiatives that aim at promoting a sustainable offering.

The Eating Healthy program came about as a contribution to help fight the high levels of obesity in Chile as compared to the other countries of the OECD and to promote a healthy diet through attractive and responsible communication campaigns. And all of this supported by studies and educational tools that can contribute to the adoption of healthy and balanced eating habits.

The challenge is to encourage the idea that eating healthy is feasible and it is not expensive. Through the Jumbo brand, Cencosud promotes its commitment with a healthy diet and gives several alternatives at very convenient prices.

The Eating Healthy program has been well received by the customers and the community, with a 92% acceptance in a two-year period. To achieve this, it has been essential to have the greatest variety of healthy products in the stores, as well as a series of activities that have generated different impacts:

- More than seven health fairs have been carried out in the last two years. More than 5,000 employees participated in them;
- Adjustments were made to the menus offered in all Jumbo cafeterias, and a training session was given to all head cooks regarding their employees' healthy diet;
- Presence of the Jumbo Kidzania stand with Jumbito and his friends, and messages about healthy eating habits. Also, there are healthy cooking lessons for the visitors;

- Club Jumbito invites schools and the children of the employees to show them the work done inside the stores. Giving them a fun tour around the stores and where they also get advice about eating healthy;
- In the last two years, the second version of our Chile Eats Healthy study was presented. It put special emphasis on healthy snacks for children, promoting the consumption of healthier snacks by schoolchildren;

Several initiatives are carried out through this program. Each one of them is aimed at a specific group of interest, but they all try to contribute in raising awareness regarding a healthier life and diet. The activities of *Heroes of Change* and *Jumbo Cirucs* are carried out in this context. With the former, the Company managed to help more than 20 schools and more than 600 children with nutritional assessments and follow-ups of eating habits. While, through the latter, performances were staged in 11 cities and were attended by more than 2,000 people who were able to watch a free cultural event that gave advice about having a healthy diet.

**Changing the
world, generating
responsible
consumption**



Marketing and Responsible Consumption Initiatives

Country	
<p>Chile</p> 	<ul style="list-style-type: none"> • ExChange: this campaign wants to raise awareness, extend and share responsibility regarding products that are no longer used. This program has been running since 2015, when the idea was for customers to bring their old car batteries, batteries, and tools they didn't use to the store and then get a discount on those products in all stores; • ExChange heaters: during the period of this campaign 2,381 heaters were received, offering up to 30% discount in selected products. This meant the recycling of 14.25 tons of waste; • ExChange Grill: during the 2019 campaign 4,567 grills were received, recycling 8.5 tons of waste and offering up to 40% discount on selected product; • Meaningful Christmas (Easy): thanks to the contribution of the customers and the support of Desafío Levantemos Chile, hundreds of bicycles were given to children living in rural areas of the country. This campaign started at the end of 2018 and ended during the summer of 2019 when 520 bicycles were given to 520 children. This campaign consisted of the joint financing of two types of bicycles that were given with the purpose of: <ul style="list-style-type: none"> ○ Reducing distances on the journey between their homes and schools; ○ Generating a positive impact on their quality of life, encouraging exercise and the creation of healthier habits; ○ Strengthening social values such as team spirit, respect, and solidarity. • Home Therapy: Antonella's bedroom (Easy): we know that the home is an important part of people's emotional and physical recovery. In Calvo Mackenna hospital there are around 9,000 hospitalized children every year and more than 35 children go through bone marrow transplants. There we met Antonella, a seven-year-old little girl. That is why Cencosud contributed to her recovery process and brought her home and bedroom to the hospital; • Toy 4 Toy (Paris): the successful Toy X Toy campaign, which encourages circular economy, encouraged all customers to give their best during Christmas. This consisted in taking to the Paris Stores all the toys they wanted to give away, these toys were then repaired by Modulab and given to children from the San José, María Ayuda, and Protectora de la Infancia foundations, who gave the toys a new life. The campaign produced the following numbers: participation of 12,500 customers, 15 tons of toys, 125,000 toys gathered and 11,250 recycled toys; • Knit Again (Paris): Campaign that promotes products hand-knitted with love and care, in a transparent and sustainable chain that rescues Chilean identity. These fibers are joined together to achieve a unique legacy, directly from the cattle farms to the hands of the knitters in Ligua. 100% natural, 100% local and 100% traceable. 1,000 garments were made as a result of this campaign; • I Don't Print My Receipt (Paris): this campaign invited customers to choose receiving their receipts electronically, this way reducing the impact of the purchase on the environment. As a result, 12% of the customers chose electronic receipts; • Clothes 4 Clothes (Paris): Paris has been carrying out this successful campaign for the last seven years. In it the customers are invited to recycle the clothes they don't wear anymore through the Paris stores. When they do, they receive a 30% discount on their next clothes purchase, encouraging a new way of shopping. As a result of this campaign, 110 tons of clothes were recycled; • Recyclament (Paris): this is an electronic recycling service that wants to raise the customers' awareness regarding the impact of the waste generated by household appliances, computers and cell phones. That is why, when customers buy a new product from these categories, Paris offers them a discount if they bring their old devices in order for the store to recycle it. As a result of this campaign, 3,617 replacements were carried out, facilitating the recycling of 99 tons of waste gathered during the campaign; • Cooking It All (Santa Isabel): Cencosud is aware of the amount of food that is thrown away every day in Chile. That is why, during 2019, the third season of the "Cooking It All" short videos with Chef Paula Larenas, in which she teaches simple recipes to use leftovers and scraps.
<p>Brazil</p> 	<ul style="list-style-type: none"> • Experienced talent program: through the GBarbosa 50+ Institute, free activities are carried out for senior citizens in Aracaju/SE; it has already had more than 10,000 visitors; • Together for Good (Bretas and GBarbosa): at Christmas, employees from Goiás and Minas Gerais formed teams to carry out the first Solidary Gymkhana with the slogan "Run to do good". Through this activity, it was possible to gather UHT milk and baby and adult diapers, which were donated to the Novo Céu Care project; • Awareness raising Campaigns (Bretas): several campaigns were carried out during 2019 in Bretas and GBarbosa to raise awareness regarding autism, gluten intolerance, diabetes, prostate cancer, breast cancer, and racism.

Country	
<p data-bbox="236 488 328 515">Argentina</p> 	<ul style="list-style-type: none"> <li data-bbox="400 293 1402 394">• Give a Family (Unicenter): based on the 2019 Christmas comercial of the brand, families were invited to adopt an adult dog instead of buying one. More than 15,000 people came to the stand to get information about adoption and ways to collaborate with the cause. More than 200 applications were generated and more than 5,000 calendars were sold, the money gathered went directly to the Proyecto 4 Patas foundation; <li data-bbox="400 405 1402 506">• The Way to Freshness (VEA): communicational campaign from Veja, whose object was to teach its customers the importance of maintaining quality and innocuousness during the whole productive process of fruits and vegetables, from their harvesting until they reach their tables. As a result, the total reach was of 9,349,979 people and it was awarded the prize for good practices APSAL (Association of Health and Food Professionals); <li data-bbox="400 517 1402 663">• Disco Bike Rack: based on a deal between Disco Supermarkets and the Ministry of Transport of the Government of the City of Buenos Aires, for the second consecutive year and with the Company's support to the program "Friends of Sustainable and Safe Transportation", the city's Government installed 25 bike racks on the sidewalk outside seven Disco stores of the Federal Capital. The purpose of this was to encourage the use of this means of transportation. The goal of this alliance was to contribute to the promotion of cultural and environmental change; <li data-bbox="400 674 1402 752">• Garrahan Foundation (Easy): in 2019, the stores sold products made from the recycled plastic lids of sodas and mineral water bottles. The money gathered went to the Garrahan Foundation. This resulted in the sale of 13,000 ecological combos in all the Easy stores in Argentina; <li data-bbox="400 763 1402 857">• Easy goes to School: this campaign was carried out together with EcoHouse, an NGO whose main objective is the promotion of sustainable development through education, voluntary work, environmental impact and certification. Training sessions were given to young people from public schools, with the result of 19,308 young people from 159 schools being trained.
<p data-bbox="260 1032 308 1059">Peru</p> 	<ul style="list-style-type: none"> <li data-bbox="400 875 1402 954">• No Bags Please (Paris): this is a permanent project that promotes the reduction in the use of plastic bags in the country, encouraging a change in the way of shopping and offering alternatives so that the customers can take their products comfortably using the most sustainable and accesible option: 100% reusable bags; <li data-bbox="400 965 1402 1066">• Give a Toy (Paris): an initiative carried out by Paris together with Cáritas and Healthy City with the purpose of giving more children in need a gift for Christmas. In addition, they tried to reduce waste by recycling the toys that were not fit to be donated. As a result of this initiative, 5,723 toys were donated and 1,700 toys were recycled; <li data-bbox="400 1077 1402 1178">• Ciudad Saludable NGO (Paris): Recycling program in the Plaza Lima Sur shopping Center: Alliance of the Healthy City NGO and certified recycling communities for the program. Through this program we make the customers be part of the change and we are coherent with our message and actions since we print on recycled paper and we don't give balloons in any activity; <li data-bbox="400 1189 1402 1290">• International Plan (Paris): in March, during Women's Month and in Alliance with the International Plan NGO, the #YtuQueSueñasConseguir was carried out in order to raise awareness of the need for equal opportunities for women and men. At the end of the campaign, S/.20,000 were donated to International Plan to promote their programs; <li data-bbox="400 1301 1402 1361">• League Against Cancer (Paris): in Octubre, a campaing against breast cancer was carried out in order to raise awareness of the importance of cancer prevention. As a result, this campain managed 200 early diagnoses of breast and cervix cancer, 900 participants to educational workshops, and 80 free mammograms.
<p data-bbox="240 1384 328 1411">Colombia</p> 	<ul style="list-style-type: none"> <li data-bbox="400 1379 1402 1480">• Easy makes my Dreams come true: this is a campaign that tries to improve the quality of life of the Colombian people through the decoration, remodelation, or construction of a space in their homes. A famous host invited the customers to show their dreams on social media and to tell their stories, and motivated them to participate. This resulted in 7,253 dreams submitted; <li data-bbox="400 1491 1402 1568">• Development of a Healthier World: through the "Healthy World Club" customers receive periodical information about healthcare and healthy eating programs according to their different needs. This affects more than 12,000 customers directly.

Country	
 <p>Chile</p>	 <ul style="list-style-type: none"> • Women who leave a mark: together with Comunidad Mujer, we try to honor pioneering women who are changing the world and paving the way for the new generations. In 2019 there were five profiles of great pioneers who are inspiring the new generations and who, together, gathered more than 22,000 votes; • Outdoors Schoolroom: this is an educational project guided by the curricular guidelines of the Ministry of Education and which consists in a guided tour to the SKY Costanera viewpoint. This project generates a social impact because every year these guided tours are offered to vulnerable schools. Up to this date, more than 20,100 students have participated since the project started in 2016; • Put a Stop to Cancer: Breast cancer is the main cause of death of Chilean women. This is why, Alto Las Condes, as the mall for women, has taken up the fight against cancer, stating that the majority of the cases can lead to recovery if there is an early diagnosis. The Put a Stop to Cancer campaign, which has been carried out for four years now together with the Arturo López Pérez Foundation (FALP), a non-profit institution in charge of diagnosing, treating, researching and teaching about cancer, tried to raise awareness about this illness and to give information regarding its prevention by giving 581 free mammograms to customers, tenants, and neighbors; • DogsSearch: with the purpose of increasing adoption rates and promoting the responsible possession of pets, a campaign was developed to commemorate the 27th of July, Stray Dog's International Day. Since 2016, 145 days of adoption have been carried out, with a positive result of 3,117 dogs being adopted. 3,117 families were looking for a dog and found love through in-person sessions carried out in our centers and through the webpage www.buscadog.cl. After three years of implementation, strong ties have been created with different NGOs that support this project and it was expanded to regions during 2019; • Water World: During 2019 and in tune with the environmental pillars of the brand, Costanera Center developed the exhibition "Water World". This was an interactive space that wanted to raise awareness in the community regarding the use of water and the protection of this valuable resource. This was carried out together with the Fundación Imagen de Chile, was open for three months and had more than 75,000 visitors¹¹.

Cencosud's Omnicanality

GRI: GRI: 103-1; 103-2; 103-3; 418-1;

Material Issue – Digital transformation

Facing a digital era characterized by the presence of informational and communicational technologies, as retail, Cencosud faces great challenges in regards to organizational transformation and its digital presence in the marketplace, considering that the markets are increasingly more globalized. This has meant finding new ways to operate regarding the customers, but without setting aside the seal of quality that has always identified the Company.

In order to do this, Cencosud wants to continue innovating to make the shopping experience more attractive for its customers. During 2019, more value was added to the service through the improvement of several e-commerce platforms and webpages, incorporating digital tools during the in-person shopping experience at the stores and safeguarding customers' security in a digital world.

¹¹ For more details, check the 2019 Integrated Annual Report in the corporate webpage of de Cencosud Shopping.

Management Approach

Definition

It encompasses all the topics related to the integration of technology into the processes and the generation of data analytics. It also considers the organization of a marketplace with only one Omnichannel for all brands.

SDGs affected



Stakeholders

- Shareholders
- Investors
- Customers
- Community

Key aspects taken into account for the management of this material issue

- Technological Trends
- Big Data
- Cybersecurity

Motivation

Digital transformation is changing industries, markets, and business models, but it is also modifying the way in which the customers make their purchases. This is so relevant that it is essential to study and adapt to it in order to take the opportunity and mitigate the risks. That is why the Company is integrating technology, which, besides generating efficiencies, allows it to have access to information that makes it possible to delve deeper into the customers' expectations and tastes.

Cencosud wants to stay ahead of the new technologies. During 2019, the Company continued integrating digital technology in all of Cencosud's areas and in the strategy, where Omnicanality became a key axis of the value proposition. To be able to manage this process, the deadlines for coming up with solutions have to be quick and pragmatic in all business units. In addition, as part of the digital proposition regarding the customer, investments were made in the development of digital platforms. This is the case of the Department Stores, where great efforts were made to position the *Marketplace* better.

How is it managed?

- Implementation of e-commerce;
- Invest in new technologies;
- Map data flow;
- High standard cybersecurity in our five strategic web portals.

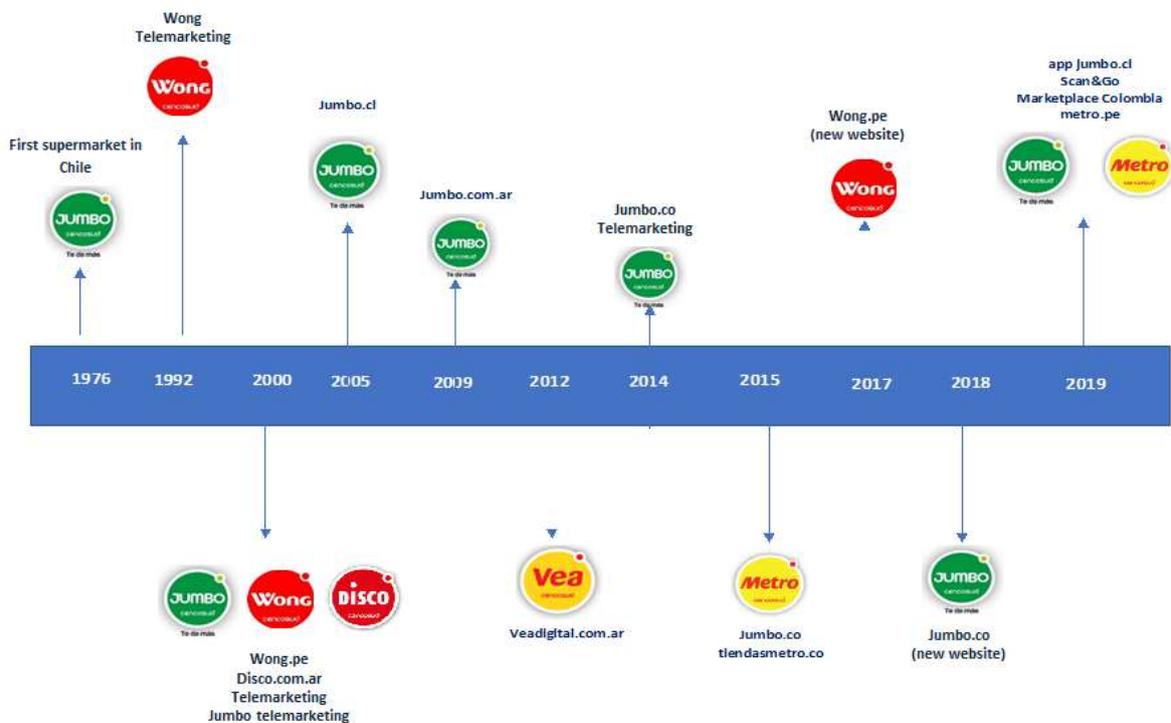
Omnicanality

As part of the process of digital transformation in retail, the Company has incorporated Omnicanality as a cross-sectional element of its strategy. This has favoured the adaptation of the service to an increasingly more digital and versatile customer who wants to be able to have access to the desired product from the comfort of home or during the commute to work and as quickly as possible.

The Omnichannel strategy wants to establish a connection with the customer through any of the sales channels while still providing a coherent and stable service. The channels may be in-person, online, or via telephone. Cencosud is working on the complementarity of all its channels, with the purpose of increasing not only its sales index, but also the efficiency of its processes.

The following timeline shows the growth of the Supermarket business unit and its incorporation into the digital transformation era:

Evolution of Supermarkets and Digital Transformation



Cencosud: e-commerce services on offer



Regional Omnicanality Strategy

- The strategy described tries to guarantee an alignment between customer expectation regarding the offered product and the one they actually get, also trying to provide a wide range and availability through the different channels.
- Supermarkets want to simplify the shopping experience for the customer, providing e-commerce services in their different branch offices so that they don't have to use part of their time on in-person shopping and can make better use of their free time. In addition, more jobs are generated for the logistics of online shopping.

Work Focus	Initiatives
Increase share of total sale of supermarkets.	<ul style="list-style-type: none"> • Have an optimal and available e-commerce assortment with store pick-up option; • Participate in new markets or platforms that are being used by current or potential customers.
Achieve the best Omnichannel experience in supermarkets.	<ul style="list-style-type: none"> • Improve the performance of websites and apps, exceed the standards of service for the online supermarkets business¹²
Generate a sustainable business through operational efficiency.	<ul style="list-style-type: none"> • Optimize the cost structure.

¹² Found rate, fill rate, on-time delivery, selection, among others.

Cybersecurity

Cybersecurity has turned into a key issue for customers and for the Company, who wants to guarantee a stronger protection of the personal information the customers give to it.

A system called EMV is being used in the stores. In it, the relevant credit card information is stored directly by Transbank and is not kept by Cencosud.

This project is part of the job of the Safety Committee, which is assigned exclusively to the tasks of defining and implementing all the actions and measures to prevent, detect, and respond against internal or external cyber threats and attacks. This is led by the Company's CEO and the Corporate Systems Manager, other five executives, and a member of the Board of Directors participate in it too. In addition, Cencosud has an Information Security Office, which works all year round to ensure the safety of the Company's information, dealing with issues of confidentiality, integrity, and availability.

The Information Security Committee holds regular meetings, where the Information Security Office and the IT Governance and Compliance Department present strategies and/or the most relevant security issues that affect the industry. Furthermore, the Committee can hold meetings or be summoned on demand if necessary.

On the other hand, Act N° 19,628 is applicable in Chile. In its planning it includes an update to make it more restrictive, using as reference the European GDPR Act. This is why it is essential for the Company to stay ahead of the law, adapting and updating their processes in advance with measures that are in line with the new regulations. The aim of this is to always ensure the delivery of excellent service to its customers and to guarantee its shareholders the reliability of the Company regarding issues of information security.

In order to do this, the operation during 2019 was focused on establishing an action plan that optimizes the systems, carrying out a complete analysis of the value chain regarding this issue: The following aspects were included in this:

- Analysis of the regulatory context and the business units;
- Identification of data flow;
- Evaluation of privacy impact;
- Elaboration of a roadmap of conducted actions.

The goal of this project is the implementation of the strategy to increase Cencosud's skill maturity regarding cybersecurity, focusing on the following threat scenarios:

- Data breach
- Fraud
- Downtime
- Non-compliance
- Unauthorized access
- Malware
- Reputational damage
- Credential theft

In addition, the program of security awareness for all Cencosud's employees was carried out in 2019. The purpose of this was to generate a culture of security to make sure all employees are aware about possible threats and the importance of information security. At the close of the 2019 term there were no types of complaints regarding data or security breaches.

A key area in the issue of security is Fidelidad because their job consists in treating data. In the cases of Easy, Jumbo, Paris and Fidelidad, they tell the customers how the information will be used; they are all members of the Digital and Direct Marketing Association (AMDD), whose aim is to respect, defend, and protect the consumer through business responsibility and ethic guidelines to take precautions regarding people's privacy, especially through their Self-regulation Code. In addition, the information gathered from non-registered users is anonymous and complies with the cookie treatment policies.

In the cases of Paris and Jumbo, they both use *Secure Socket Layer* (SSL) technology, which ensures the authenticity of a website and the coding of the information the user types in when realizing a purchase. This tool will include, among its features, the rights stated in Act N° 19,628.

Progress by business unit and general areas



Supermarkets

The Supermarkets business unit developed projects aimed at improving the performance of process and platforms, which resulted in solutions that allow the optimization of the different areas of daily operation. Regarding the initiatives that affect the customers, solutions that help improve the shopping experience were developed through new features exclusively aimed at satisfying the requirements of the end customer.

Finally, as part of the constant search for information that allows a deeper knowledge of the customers, this unit began with the inclusion of solutions of personalization and loyalty. These are detailed below:

Country	Projects that aim at the improvement of process and platform performance	Initiatives with impact on customers	Personalization and Loyalty Solutions
	<p>From a business efficiency perspective, a technological renovation process was carried out which included the modification of 1,350 POS (points of sales), RF terminals, and notebooks, among other pieces of equipment that help improve productivity in the operations.</p>	<p>Price Check points were installed in Jumbo and Santa Isabel stores.</p>	
	<p>Commercial processes were optimized by the implementation of cutting-edge solutions based on SAP Fiori technology. This allows the use of friendlier interfaces for the end customer, as well as being able to access information through mobile devices.</p>	<p>The Self Checkout model was implemented in the Prezunic store chain.</p>	<p>Loyalty tools such as SAC, E-Grocery, and CRM are being worked on.</p>
		<p>The Self Checkout solution was installed in 38 new stores, adding up to a total of 145 stores using this new technology.</p>	<p>Continual enrichment of the customer's 360 View inside CRM. One of the key developments was the integration between Siebel CRM and the Oracle Responsys tool (creator of campaigns for E-Mail Marketing).</p>
	<p>The project Tikray was successfully implemented. Its goal is the complete upgrade of the SAP platform in supermarkets.</p>		
			<p>The first BI (Business Intelligence) was implemented in the cloud with sales, purchases, Deals and Operations units.</p>

Supply chain

Argentina: incorporated the automatization of orders in the management of store goods to the Sorter (system of automatic clasification for the preparation of orders), managing to increase productivity by 75% in daily operations, with an average of 20 thousand packages and reaching a maximum of 35 thousand packages in periods of high demand.

Chile: The EWMS (Extended Warehouse Management System) of SAP for the handling of goods and stock was implemented in the Distribution Centers. This solution, together with the use of RF Terminals, gives more control and precision to the movements, and thus achieving more efficiency and better productivity in the Logistics Area.

Peru: tablets were set up to give information and indicators relevant to the logistics process. This has allowed the improvement of the quality of the data related to assortment and stock, and has helped achieve more than 90% of product availability. In line with this same goal, a B2B Logistic was installed. Its main purpose is to improve efficiency in the stock reception processes in the distribution centers.

Commercial Planning

Argentina: the first RPA (*Robotic Process Automation*) project was developed. It was focused on the automatization of different processes of Commercial Planning, Logistics, Foreign Trade and Purchases. This has allowed an increase in efficiency and quality in the different areas associated to these business processes, and a decrease in loading errors due to manual and repetitive activities.

Chile: *DemandTec* was installed. This is a world class software that provides a model of elasticity of demand based on *Machine Learning*, it has the cognitive ability to automatically assimilate new information and, this way, to improve demand estimation recommendations without the need for human intervention.

E-commerce and Omnicanality



Supermarkets

The different areas of the Supermarkets business unit are always working on producing solutions that are on the cutting-edge of electronic commerce. This allows the use of websites and apps that provide an attractive, intuitive, and easy-to-use experience to the user and reduces desertion rates. The main progresses in this line were:

Country	Technological developments for service quality
 <p>Chile</p>	<p>Several developments were carried out aimed at improving the customers' shopping experience in the Supermarkets' e-commerce channels. Among them:</p> <ul style="list-style-type: none"> • Improvements in the webpage Jumbo.cl; • Improvements in the Jumbo cell phone app, including a new layout and functional improvements; • CyberMonday was executed with a direct CD e-commerce operation, achieving 100% uptime in the applicatios and allowing the sale of more than 23 thousand orders; • Finally, to optimize the payment process, the three-step payment buttons were eliminated, changing to Wallet One Click for payments with Transbank, Cencosud Scotiabank and Mercado Pago.
 <p>Argentina</p>	<p>The e-commerce operation was consolidated in the VTEX platform, (with the <i>As a Service</i> business model), and several project were executed that aimed at the improvement of the shopping experience and at the expansion of sales even in places where there are no company stores:</p> <ul style="list-style-type: none"> • Development of app for <i>Non-Food</i> purchases with centralized dispatch from Buenos Aires to the rest of the country through the Alliance with a Logistics Operator; • Start of project of intergration with <i>gateway</i> ePOS as second payment platform, an alternative to Mercado Pago; • Launching of the "Jumbo+" app, which provides the customer with a channel with information related to the Loyalty Program; • In addition, while moving forwards in the implementation of self-management capacities, Siebel CRM has been integrated to the Chatbot Watson in the three e-commerce websites of Supermarkets Argentina.

Country	Technological developments for service quality
 <p>Peru</p>	<p>The customers' Omnichannel experience was analyzed, identifying the main causes of desertion. This allowed the development of a set of projects that delivered quick solutions aimed at the improvement of the deficiencies perceived by the customers.</p> <ul style="list-style-type: none"> • E-commerce sales points were added in 18 stores, this adds up to 24 stores with this system; • As a response to the growth of the <i>Last Millers</i> Rappi and Glovo, a pilot was implemented with the app WongGO. This delivered results that allow the chain to compete without problems in these alternative services.
 <p>Colombia</p>	<ul style="list-style-type: none"> • The website for Metro Colombia was developed. There are 13 stores included in this channel. In addition, there are 33 stores that have set up Telephone Sales with Home Delivery.



Department Stores Chile

- As part of Paris's "Light Blue Awareness" Social Responsibility program, the "Ecological Receipt" was implemented during the first semester of 2019 in the Paris store chain, adding the Johnson and Eurofashion chains on the second semester. This allowed an operational model that does not print the traditional tax documents but sends them electronically to the customers.
- During October's *CyberMonday*, the Company managed to be the *e-commerce* leader in Chile due to the lack of crashes during the whole event and no waiting times to surf the store's website. This allowed for a 17% rise in sales and 29% more orders in comparison to the previous year. And there was a 100% uptime.
- In the logistics area, the work was focused on improving home delivery. In order to do this, a new application was developed which allowed the addition of new logistic features that took the fulfillment level up to 95%.
- Finally, and still working on providing the customers with a better quality service, a new API (Application Programming Interface) was launched which shows the different delivery methods, helping to provide a better offering of alternatives, whether for store pick-up or home delivery.



Home Improvement

Country	
<p>Chile</p> 	<ul style="list-style-type: none"> • Several improvements to the Easy e-commerce platform were carried out in order to give a better shopping experience. This was achieved through the implementation of the Virtual POS, which consists in the automatization of payment for the sales executed through the website. Also, the use of the WMS (<i>Warehouse Management</i>) tool in the Distribution Centers was extended to all products sold via website, generating a better dispatch service for the customers; • Finally, in the Assisted Sales area, work was carried out in the development of features aimed at the experience of internal and end customers. Among them are new apps for Wastage, Support Services, Off-Plan Sales, and Product Catalogue, as well as Wholesale Self-Assisted Sales, which was designed for the Wholesale customers to self-manage their purchases.
<p>Argentina</p> 	<ul style="list-style-type: none"> • Solutions were developed that aim at the efficiency in the purchase, e-commerce, and supply experiences; • To improve efficiency, the PEI (Immediate Electronic Payment) solution was implemented. Its aim is to reduce the fee associated to debit card payments; • In the Supply Chain area, the Certified Reception in Stores was implemented with the purpose of increasing the reception volume and thus reducing operating costs. The Ring Scanner tool was also installed for the Voice Picking process (system that accelerates the Picking process); • In order to improve the shopping experience, work was carried out at the POS (Point of Sale) level, such as <i>Extra Cash</i> which is an alternative for customers to withdraw cash at the Easy registers through their debit cards, and <i>Selfcheckout</i>, which allows customers to be autonomous in the shopping process in the store. There are currently 27 stores operating with these solutions.
<p>Peru</p> 	<ul style="list-style-type: none"> • The customers' Omnichannel experience was analyzed, identifying the main causes of desertion. This allowed the development of a set of projects that delivered quick solutions aimed at the improvement of the deficiencies perceived by the customers. • E-commerce sales points were added in 18 stores, this adds up to 24 stores with this system; • As a response to the growth of the <i>Last Millers</i> Rappi and Glovo, a pilot was implemented with the app WongGO. This delivered results that allow the chain to compete without problems in these alternative services.
<p>Colombia</p> 	<ul style="list-style-type: none"> • The Electronic Receipt solution was set up and the complete redesigning of the Easy Colombia website was carried out.



Shopping Centers

- In line with the Omnicanality strategy, new Digital Directories and responsive, integrated webpages were set up in the ten most important Shopping Centers in Chile in order to improve the customers' experience. This solution is scalable to the region.
- The availability of free wifi was given practical form in four of the five most important Shopping Centers in Chile (the fifth is in the process of implementation). Besides this representing a better image for the Company and a better service for the customer, it will allow the business to use the information regarding the behavior of the people who shop in each Shopping Center. This will permit the addition of new technologies and services, such as, for example, targeted advertising, gathering data regarding the customers behavior, and checking the flows within the shopping center (heatmaps).

Main Areas

- During 2019, all the Human Resources' self-service platforms were deployed, giving all the employees in Chile access to their payment slips, vacation requests and approvals, employment certificates, to know and modify their personal information, among others.
- The *ChatBot* was launched in self-service during the second semester, generating a virtual assistant that helps employees in Human Resources processes.
- The implementation in Argentina of the unification of the system of final settlements in the Jumbo and Cencosud's payrolls was finalized in March, thus improving and simplifying the Human Resources processes.
- Cencosud keeps moving forwards with the automation of its business processes at a regional level. Six new robots were implemented during 2019, they cover more than 40 processes (*end-to-end*). This, added to the 21 robots already implemented in previous years, means the total coverage of 132 whole business processes. This achievement means a huge efficiency for the Company, managing to get better quality in the processes and an important reduction of man-hours.
- Trying to achieve synergy and homologation in the systems, the commercial and billing circuits of the Shopping Center business at a regional level were integrated to the SAP FICO Regional in Hana. This has achieved an important reduction in billing times. In Argentina, for example, it went from 40 hours-long processes to just a few minutes of processing.
- Progress was made in the automation of reports and indicators, getting timely information that is on line and that required no preparation efforts. The automation of the assembly of the business' performance indicators reduces design errors, increases efficiency, gives more precise information for making timely decisions, and allows the homologation of information, among others.

Technology

- Progress was made in the development of the *multi-cloud* strategy, setting up public *cloud* capacity for 15 of the business/country units; migration of more than 200 servers to the cloud with a TCO reduction of 25%; increase in the adoption of the public cloud, doubling the use of resources regarding the previous year. *Cloud* platform services were set up in the *datacenters* of Argentina and Chile, 30% of the storage systems was renovated in favor of *flash* technology, which reduced costs in 57% and increased performance in 100%.
- Creation of the *cloud* migration program, it is a three-year plan for the five countries where Cencosud operates. Its purpose is the modernization of the infrastructure platform and the reduction of costs in around 27% for the next ten years.
- Transformation of historical data for analysis in the *datacenter On Premise* in Chile to the *cloud*, reducing storage costs in 80%.

- Update of the active directory system that holds more than 150,000 users, attaining better service availability and better support levels.

Information Security

- The Company has an Information Security Management Department / IT Governance & Compliance and a CISO (Chief Information Security Officer) responsible for its operation. This area has a safety regulation framework to guarantee information security, covering the areas of confidentiality, integrity, and availability.
- Likewise, the cybersecurity team (which belongs to the I.S. Management / IT G&C) is exclusively dedicated to the tasks of definition and implementation of the measures and actions to prevent, detect, and respond to internal or external informational threats and attacks.
- During 2019, a three year cybersecurity program was created. Its purpose is the implementation of the strategy that will allow it to increase the maturity of the Company's capacities, focusing on the different threat scenarios (data breach, fraud, non-compliance, unauthorized access, malware, among others).
- This program was shown to the Directors Committee in November, 2019, in order for it to start working on 2020.
- Additionally, there is a safety awareness program for all the employees, which aims to create a culture of safety in order to make employees aware of possible threats and the importance of information security.

CLIMATE CHANGE MANAGEMENT

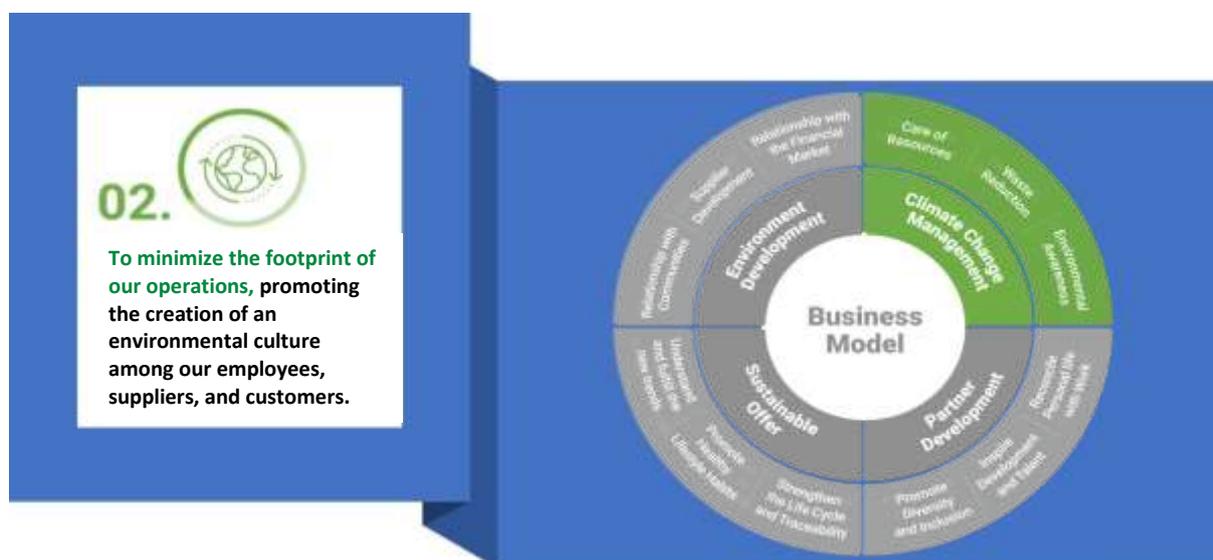


Responsible management of resources

GRI: 103-1, 103-2, 103-3; 305-1; 305-2; 305-3; 305-4

Cencosud is aware of the impact its operations have on the environment, both because of its use of natural resources and the emissions it generates. This is why it is encouraging its employees to create a culture that is aware of the need to protect the environment and to use its resources efficiently.

The tax year 2019 was key for the planning of the environmental matters in the Sustainability Strategy. These matters, which are stated in the *Climate Change Management* pillar, present great challenges in several areas: the protection of the resources, the reduction of waste, and the environmental culture. For the year 2020, it will be essential to give practical form to everything learnt in 2019 and to fulfill goals that are increasingly more challenging. To find out more details about Cencosud’s Climate Change Strategy and the Environmental Policy, visit the webpage: www.cencosud.com.



The following table summarizes Cencosud’s environmental management in the last few years:

	2019	2018	2017	2016	2015
Emissions					
Range 1 (Ton CO2 e)	2,275,788	687,608 (1)	148,723	150,563	138,598
Range 2 (Ton CO2 e)	388,986	486,417	215,515	258,709	237,203
Range 3 (Ton CO2 e)	105,195	-	-	-	-
Total (Range 1 + 2 + 3)	2,769,970	1,174,025	364,238	409,272	375,801
Intensity (KgCO2eq/m2)	328,188	-	-	-	-
Energy Consumption (mWh)	1,353,671	1,613,978	555,883	659,396	690,344
Water Catchment (Mm³) (2)	3,061(3)	5,320	2,369	3,224	2,402
Recycled Waste (Ton) (4)	63,191	-	-	-	-
Recycled Waste (L) - Vegetable Oil	1,009,034	-	-	-	-
Non-Recycled Waste (Ton)	196,859	-	-	-	-

(1) The difference between the 2017 and the 2018 values is due to the fact that, since 2018, the measurements of all the business units in Chile, Argentina, Brazil, Colombia, and Peru were incorporated.

(2) This water consumption value doesn't include the Shopping Centers business unit.

(3) In 2019, the total of 3,061Mm³ is distributed as follows: Chile 1,592Mm³; Argentina 100Mm³; Brazil 536Mm³; Colombia 260Mm³ and Peru 573 Mm³. Regarding Chile, the distribution by business units is as follows: Easy 152Mm³, Jumbo 781 Mm³, SISA Mm³, Department Stores 128 Mm³. This information corresponds to stores with direct billing.

(4): These include: cardboard, plastic, glass, metal, and Tetra Pak.

Progress in natural resource management

GRI: 103-1, 103-2, 103-3; 301-3

Material Issue – Eco-efficient management of resources

The area of *Resource Protection* in the *Climate Change Management* pillar of the Sustainability Strategy has strategic initiatives that help to adapt to the new regulations and to ensure a more eco-friendly operation. It is in this pillar that an effort is made to carry out a more eco-efficient management of the resources needed to operate.

Management Approach

Definition

This topic contains the Company's impact on the environment and the management related to it. The operation and the commercialized products are taken into account, as well as the impacts associated to its stakeholders.

SDGs affected



Stakeholders affected

- Customers
- Financial market
- Civil society organizations

Keys aspects taken into consideration when managing this material issue

- Carbon footprint
- Resource management
- Eco-efficiency
- Environmental culture

Motivation

The development of Cencosud's operation impacts the consumption of water and energy. Whether because of the scarcity of water resources, the climate change crisis, or social pressure, these issues show a need to maintain the operation and the profits in the long term. Likewise, when the environmental and territorial aspects are not taken into account when designing the shopping centers, the long-term profit of the assets is at risk.

How is this managed?

This is managed through innovation in the operating processes and in the products in order to decrease the carbon footprint. It is also done through the promotion of an environmental culture among the employees, suppliers, and customers.

Progress

- Percentage of emission reduction;
- Total number of customers and employees who participate in the different initiatives of the environmental culture management.

Performance

The year 2019 was key for the planning of environmental actions and initiatives in the Sustainability Strategy. These are in the *Climate Change Management* pillar, which challenges the Company to have a cross-sectional perspective regarding several issues: the protection of resources, the reduction of waste, and an environmental culture in all its operations.

Emissions

In 2019, the biggest part of the footprint corresponded to **Range 1**. This pertains to emissions generated by sources within the Company, which include the use of fossil fuels and refrigerant gas leaks, among others.

Cencosud is working on the management and optimization of this issue. This is why it is carrying out initiatives that allow a more efficient use of fossil fuels and renewable energies in its operations, as well as improving gas leakage detection systems. On the other hand, **Range 2** has started to show some improvements. There is a 25% reduction in comparison to 2018 due to several measures aimed at the efficient use of energy.

In an effort to move forwards in this issue and to have a better management of the Company's impact, **Range 3** was incorporated in 2019. This corresponds to waste management, logistic activity, paper usage, work trips, and water consumption.

Regarding the reduction of emissions, the possibility of working with the Foreign Trade team was identified in order to achieve a more efficient import logistic through the exhaustive analysis of the carbon footprint of the current scheme of import and distribution to Cencosud's centers.

2019						
Footprint (Tons. CO2e)	Chile	Argentina	Brazil	Colombia	Peru	Total
Range 1	116,652	1,737,257	295,329	60,188	66,363	2,275,788
Range 2	166,454	81,024	46,899	28,932	65,677	388,986
Range 3	66,862	20,349	4,003	5,067	8,914	105,195
Total (Range 1 +2 + 3)	349,968	1,838,630	346,231	94,187	140,954	2,769,970

Major Initiatives

Country	Type of Initiative	Description
	Energy efficiency	Reduction of stores' energy usage by replacing the refrigeration systems. This project helped reduce energy usage by 4.99% in Jumbo and 9.5% in Metro.
	LED illumination	Implementation of a LED light system in LED in Easy, saving 23.8% in energy use.
	Food refrigeration	Finalization of the installation of the doors on chillers and freezers, nightly switch-off according to products, and installation of cold cutoff timers for production rooms that are not being used. All of this generated a reduction in energy consumption of 4.8%.
	Temperature control	Implementation of a centralized air conditioner control system with night-time shutoff and turn-on at room temperature when the store is opened. This allowed a reduction of 2.7% in energy usage.
	LED illumination	Implementation of a LED light system, saving 1.9% in energy use.
	LED installation	The usage of technologies for a more efficient usage of electric energy has allowed the reduction of the carbon footprint in Range 2 and of the environmental impact on the places of operation. LED lights are still being installed in the stores of the Business Units and the Distribution Centers in order to use energy even more efficiently in its operation.

Efficient Management of Water Usage

GRI: 103-1, 103-2, 103-3;

In order to solve the challenge of water resources, it is important to have the commitment and responsibility of everyone involved, this is essential for a radical change in the management of this resource. This is even more important in the countries where water resources are limited and affected by the consequences of climate change.

The efficient management of water resources is contained in Cencosud's view, which is particularly focused in two aspects:

- The efficient use of water in all operations and offices, and the importance of all the awareness and training processes of its employees;
- The development of support for fruit and vegetable suppliers due to the fact that they are among the most affected by water emergencies and, at the same time, the most in need of this resource for their sustainability.

In addition, the Company will continue measuring its water footprint in 2020 at a holding level and as a way to define strategies and actions to manage the use of this resource.

Progress in Waste Management

GRI 103-2, 103-2,103-3; 301-3

Material Issue – Waste Management

Cities use more than 75% of the natural resources, they produce more than 50% of global waste, and emit between 60% and 80% of the greenhouse gases. It is becoming increasingly evident that there needs to be a change and the circular economy offers the opportunity to solve these challenges by rethinking the way of using materials, which leads to new ways of generating value.

As important economic growth engines, the cities will be a focal point in the transition towards a circular economy, being able to get off the ground the agenda to unlock economic, environmental, and social benefits. This transition towards a circular economy will help world leaders to achieve their priorities, which include housing, transportation, and economic development. This is also in the line of the Sustainable Development Goals (SDG) of 2030 and the climate goals included¹³.

Management Approach

Definition

It refers to the measurement and management of waste, as well as the current recycling initiatives in the operation and which aim at reducing the waste connected to the business.

SDGs affected



Stakeholders affected

- Customers
- Financial market
- Civil society organizations

Key aspects taken into consideration when managing this material issue

- Waste management
- Recycling

¹³ <https://www.ellenmacarthurfoundation.org/case-studies>

Motivation

Waste management is essential for the reduction of the environmental impact of Cencosud's operation, as well as for the decrease of reputational or regulatory risks (REP Act, draft bill for food wastage).

How is this managed?

This is managed through innovation in the operating processes and in the products in order to decrease the carbon footprint. It is also done through the promotion of an environmental culture among the employees, suppliers, and customers.

Progress

- Tons of recovered waste;
- Percentage of recycling in the operation.

Goals

- Systematization of information for the Zero Food Waste Program (Supermarkets);
- Implementation of the requirements associated to the new REP Act.

The operation of a retailer of Cencosud's size and reach generates a great amount of waste. The consequences this can have on the environments and territories where the Company operates challenges it to change its view from waste to resource, considering this as an opportunity for the revaluation of materials and the reduction of the purchase of raw materials.

In addition, in the regional context, the correct management of waste has been boosted by new waste management and revaluation regulations. In Chile, specifically, the REP Act is the most complete case in relation to types of materias to manage and the most demanding regarding the collection goals and the associated fines. This presents a challenge and provides the guidelines of how waste should be managed and revalued in the next couple of years.

Out of all the waste generated by the operation, in 2019 the Company managed to recycle cardboard, plastic, glass, metal, Tetra Pak, and vegetable oil from the production of food, which were revalued by external companies that render services for Cencosud.

Performance

Breakdown of waste management by country and type

GRI: 306-2

2019						
	Chile	Argentina	Brazil	Colombia	Peru	Total
Recycled Waste (Cardboard - Plastic - Glass - Metal – Tetra Pak) (Tons.)	34,028	8,752	9,521	5,263	5,627	63,191
Recycled Waste – Vegetable Oil (Lts.)	893,834	115,200	-	-	-	1,009,034
Non-Recycled Waste (Tons.)	66,814	92,508	22,694	3,747	11,096	196,859

Waste management by final destination

GRI 306-2

Waste according to final destination (Tons.)	2019
Recycling	63,191
Sanitary Landfill	195,859
Others (vegetable oils (Lts.))	1,009,034

- During 2019, the total amount of waste sent to sanitary landfills increased in relation to the previous year because it included the measurement of all business units. The challenge is to be able to decrease waste production and also to be able to value and recycle a bigger number of materials. With this in mind, several challenging projects for the reduction of waste were identified in 2019. These were focused on the food wastage of supermarkets, and considered the chance of also involving the tenants of the Shopping Centers' food courts.
- In this area, besides continuing to strengthen the ties with the Red de Alimentos Corporation, municipal allies were identified with whom to start an experimental Municipal Food Bank in order to reach poorer areas in a more diverse, quick, and effective way.
- Finally, the Company is considering several options to collaborate with companies that manage applications that allow consumers to buy discounted food and, this way, avoid them turning into wastage. This tool is especially interesting for certain lines of products, such as the areas of bakery and confectionery, where fresh, high quality products are sold every day.

Main Initiatives

All countries

- Total recycled: 63,191 tons of cardboard, plastic, glass, metal, and Tetra Pak were recycled;
- Recycling of vegetable oil: 1,009,034 liters of vegetable oil were collected between Chile and Argentina during 2019. These were revalued by external companies in each country who will reuse the oil for different purposes.

Chile

- *Recycling of alarms:* During 2019 we continued with the alarm recycling program with China that had started in 2017 in Jumbo and Santa Isabel. This consists in recovering the alarms from the Chilean stores and sending them to China to be reused. Reusing these devices allows to extend their life cycle and to reduce their consumption. This initiative has all the characteristics of circular economy. In 2019 we recovered more than 6 million alarms.

Peru

- *Recovery of faulty products:* a monthly program of recovery of faulty products was launched in March, 2019. This tries to reassess the waste that has commercial value and to reduce the amount of waste that will be thrown away;
- *Food bank:* since 2017, the operations located in Peru work with the Banco de Alimentos Perú. During 2019, two stores in Arequipa were added to this process, managing to revalue around 300 tons of food;
- *Eco-design:* in 2019 perishable goods (spinach, lettuce, cauliflower) started being sold wrapped in bijao leaves. In addition, recycled cardboard packages with FSC certification were added for fruits such as mangos, passion fruit, apples, avocados, among others. By the end of 2019, the PET plastic packagings (used in the packaging of perishable fruit, vegetables, meats, among others) was produced with 30% of recycled material. All of this helped to reduce 100 tons of virgin plastic, decreasing the impact on water and energy. Starting from 2020, the regulation for the recycling of electrical appliances and electronics will become effective. Collections campaign are already being coordinated together with the Sustainable City NGO for this purpose.

ENVIRONMENTAL DEVELOPMENT



Cencosud and its links with the environment

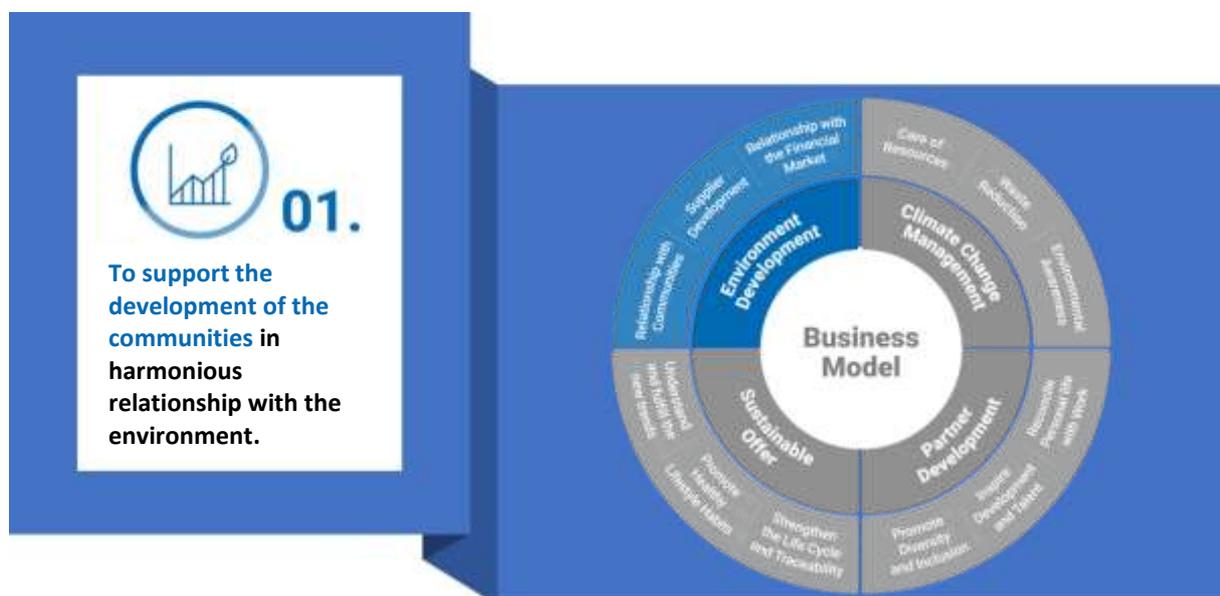
GRI: 103-1,103-2,103-3

Cencosud takes care to generate social value in the communities around the places where it operates, always promoting the development of long-term sustainability, and trying to be a real contribution to the development and growth of the countries in which it is present. The Company has a Community Relationship Policy that can be checked on the corporate webpage, www.cencosud.cl. Cencosud establishes a relationship and permanent ties with different organizations through associations, alliances and memberships. The detail of this information is available in Cencosud’s webpage, specifically on:

https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf¹⁴.

In accordance to the Chilean law and the guidelines of its Code of Ethics, Cencosud does not give contributions to political parties.

On the other hand, the Company is very aware that the payment of taxes is part of the social impact that it provokes and is a contribution to the countries in which it operates. In addition, Cencosud complies with all the current tax laws and regulations, showing the commitments of its Code of Ethics and its corporate values.



¹⁴ https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf
https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_ing.pdf
https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_prt.pdf

Material Issue – Economic Performance

Management Approach

Definition

This topic encompasses the financial and economic management of the Company and how it creates value for its shareholders and the stakeholders with which it interacts.

SGDs affected



Group of Interest affected

- Shareholders
- Bondholders
- Credit rating agencies
- Regulators

Key aspects taken into consideration when managing this material issue

- Direction
- Financial management

Motivation

To achieve a good economic performance and to create value, this allows the sustainability of the Company in the middle and long terms.

How is it managed?

In order to maximize the company's value, it tries to integrate the economic, environmental, and social areas of governance in a balanced way. This responsibility falls on the Board of Directors, who delegates this to the General Manager. This way, there are committees that help with guiding and monitoring this task.

Material Issue – Establishing relationships with the community

As part of their identity, the Company tries to grow together with its communities in harmony with the environment and the economic performance. It states on its *Sustainability Policy* that the interactions with the community must generate social value, always promoting long-term sustainability, and thus becoming a real contribution to the development and growth of the countries where it operates. This is developed through the management of the following areas:

- Ties to the community;
- Supplier development;
- Establishing relationships with the financial market.

Management Approach

Definition

This corresponds to the set of activities aimed at maintaining a relationship with the main groups of community interest and at developing programs created to generate social value.

SDGs affected



Stakeholders affected

- Community organizations
- Community in general
- Customers
- Authority
- Investors

Key aspects taken into account for the management of this material issue

- Community relations
- Social investment programs

Motivation

The interaction with the community and the creation of bonds of trust in the places where the Company operates are key for the continuity of the operation and for long-term sustainability.

How is it managed?

The management format focuses on generating opportunities for open community participation where, through these ties, the impact generated by the operation in those places can be efficiently and quickly identified and the appropriate preventive measures can be established. This way, value is created with the people the Company lives with within that environment, improving the quality of life in those areas. To do that, Cencosud takes care to implement actions in all its business units. This is regulated by the Handbook of Community Interactions, which provides guidelines as to how to interact with the communities, local authorities, and the exercise of community work. Cencosud wants to be part of the communities where it operates through the creation of trust bonds with the people around it and, this way, with the business, adding value to the economic and social development of the areas in the countries where it operates. Through its relationship with the community, it becomes part of the local realities of its operations, contributing to the people's quality of life and reaffirming its commitment with the development of the Sustainable Development Goals.

Progress

- Social investment carried out
- Number of participants in corporate voluntary work

Social performance

The community management during this period is summarized in the following results:

Voluntary work

Beneficiaries	Number of volunteers	Hours of voluntary work
739,315	2,926	376,355

Note: The range of this table corresponds to the operations in Chile (Home Improvement, Department Stores, Shopping Centers, and Supermarkets), Colombia, Argentina, Peru and Brazil.

Cencosud's 2019 Social Investment

Cash Contributions (CLP)	Contribution equivalent to hours of voluntary work (CLP)	Gifts in kind (CLP)	Expenses of social investment management (CLP)	Total (CLP)
2,117,049,227	113,578,679	1,204,784,212	328,739,529	3,764,151,647

Note: the outreach of the previous table corresponds to the operations in Chile (Home Improvement, Department Stores, Shopping Centers and Supermarkets), Colombia, Argentina, Peru and Brazil, at exchange rates closing on December 31st, 2019.

Community Management Initiatives

Several of Cencosud's brands have outreach programs with their local communities because they want to continue improving their community ties. The most prominent ones during 2019 were the following:



Business Unit	Brand	Initiative	Description	Impact
	Jumbo	Jumbito Club	Outreach community program based on opening the stores so that children can visit and go on an educational tour about food, its handling and its distribution. The children can participate in this activity by going to Jumbo's webpage where there is a form for their inscription according to location and store.	<ul style="list-style-type: none"> • 588 visits • 6,171 children benefitted • 12% increase in visits • 3% rise in children participation
	Jumbo	Heroes of Change	20 professional athletes sponsored a third grade during a year. They visited them every month and taught them healthy eating and exercise habits.	<ul style="list-style-type: none"> • 20 schools • 613 children were evaluated by nutritionists and received nutritional monitoring • 128 hours of voluntary work • 64 volunteers
	Jumbo	Jumbo Circus	Free cultural show that tries to bring some culture and promote a healthy diet. The initiative is covered by the Cultural Donations Law.	<ul style="list-style-type: none"> • 38 shows in 11 cities • More than 2,000 spectators

Business Unit	Brand	Initiative	Description	Impact
	Shopping	Aliance with Fundación Protectora de la Infancia	The 2019 corporative volunteers team decided to support a nursery school through different initiatives and celebrations carried out during the year.	<ul style="list-style-type: none"> • 613 children benefitted • 61 volunteers
	Shopping	Theater Portal	It offers musicals and theater plays open to the public and in alliance with some municipal governments.	<ul style="list-style-type: none"> • 16.000 people benefitted • 45 hours of voluntary work • 22 volunteers
	Shopping Alto Las Condes	Fair Market Fair	Carried out in Alto Las Condes together with the Asociación de Comercio Justo Chile and Sercotec in order to promote the products of certified entrepreneurs, ensuring their compleiance with their ten principles.	<ul style="list-style-type: none"> • 55 fair participants • 180 hours of voluntary work • 10 volunteers
	Shopping Costanera	Costanera PRO Entrepreneurship and Innovation Fairs	Entreprenurial fairs carried out in Costanera Center and developed together with the local development area of the Providencia municipality, "HUB Providencia".	<ul style="list-style-type: none"> • 2 fairs • 113 people benefitted • 190 hours of voluntary work • 11 volunteers
	Shopping	Portal Malls Entrepreneurship Fairs	Entreprenurial fairs carred out in the different Portal Malls and considered as spaces to show and sell products of local SMBs.	<ul style="list-style-type: none"> • More than 340 entrepreneurs participated in the Social Entrepreneurship Fairs • 100% of the fairs had tri-sectoral participation
	Shopping	Community Relations Measurements	In-person and online measurements were made regarding the degree of knowledge and evaluation of the relationship activities in order to identify the value and contribution these had for the neighbors.	<ul style="list-style-type: none"> • 74% of the people claim to know the community relations activities • 34.7% claims to have participated in an activity/campaign • The program was graded with an average of 5.1 out of 7.0
	Shopping	Outdoors Classroom	Educative project guided by the current curricular guidelines of the Ministry of Education. This consists in a guided tour around the SKY Costanera viewpoint, carried out by pedagogically trained hosts who teach about the history and geography of the city of Santiago.	<ul style="list-style-type: none"> • 3,500 people benefitted • 375,000 hours of voluntary work • 11 volunteers • Hosts trained in teaching techniques and sign language for students with hearing difficulties
	Shopping	Meaningful Christmas	Each one of the shopping centers sponsors a foundation from the area in which they operate during the Christmas season in order to facilitate the attraction of members and the collection of gifts for the children. These are donated by the customers in exchange of a picture with Santa.	<ul style="list-style-type: none"> • A total of 43,558 gifts donated by customers were gathered in 2019, this meant that all of the children of the 15 sponsored organizations received a gift
	Paris	Signs of Love	Paris started working with a Clothes Bank eight years ago. This foundation works on giving completely new clothes to people with very low incomes or that live on the street. They deliver personalized bags with the name of each person and clothes according to their size and age, in order to give them love and dignity.	<ul style="list-style-type: none"> • 33,490 garments donated • 106 institutions benefitted • 9,669 people benefitted
	Easy	Local Challenge	Easy wants to thank the neighborhoods for accepting and living together with the Company every day. That is why, together with the employees and based on their experience, it tries to improve the quality of life and of the homes of thousands of neighbors every year. Improving the neighborhoods is improving the home.	<ul style="list-style-type: none"> • 32 Sename homes benefitted • 80 spaces renovated • More than 1,500 senior citizens affected • 1,200 hours of voluntary work • 2,630 volunteers



Initiative	Description	Impact
Educational Program	Contributions to schools regarding materials for Smart classrooms with SMART technology.	<ul style="list-style-type: none"> 18,000 children benefitted
Cencosud Forest	One day voluntary service in which employees from the administrative office were taken to plant 600 trees and continue with a forest started in 2016.	<ul style="list-style-type: none"> 3,000 people benefitted because of the aqueducts of the area



Initiative	Description	Impact
Food Rescue	Alliance with the Food Bank and the Salvation Army in the Food Rescue program. The goal is the donation of the food and other products that have not been used or commercialized in order to generate a positive social and environmental impact. In this context, we are members of the National Program for the reduction of Food Loss and Waste "Let's Value Food" of the Ministry of Agricultural Industry.	<ul style="list-style-type: none"> 2,670 entities benefitted 377,318 people benefitted 206 supermarket stores (28 Jumbo, 115 Vea and 63 Disco) and 3 distribution centers participated Donation of 313,136 kg. of food, the equivalent to 626,272 meals
Women Who Lead Change	Free training for women. This gave them practical tools so that the entrepreneurs could strengthen key factors of their businesses, and personal aspects of education and leadership in the growing ecosystem of female entrepreneurship in Argentina. This initiative is the result of the joint effort of Disco and Voces Vitales Argentina, a leading organization in the encouragement of potential and leadership in women. The course is organized around five axes: leadership, important aspects to form projects, e-commerce, personal brand and elevator pitch.	<ul style="list-style-type: none"> More than 230 entrepreneurs applied. 60 entrepreneurs selected. Workshops: 5 in-person meetings of four hours each in charge of a specialist Award: personalized follow-up for each one of the finalists. And a video was recorded of the six most distinguished entrepreneurs in the places where they work in order to make their projects known
My Healthy Meal	Awareness workshops for students of public primary schools that give information about a healthy and balanced diet, the good use of food, and the importance of exercising.	<ul style="list-style-type: none"> 42 workshops 13 schools benefitted 39 teachers trained 900 students benefitted
"Your change builds" Campaign	The "Your Change Builds" campaign was carried during 2019 with the TECHO organization, in which the customers were invited to donate part of their change.	<ul style="list-style-type: none"> Collection of more than \$3,000,000 55 emergency houses built
Take the lid off your solidarity	Together with Fundación Garrahan, an "Ecological Kit" was sold in all Easy stores in Argentina. This consisted in a bucket, a dustpan and a bowl made with the recycled plastic of bottle lids donated by customers and employees in benefit of the institution. The sale was in benefit of the foundation, for the supply of life support equipment for when patients of the hospital go back to their homes.	<ul style="list-style-type: none"> Sale of more than 13,000 ecological combos made with recycled plastic lids donated by customers and employees in benefit of that institution for the supply of life support equipment for the Hospital

Initiative	Description	Impact
Alliance with Fundación Oficios	Easy joined the "Gran Mesa", an event led by the non-profit organization "Fundación Oficios" with the goal of promoting the institution's efforts related to the labor integration of the more vulnerable parts of the community through educational and informational processes.	<ul style="list-style-type: none"> • Donation of decoration products
Easy goes to School	During 2019, Easy, in alliance with Eco House, gave training sessions to future customers of Escuelas in Buenos Aires.	<ul style="list-style-type: none"> • 19,308 children trained • 159 schools benefitted
Alliance with Missing Children	The Company published in their nationally distributed catalogues pictures of lost children being looked for by Missing Children, institution which focuses in helping search for children and which uses media coverage and gives counseling to the families.	<ul style="list-style-type: none"> • 2 children found



Initiative	Description	Impact
Alliance with the GBarbosa 50+ Institute	It promoted a better quality of life for people over 50 years old.	<ul style="list-style-type: none"> • 17,000 people benefitted • 40 hours of voluntary work • 10 volunteers
Food Donations	Donation of goods that are not in commercial conditions but which are in good state for consumption.	<ul style="list-style-type: none"> • 65,632 people benefitted



Initiative	Description	Impact
Beach clean-up	Volunteers accompanied the Ministry of Environment in its beach cleaning program.	<ul style="list-style-type: none"> • 4 hours of voluntary work • 10 volunteers
Alliance with SOS Children’s Villages	This organization specializes in the care of children and teenagers based on a family model. It is addressed to those who are in a situation of risk due to having lost their parents or because the parents cannot take care of them.	<ul style="list-style-type: none"> • 728 beneficiaries of a monthly care budget • 4,924 food grants
Environmental Culture Festival	This activity was carried out during the Week of Environmental Education. It gathered governmental entities, companies, civil society organizations and artists that want to promote environmental culture in Peru.	<ul style="list-style-type: none"> • 500 attendants
Training in Responsible Fishing	Alliance with WWF that aims to promote the conservation of the ecosystems, mainly marine, and to raise awareness in consumers through the reduction of the use of plastic and other materials that are harmful for the environment. The Festimar (festival for the conservation of the ocean and its species) and the training sessions for fishermen were done together with the National Network of Instructors for the Handling and Liberation of Sea Turtles.	<ul style="list-style-type: none"> • 2,000 people benefitted • 12 coastal communities affected • Training sessions for artisanal fishermen • 232 people trained
Alliance with La Tarumba circus	La Tarumba is a Peruvian circus that promotes social inclusion and transformation through art and culture. La Tarumba’s school of artists trains young people from poor social environments.	<ul style="list-style-type: none"> • 110 shows carried out in Plaza Lima Sur • 96,470 participants
Social Innovation Festival – PNUD	It is a space where volunteers from companies and young social leaders got together to develop solutions to promote gender equality. This was developed by the United Nations Development Program.	<ul style="list-style-type: none"> • 25 young people benefitted • 20 hours of voluntary work • 4 volunteers

Commitment to the Sustainable Development Goals



Due to the diversity of its business units in various countries, Cencosud contributes to the different needs of each community in which it operates, aligned to the strategy of each brand of its holding and in harmony with the Sustainable Development Goals. In this context, it focuses on working in voluntary work, alliance, and donation initiatives with different social actors. The balance of the impact executed is summarized in the following image:

Main SDGs affected by Cencosud's management of its material issues



Communitation channels for claims and/or complaints

The Cencosud Group does not have formal claim and/or complaint processes for the local communities, but it makes available the same channels used by the customers. The available channels are the Complaints Line, the corporate e-mail, and the Call Centers, in addition to the Customer Service Desks inside stores and shopping centers.

The Shopping Centers in Chile hold meetings with neighborhood residents' committees (JJVV), organizations, and authorities. In them there are follow-up minutes that are checked by the different areas of the Company. On these cases, the communication is executed via the Center Manager and/or the chief of operations.

Material Issue – Supplier Development

GRI: 103-1, 103-2, 103-3

The development of suppliers is a key element in Cencosud's sustainable value chain because it deals with the supply of products and/or services offered to the customer. Since 2018 the Company has had a Corporate Sustainability Strategy in which the suppliers play a key role as part of the *Environmental Growth* pillar. In it, the goal is to promote and contribute to the development of the suppliers. They are the ones who, through their products, allow the Company to provide the best quality offerings to the thousands of customers who prefer it every day.

Management Approach

Definition

The suppliers are a strategic partner for Cencosud because, through them, the Company can fulfill every day its value promise to the customer. That is why establishing long-term bonds of mutual trust is a key element for the business. In addition, to create a sustainable value chain there need to be suppliers that are committed with the management of the ESG variables. This way the Company can rely on a key link in the sustainable business model.

SDGs affected



Key aspects taken into consideration for the management of this material issue

- Relationship with suppliers
- SMBs

Motivation

Cencosud's commitment to providing quality products and a varied offering for its customers is strengthened thanks to its suppliers. In addition, the customers are demanding increasingly more information regarding what they buy and, because of this, it is necessary to establish alliances with suppliers that have productions with high social and environmental standards.

How is this managed?

Cencosud has an environmentally conscious chain of supply, which tries to reinforce the traceability of the Company's value chain, promoting local production, creating value for the community, and strengthening each country's economy.

Progress

- Total of local suppliers;
- Total of SMB suppliers;
- Total of suppliers evaluated according to environmental and/or social criteria.

The supply process for the business units starts with the evaluation and selection of the suppliers, both national and international, including companies of different sizes.

Cencosud commits itself and declares respect for Human Rights as the cornerstone of its operation and its chain of supply. Part of this is to adhere to the UN's Guiding Principles on Human Rights and to ask its stakeholders (suppliers, employees, customers, communities, investors, and strategic business partners) to adhere to them too.

In accordance to the above, Chile (Department Stores and Home Improvement), Argentina and Colombia evaluated part of their supplies regarding matters of Human Rights.

Human Rights Policies that can be demanded from the Suppliers

Number of evaluated Suppliers	
Bribery and Corruption	3,078
Respect towards Human Rights, child labor, prevention of forced labor	3,681
Suppliers with significant risk of cases of child labor	3,187
Security staff trained in Human Rights policies or procedures	100
Freedom of Association	3,572
Ocupational Health	1,121

Includes information from Colombia, Argentina and Department Stores Chile. Also, Brazil and Home Improvement Chile state that they have human rights policies that can be demanded from suppliers.

Conscious Supply Chain

As was mentioned in the Life Cycle and Traceability chapter, a conscious supply is essential for the development of value offering regarding Cencosud’s thousands of customers. That is why the suppliers are encouraged to move along these lines, being evaluated using sustainability standards that help ensure a better observance in this matter.

The Company works hard to ensure that its product offering has been generated in good working conditions and that the process of purchase from suppliers is fair. This way, it supports the increase of local production in the areas of its operations, generating value for the community and strengthening the economy of each country. These helps to guarantee the product supply for its customers in all its business units.

Supplier Development Initiatives

In order to manage the issue regarding suppliers, the following actions were developed:

Supermarkets Chile

Initiative	Description of the initiative	Main results
Regional fisheries	To add local fisheries and coves to supply the stores directly with fresh products from the area.	Addition of three new coves: <ul style="list-style-type: none"> • Caleta San Pedro Concón • Caleta San Pedro La Serena • Supplier Almar La Serena
Development of regional cold cut suppliers	To add local suppliers that deliver directly to the stores in the area. They are trained to work within Cencosud’s traceability system in order to be added as suppliers.	Eight suppliers added in different cities in the south of Chile.
Development of regional ice and eggs suppliers	In the Ice and Egg categories, the Company tries to promote mainly regional suppliers because of the short shelf life and freshness of the products in the case of eggs, and because of matters of logistics in the case of ice.	<p>Eggs Category: there are currently 12 suppliers, 67% of the amount of suppliers used.</p> <p>Ice Category: there are 14 regional suppliers, this represents 82% of the suppliers used.</p>
Development of small suppliers of dairy product	The Company tries to promote small suppliers that have products with characteristics that are unique in the market.	Addition of the following suppliers: <ul style="list-style-type: none"> • Zenoorganics: plant-derived Yoghurt • Lácteos Tinguiririca: gluten-free • Pucará: premium products • Las Hualtatas: alternative for people who are allergic to the protein in cow milk • Mar Verde: organic plant-derived drinks • Logística Gourmet: plant-derived drinks • Lácteos San Ignacio: fresh milk • Lácteos Kapagrurt: goat-milk yoghurt

Home Improvement Chile

Initiative	Description of the initiative	Main results
Proud of What We Do (ODLN)	This is an initiative that wants to travel the length and breadth of Chile looking for men and women who, with their hands, love and respect for its history, contribute to the country's cultural richness. This is a space to show their work because all that passion and commitment has to be known throughout Chile.	<ul style="list-style-type: none"> • Addition of nine new entrepreneurs and artisans
Local Fairs	Together with the Desafío Levantemos Chile foundation, the Company wanted to, once again, support national entrepreneurs with the realization of local fairs.	<ul style="list-style-type: none"> • Use of space in four Easy stores (La Florida, Valparaíso, Curicó and Linares) with no commercialization cost • Nine local fairs • Participation of more than 90 local entrepreneurs

Department Stores Chile

Initiative	Description of the initiative	Main results
Knit Again	To Knit Again is a campaign that promotes hand-knitted products made with love and care in a sustainable and transparent chain that rescues Chilean identity. These fibers are put together to produce a unique legacy, directly from the cattle farms to the hands of the knitters in La Ligua. 100% natural, 100% local and 100% traceable. A unique collection.	<ul style="list-style-type: none"> • More than 1,000 garments made • 100 participants benefitted

Argentina

Initiative	Description of the initiative	Main results
Expert World	The free professional courses of "Expert World" provided training together with the suppliers.	<ul style="list-style-type: none"> • 1,995 customers benefitted
"El Colocador Klaukol" Easy Tucumán	In November, an event was carried out in Easy Tucumán together with the supplier Parex Klaukol in which there was a training session and a tile laying competition.	<ul style="list-style-type: none"> • 125 participants benefitted • 35 new customers

Supplier Evaluation

The *Cencosud Supplier Code* was created in 2019. This defines the minimal requirements regarding the expected operating behavior of suppliers across all units of business. The Company expects to be able to carry out its implementation and trainings about its content in different businesses during 2020.

In addition, Chile has an 8% of evaluated suppliers in sustainable audits during the year.

Auditted Suppliers	
Supermarkets	181
Home Improvement	0
Department Stores	13
Total	194

Includes information about operations in Chile and does not include Shopping Centers because its Level 1 providers are from a different nature to the rest of the operations in Chile.

The assessment of suppliers consists in a series of policies and procedures assigned to the analysis of Corporate Governance, risk management and the policies of the suppliers in ESG matters, and the goals and indicators that measure the number of suppliers evaluated during the year, taking into consideration social and environmental impact criteria.

There was a total of 781 suppliers evaluated regarding Environmental Criteria according to the GRI 308-1 index in Chile and Colombia in the Department Stores business unit.

Timely payment to suppliers

The Company works hard to keep good relationships with its suppliers. This implies fulfilling the stated commercial agreements in the appropriate deadlines, maintaining the trust owed to business partners and favoring shared value agreements between the parties involved.

Cencosud is committed to supporting its suppliers, specially the SMBs. In October, and due to the impact of the social movement that happened in Chile, the Company decided to implement a change in the payment datelines for its suppliers, establishing a maximum of 30 days. This measure was adopted in order to help them and to mitigate the effects of the crisis on their their business, generating an advance payment of CLP 1,000 millions.

Beyond the contingency, in the case of Peru, there is a program for small businesses that includes a 30 days payment term. Meanwhile, in Department Stores Chile, payment time reductions and the established datelines for the procedure are included in the business agreement with suppliers.

Average Dateline for Supplier Payment ¹	N° of paid receipts	Total amount paid ²	N° of suppliers
30 days payment agreement at the time of emission	371,807	18,085,734,468	2,970
31 to 60 days payment agreement at the time of emission	698,289	35,389,752,633	5,791
More than 60 days payment agreement at time of emission	1,023,275	36,650,265,755	2,880

Includes Chile Home Improvement, Argentina, Pery and Brazil.

1. Average goods suppliers' payment dateline.

2. Total amount in CLP.

MAIN METRICS



Employees

Personnel by country

GRI 102-8; 202-2

	2019	%	2018	%	2017	%	2016	%
Argentina								
Stores	18,959	15.1%	20,051	15.0%	21,098	15.5%	21,671	15.7%
Distribution Centers	1,135	0.9%	1,218	0.9%	1,143	0.8%	1,173	0.8%
Main Office	1,835	1.5%	2,028	1.5%	2,091	1.5%	2,074	1.5%
Total Argentina	21,929	17.5%	23,297	17.4%	24,332	17.9%	24,918	18.0%
Brazil								
Stores	20,554	16.4%	22,616	16.9%	23,039	17.0%	24,516	17.7%
Distribution Centers	1,425	1.1%	1,373	1.0%	1,463	1.1%	1,682	1.2%
Main Office	2,061	1.6%	2,058	1.5%	2,142	1.6%	2,142	1.6%
Total Brazil	24,040	19.2%	26,047	19.5%	26,644	19.6%	28,340	20.5%
Chile								
Stores	47,545	38.0%	50,900	38.0%	51,230	37.7%	50,615	36.6%
Distribution Centers	2,512	2.0%	3,043	2.3%	3,074	2.3%	3,287	2.4%
Main Office	3,413	2.7%	2,918	2.2%	2,852	2.1%	2,530	1.8%
Total Chile	53,470	42.7%	56,861	42.5%	57,156	42.1%	56,432	40.8%
Colombia								
Stores	11,258	9.0%	11,998	9.0%	12,290	9.0%	12,925	9.4%
Distribution Centers	205	0.2%	217	0.2%	230	0.2%	232	0.2%
Main Office	820	0.7%	857	0.6%	844	0.6%	823	0.6%
Total Colombia	12,283	9.8%	13,072	9.8%	13,364	9.8%	13,980	10.1%
Peru								
Stores	11,672	9.3%	12,325	9.2%	12,072	8.9%	12,016	8.7%
Distribution Centers	1,061	0.8%	1,066	0.8%	1,095	0.8%	1,430	1.0%
Main Office	814	0.6%	1,178	0.9%	1,158	0.9%	1,044	0.8%
Total Peru	13,547	10.8%	14,569	10.9%	14,325	10.5%	14,490	10.5%
Consolidated Total	125,269	100.0%	133,846	100.0%	135,821	100.0%	138,160	100.0%

Personnel Profile			
Position	Female	Male	Total
Manager	83	260	343
Assist. Manager and Head of Dept.	396	997	1,393
Area Manager	534	1,143	1,677
Professionals and Technicians	3,617	5,246	8,863
Others	59,075	53,918	112,993
Total	63,705	61,564	125,269

Diversity in the Organization¹⁵

GRI 102-8; 202-2

		2019	2018	2017	2016	
Gender	Female	63,705	67,779	68,488	69,627	
	Male	61,564	66,067	67,333	68,533	
	Total	125,269	133,846	135,821	138,160	
Nationality	National	50,204	54,203	55,942	N/A	
	Foreigner	75,065	79,643	79,879	N/A	
	Total	125,269	133,846	135,821	N/A	
Personnel by Country	Argentina	21,929	23,297	24,332	24,918	
	Brazil	24,040	26,047	26,644	28,340	
	Chile	53,470	56,861	57,156	56,432	
	Colombia	12,283	13,072	13,364	13,980	
	Peru	13,547	14,569	14,325	14,490	
	Total	125,269	133,846	135,821	138,160	
	Age Range	Less than 30 years of age	39,141	45,848	53,186	55,637
		Between 31 and 40 years of age	43,030	42,498	42,160	43,243
Between 41 and 50 years of age		26,508	28,033	25,722	25,294	
Between 51 and 60 years of age		13,071	13,755	11,993	11,442	
Between 61 and 70 years of age		3,149	3,326	2,478	2,296	
Over 70 years of age		370	386	282	248	
Total		125,269	133,846	135,821	138,160	
Seniority	Less than 3 years	43,499	48,637	46,618	56,697	
	Between 3 and 6 years	22,665	24,789	29,766	27,981	
	Between 6 and 9 years	19,408	20,525	16,914	15,085	
	Between 9 and 12 years	12,065	13,428	15,293	13,768	
	More than 12 years	27,632	26,467	24,230	24,629	
	Total	125,269	133,846	132,821	138,160	

¹⁵ Cencosud is committed to the elimination of child or forced labor, which is stated in the Company's policies. People over 15 and under 18 will only be able to work in the Cencosud companies during the Christmas and/or holiday seasons, and always complying with the conditions established by the laws of each country.

Diversity in the Board of Directors and in Management in 2019

GRI 102-8; 202-2

		Board of Directors	Executive Team	Employees	Total
Gender	Female	1	1	63,704	63,705
	Male	8	10	61,554	61,564
	Total	9	11	125,258	125,269
Nationality	National	6	3	50,201	50,204
	Foreigner	3	8	75,057	75,065
	Total	9	11	125,258	125,269
Age range	Less than 30 years of age	0	0	39,141	39,141
	Between 31 and 40 years of age	0	1	43,029	43,030
	Between 41 and 50 years of age	2	8	26,500	26,508
	Between 51 and 60 years of age	1	1	13,070	13,071
	Between 61 and 70 years of age	4	1	3,148	3,149
	Over 70 years of age	2	0	370	370
	Total	9	11	125,258	125,269
Seniority	Less than 3 years	3	0	43,499	43,499
	Between 3 and 6 years	1	2	22,663	22,665
	Between 6 and 9 years	1	1	19,407	19,408
	Between 9 and 12 years	0	2	12,063	12,065
	More than 12 years	4	6	27,626	27,632
	Total	9	11	125,258	125,269

New Hirings

GRI 401-1

Number of new hirings (permanent contract) during 2019

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	124	236	43	74	3	4
Brazil	1,313	1,807	769	946	48	97
Chile	5,221	5,364	2,490	1,817	489	330
Peru	833	1,022	211	211	4	3
Colombia	1,400	2,426	412	388	5	13
Total	8,891	10,855	3,925	3,436	549	447

Number of new hirings (permanent contract) during 2018

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	227	364	50	93	6	6
Brazil	1,344	1,822	836	981	53	103
Chile	6,723	7,333	2,989	2,487	757	451
Peru	1,164	1,290	282	295	4	9
Colombia	1,578	2,983	452	587	20	26
Total	11,036	13,792	4,609	4,443	840	595

Rate of new hirings (permanent contract) during 2019

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	12.2%	13.2%	0.6%	0.7%	0.6%	0.3%
Brazil	40.0%	45.3%	10.7%	14.7%	3.3%	5.9%
Chile	56.7%	66.9%	15.4%	19.1%	7.6%	8.0%
Peru	36.6%	36.7%	6.5%	6.2%	1.5%	1.0%
Colombia	51.4%	59.9%	14.3%	11.1%	2.9%	5.3%
Total	48.0%	52.6%	10.8%	10.3%	6.2%	5.8%

Rate of new hirings (permanent contract) during 2018

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	15.58%	14.43%	0.72%	0.89%	1.11%	0.43%
Brazil	36.00%	40.40%	10.84%	14.71%	3.25%	5.76%
Chile	63.69%	78.68%	18.37%	25.90%	11.21%	1,33%
Peru	43.71%	38.13%	8.81%	8.96%	1.56%	3.25%
Colombia	50.92%	64.78%	16.09%	16.35%	10.20%	9.67%
Total	51.31%	56.66%	12.49%	13.21%	8.96%	7.35%

Work Environment

Work Environment Survey	Argentina	Brazil	Chile	Colombia	Peru
2018	72%	80%	76%	82%	81%
2019	74%	79%	75%	78%	76%

Turnover

GRI 401-1

Number of employees that left the Company in 2019

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	130	246	468	696	54	84
Brazil	1,294	1,697	1,750	1,632	328	319
Chile	4,718	5,181	3,346	2,559	998	594
Peru	553	670	272	369	15	13
Colombia	1,427	3,305	529	933	21	43
Total	8,122	11,099	6,365	6,189	1,416	1,053

Number of employees that left the Company in 2018

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	200	360	442	690	35	67
Brazil	1,232	1,579	1,399	1,413	177	234
Chile	6,735	7,527	3,765	2,946	1,175	766
Peru	1,008	1,270	490	600	26	25
Colombia	1,629	3,407	606	901	25	47
Total	10,804	14,143	6,702	6,550	1,438	1,139

Percentage of employees that left the Company in 2019

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	12.80%	13.75%	6.87%	6.69%	10.11%	6.07%
Brazil	39.40%	42.51%	24.28%	25.31%	22.36%	19.43%
Chile	51.27%	64.61%	20.71%	26.94%	15.48%	14.32%
Colombia	24.27%	24.05%	8.32%	10.87%	5.68%	4.51%
Peru	52.37%	81.56%	18.41%	26.77%	12.07%	17.70%

Percentage of employees that left the Company in 2018

Age Range	Less than 30 years old		Between 30 and 50 years old		Over 50 years old	
	Women	Men	Women	Men	Women	Men
Argentina	13.73%	14.27%	6.40%	6.59%	6.49%	4.80%
Brazil	33.00%	35.01%	18.13%	21.18%	10.85%	13.09%
Chile	63.80%	80.76%	23.15%	30.68%	17.41%	17.54%
Colombia	37.85%	37.54%	15.30%	18.23%	10.16%	9.03%
Peru	52.57%	73.98%	21.57%	25.10%	12.76%	17.47%

Benefits for Employees

Benefits	Argentina	Chile	Brazil	Colombia	Peru
Health/ Life					
Supplementary health insurance	X	X	X	X	X
Preventive health programs	X	X	X	X	X
Agreements with health entities	X	X	X	X	X
Life and funeral costs insurance	X	X	X	X	X
Harmony in the workplace					
Summer working hours	X	X			X
Birthday benefit	X	X	X	X	X
Shuttle buses		X			X
Healthy benefit	X	X	X	X	X
Economic					
School bonus	X	X		X	X
Food	X	X	X	X	X
Transportation		X		X	X
Childbirth allowance	X	X		X	X
Bereavement bonus	X	X		X	X
Holiday bonus		X		X	X
Crossed discounts	X	X	X	X	X
Academic excellence		X			
Parking space	X	X		X	X
Discounts using the Cencosud Card		X	X	X	X
Social					
Tickets to entertainment centers		X			X
Recreational activities	X	X			X

Parental Leave

GRI 401-3

Total number of employees entitled to parental leave

Year	Argentina		Brazil		Chile		Colombia		Peru	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2019	538	458	1,423	472	2,111	9	329	101	428	387
2018	320	378	3,112	488	2,361	453	398	141	423	420
2017	369	365	3,258	550	2,551	487	384	165	410	481

Total number of employees that have taken parental leave

Year	Argentina		Brazil		Chile		Colombia		Peru	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2019	538	458	1,423	472	2,111	9	329	101	428	387
2018	320	378	3,112	488	2,361	453	398	141	423	420
2017	369	365	3,258	550	2,551	487	384	165	410	481

Total number of employees that have returned from parental leave

Year	Argentina		Brazil		Chile		Colombia		Peru	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2019	505	433	1,155	391	1,990	9	298	93	328	329
2018	320	378	3,112	488	2,212	385	386	140	423	420
2017	369	365	3,258	550	2,367	412	320	147	410	481

Return to work rate (parental retention)

Year	Argentina		Brazil		Chile		Colombia		Peru	
	Mujeres	Men	Mujeres	Men	Mujeres	Men	Mujeres	Men	Mujeres	Men
2019	93.9%	94.5%	81.2%	82.8%	94.3%	100.0%	90.6%	92.1%	76.6%	85.0%
2018	100.0%	100.0%	100.0%	100.0%	93.7%	85.0%	97.0%	99.3%	100.0%	100.0%
2017	100.0%	100.0%	100.0%	100.0%	92.8%	84.6%	83.3%	89.1%	100.0%	100.0%

Return to work rate = total number of employees who have gone back to work after taking parental leave / total number of employees who must return to work after parental leave * 100

Parental retention rate

Year	Argentina		Brazil		Chile		Colombia		Peru	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2019	93.9%	94.5%	81.2%	82.8%	94.3%	100.0%	90.6%	92.1%	76.6%	85.0%
2018	100.0%	100.0%	100.0%	100.0%	93.7%	85.0%	97.0%	99.3%	100.0%	100.0%
2017	100.0%	100.0%	100.0%	100.0%	92.8%	84.6%	83.3%	89.1%	100.0%	100.0%

Parental retention rate = total number of employees retained for 12 months after coming back from a period of parental leave / total number of employees that return to work after taking parental leave during the period considered for this report * 100

Labor Relations: accidents, absenteeism and death of employees

GRI 403-2

Accident Frequency Rate (TFA)	2019		2018		2017	
	Women	Men	Women	Men	Women	Men
Argentina	11.10	27.4	14.31	35.68	15.16	35.68
Brazil	17.85	17.84	5.19	6.88	4.36	5.03
Chile	9.98	12.39	12.03	12.32	13.67	14.82
Colombia	26.09	33.3	29.70	38.80	44.30	51.40
Peru	4.80	9.55	6.72	12.73	7.19	13.47

TFA = Frequency of accidents in relation to the total time worked by employees during the period of this report.

Occupational Illness Incidence Rate (TIEP)	2019		2018		2017	
	Women	Men	Women	Men	Women	Men
Argentina	0.25	1.38	0.33	0.55	0.96	1.19
Brazil	0.0007	0.0104	0.0034	0.0013	0.0063	0.0021
Chile	0.14	0.24	0.2	0.43	0.42	0.37
Colombia	0.0009	0.0002	0.0008	0.0002	0.0011	0.0002
Peru	0	0	0	0	0	0

TIEP = Rate of incidence of occupational illnesses (TIEP = Frequency of occupational illnesses in relation to the total time worked by all employees during the period considered in this report). Note: The occupational illness incidence rate can be calculated for one category.

Lost Day Rate (TDP)	2019		2018		2017	
	Women	Men	Women	Men	Women	Men
Argentina	219.4	542.9	284.3	725.3	309.1	710.2
Brazil	549.5	573.8	429.1	426.9	577.1	422.5
Chile	94.5	155.4	123.1	161.2	184.2	203.9
Colombia	188.5	213.1	244.6	310.4	293.7	342.3
Peru	25.4	52.6	32.5	63.3	33.4	60.0

TDP = Rate of lost days (TDP = Impact of occupational illnesses and accidents reflected in the days off of the affected workers. The lost day rate is shown by comparing the total of lost days with the total of work hours programmed for the period considered in this report).

Work Absenteeism Rate (TAL)	2019		2018		2017	
	Women	Men	Women	Men	Women	Men
Argentina	0.16	0.40	0.46	0.18	0.45	0.19
Brazil	0.0028	0.0028	0.00	0.00	0.00	0.00
Chile	0.0009	0.0016	0.0013	0.0017	0.0019	0.0021
Colombia	0.15	0.17	0.20	0.25	0.23	0.27
Peru	0.02	0.04	0.03	0.05	0.03	0.05

TAL = The actual days lost by an absent worker, shown as percentage of the total number of work days programmed for the workers during the same period.

Number of deaths by occupational accident or illness	2019		2018		2017	
	Women	Men	Women	Men	Women	Men
Argentina	0	0	0	0	0	0
Brazil	0	0	0	0	0	1
Chile	0	0	0	1	0	1
Colombia	0	0	0	0	0	0
Peru	0	0	0	0	0	0

Evaluation

GRI 102-36; 404-3

Percentage of employees that receive regular performance evaluations	Argentina	Brazil	Chile	Colombia	Peru
2019	96%	41%	86%	18%	95%
2018	96%	21%	83%	19%	88%
2017	98%	20%	84%	18%	36%

Training

GRI 404-1; 404-2; 404-3; 410-1; 412-2; 205-2; 206-1

Average of training hours per employee	Under 30 years old	Between 31 and 50 years old	Over 50 years old
2019	12.1	13.5	13.5
2018	5.3	7.9	4.8
2017	7.0	15.5	18.1

Average of training hours for women	Under 30 years old	Between 31 and 50 years old	Over 50 years old
2019	11.4	12.8	12.8
2018	5.1	7.3	4.4
2017	7.0	14.8	16.7

Average of human rights training hours per employee in	Under 30 years old	Between 31 and 50 years old	Over 50 years old
2019	0.1	0.1	0.1
2018	0.2	0.2	0.2

Number of employees trained in 2019	Argentina	Brazil	Chile	Colombia	Peru	Total
Energy	1,862	3,011	12,842	6,107	13,467	37,289
Saving Energy	757	3,032	11,787	5,366	14,346	35,288
Sustainability	1,654	5,405	11,676	5,112	17,387	41,234
Community Relations	377	1,688	4,157	1,126	13,074	20,422
Human Rights	335	3,621	2,015	340	3,551	9,862

Number of employees trained in 2018	Argentina	Brazil	Chile	Colombia	Peru	Total
Energy	1,582	899	5,123	1,188	1,598	10,390
Saving Energy	565	1,490	8,126	1,872	2,264	14,317
Sustainability	2,744	2,257	6,901	1,691	2,189	15,782
Community Relations	431	196	642	157	190	1,616
Human Rights	1,019	1,463	4,505	442	403	7,832

Outreach 2018: several audiovisual units were carried out during the year to present issues of sustainability to the employees in the Green Spirit course. It was very well received by the teams.

Remunerations by gender and wage gap

GRI 102-38; 201-2; 404-2

Ratio of minimum wage to average wage	Argentina	Brazil	Chile	Colombia	Peru	Total
2019	39.33%	61.69%	48.91%	65.04%	57.33%	39.33%
2018	31.49%	52.50%	34.74%	42.56%	41.36%	31.49%

Difference in wages in percentage	Men versus women (men = 100%)				Women versus men			
	2019	2018	2017	2016	2019	2018	2017	2016
Managers and main executives	-2.45%	-4.09%	-2.94%	-4.20%	97.55%	95.91%	97.06%	95.80%
Professionals and technicians	-1.94%	-1.24%	-0.24%	-0.24%	98.06%	98.76%	99.76%	99.76%
Workers	-4.83%	-4.38%	-4.17%	-3.34%	95.17%	95.62%	95.83%	96.66%

Suppliers

Policies in matters of human rights that can be demanded from suppliers

GRI 408-1; 205-1

	Jumbo and Santa Isabel	Easy	Paris and Johnson	Peru	Argentina
Bribery and corruption	*	Yes	Yes	Yes	*
Respect to human rights, child labor, prevention of forced labor	Yes	Yes	Yes	*	*
Suppliers with significant risks of cases of child labor	*	Yes	Yes	*	*
Security personnel trained in human rights policies or procedures	*	*	*	Yes	*
Freedom of association	Yes	Yes	Yes	*	*
Occupational health	Yes	*	Yes	Yes	*

CORPORATE Information



Risk Factors

International Situation

At the beginning of 2020, the world was surprised by the quick spread of Coronavirus or Covid-19, a disease that –aside from being declared a pandemic by the World Health Organization- has generated a series of negative effects in an international scale due to the drastic sanitary and economic measures adopted by the governments in order to contain it.

In his March 2020 presentation of the Monetary Policy Report (IPoM), the president of the Chilean Central Bank, Mario Marcel, stated that “the characteristics of the situation we are facing are completely different to any other period of economic recession we can remember. The main one is that its origin is outside of the economic sphere because it is a sanitary problema that forces the adoption of drastic measures with a high economic cost, but that are necessary to reach a higher goal, which is to save human lives”.

In this context, the report foresees a world wide recession that will impact the Chilean economy due to the effects of a drop in international trade, the narrowing of global financial conditions, lower exchange terms, the effect of sanitary measures on production, and the decline of business and customer expectations.

The impact and the depth of the global crisis –the most important since the international economic crisis of 2008- have been mitigated by the central banks and different governments’ expansionary measures in order to attenuate the effect on the revenues and to allay fear in the markets. However, it is imposible to rule out prolonged damages and a slower recovery depending on the extension of the containment measures, beyond the mitigation efforts reinforced by the authorities in these cases.

The global economy will suffer a recession. This will happen in a context marked by China’s weak expansion, a slowdown in the United States –where the labor market numbers given foretell importante effects for the economy-, a lower activity in the Eurozone regarding its main economies (Germany, France, and Italy).

In addition, an international financial crisis and its detrimental effect in the financial industry can have a negative effect on the ability to get new bank fundings with the same terms and conditions in which the Company has been getting them until now. An increase in risk premium with a rise in spread levels has been observed for emerging nations.



Risks Related to Argentina

Inflation

Argentina has registered high inflation rates since December, 2001, with accumulated rises in the Consumer Price Index (IPC) and in the Wholesale Price Index (IPIM). The inflation levels reflected the effect of the peso devaluation on the costs of production and a modification of relative prices, which was partially compensated by the elimination of the rate adjustment and the drop in demand.

Later, in the context of the first agreement made with the International Monetary Fund (IMF), the Government promised to achieve the following goals regarding inflation: a 17% annual rate for 2019, 13% for 2020, and 9% for 2021. As part of the second deal with the IMF, it was agreed to replace the set of inflation goals for a system that sets a strict control on the monetary base, which could not be raised until June, 2019.

Meanwhile, Mauricio Macri's Government formulated a Budget law for the year 2019, forecasting a 23% interannual inflation rate, which would have shown a significant reduction in relation to the one registered in 2018. However, a 53.8% inflation rate was accumulated during the year. With that, the country reached the third place in the list of countries with higher inflation rates in the world.

After winning the elections of October 27th, 2019, Alberto Fernández was elected the new President of the country. One of the first measures he implemented was not to submit the 2020 budget proposed by the previous administration to Parliament after deeming that it did not reflect the social realities or the debt commitments taken on by the country. The rise in wages and in public expenses, as well as the new measures that will be implemented by the new administration during the year, may have a direct influence on the inflation rate. In this context, the current Government froze the prices of electricity, gas, and public transport for a period of 120 days.

In the past, the inflation rates have negatively affected the Argentinian economy and the Government's ability to create the right conditions to encourage growth. Besides, part of the Argentinian debt is adjusted by the Reference Stabilizing Ratio (RFR), which is related to inflation and, therefore, its increase would have a negative impact on the level of public indebtedness.

High inflation rates, as well as an economic slowdown or recession, would affect the financial situation of the Company. However, the announcements and measures taken by the Government to guide and encourage the people's consumption (such as *Precios Cuidados*, the "Ahora 12" plan and the *Impuesto País* which penalizes foreign purchases) could eventually increase consumption and, therefore, affect Cencosud positively.

Economic Growth

Argentinian economy has registered important levels of volatility in the last few decades, characterized by periods of low or negative growth, elevated and varied inflation indexes, and depreciation of its currency.

In 2018, the INDEC published a Progress in Productivity Levels Report which revealed a 0.5% downturn of the Gross Domestic Product (GDP) during the first six months of the year. In the second quarter of 2019, the GDP accumulated a drop of 2.5% annually, showing a 0.3% recession in comparison to the previous quarter and a 0.6% growth in comparison to the second quarter of 2018. Finally, the 2019 GDP showed a 2.2% variation.

Exchange Rate

Ever since Argentina adopted a fluctuating exchange rate system in 2002, the value of the peso has varied in time. The devaluation of the currency has had a negative impact on companies' ability to honor their foreign currency debts. In 2017, the Argentinian peso lost approximately -17.5%, -50.6% during 2018 and -37.1% in 2019.

President Fernández sent to the National Congress the draft for the Social Solidarity bill, which, among other measures, levies a new tax on the purchase of foreign currency and the services hired abroad in such currencies. The initiative was approved on December 21st, 2019. This rule added a 30% tax on the purchase of dollars for hoarding, measure that generated a new type of currency known in the market as the "dollar for saving." This comes to join the other types of currency existing today in Argentina, like, for example, the card dollar, the wholesale dollar, the retail dollar, the blue dollar and the grey market dollar. The variety of types of currency could affect the production of the issuing authority in a negative way.

Foreign public debt and financing in international markets

In May, 2014, the Government reached an agreement with its creditors of the Paris Club, consolidated debt that was cancelled in 2019. Because Argentina was unable to redeem 100% of its debt or fix all the complaints of its dissenting creditors, and that it has a public debt over 80% of its GDP, the country's access to international capital markets could be restricted or it could also be limited due to the increased cost of the credit.

After becoming President, Alberto Fernández's government started conversations for the rollover of the debt with the IMF, which are still going up until the date of the close of this report.

It is imposible to be sure of the impact of the new agreement with the IMF or the Social Solidarity Act will have on Argentinian economy, it is also imposible to foretell how this will affect the Company's production.

Governmental intervention and exchange controls

Through the Decree of January, 2018, and with the goal of giving the system more flexibility, of favoring competence by allowing the introduction of new operators to the exchange market, and of reducing the costs generated by the system, the free foreign exchange market (MELI) was established. All exchange operations by financing entities would go through MELI, as well as by the people authorized by the Central Bank to work permanently or temporarily in the business of buying and selling foreign currency, gold coined or in bars of reliable delivery and travellers' checks, drafts, transefers or similar operations in foreign currency. Due to a new Communication, valid since March, 2018, the companies from any sector that ususally operate with MELI will be able to act as exchange agencies, the only requirement needed is for them to register electronically in the "Exchange Operators Registry."

Through the Decree of September, 2019, and the Central Bank's additional Communications, and as a consequence of the global economic crisis and loss of reserves, the Argentinian Government established a new system of exchange control which has been kept by President Fernández's Government.

Bellow are the main currently valid provisions regarding exchange restrictions, international funding, and restrictions on transferring currency abroad:

- Financial debts;
- Inflow and settlement obligation: obligation of inflow and settlement in the local exchange market of the proceeds of new financial debts abroad paid as of September, 2019.

The Central Bank's Communications do not require the previous authorization of the issuing entity for the access to the exchange market for the repayment of foreign financial debt services at maturity, demanding only that (a) the payments made starting from September, 2019, were received and settled, and (b) that the debt be informed in the Survey of Exernal Assets and Liabilites, when appropriate. Only the second requirement will be needed in the case of financial debt whose disimbursement happened before September 1st, 2019.

However, there is one general exception to the obligation of settlement of the proceeds of the disbursement if the following conditions are:

- i) The funds are deposited in the borrower's local bank account in dollars;
- ii) The funding of the local bank account is made within the settlement due date applicable in each case according to the Communications of the Central Bank;
- iii) The deposited funds are immediately used for the payments, in local currency, allowed to the borrower in relation to the Communications of the Central Bank; as long as, in case a new financial debt is incurred in order to redeem a previous financial debt, the duration of this new debt is longer than the duration of the previous debt;
- iv) The payment allowed under this concept is neutral for tax purposes;
- v) The borrower presents a sworn statement to the appropriate bank in which they express that the payment for which the funds are used is allowed under the applicable regulations.

Regarding the advanced payment of foreign financial debts, this is allowed without the need of authorization from the Central Bank as long as it takes place up to three business days before the debt service's corresponding due date (capital and/or interests). Payment before that will be subject to the previous authorization by the Central Bank, without expected guidelines regarding applicable requirements for this end.

Residents who must make external financial debt service payments may purchase foreign currency before the due date given by regulation when the acquired funds are deposited in foreign currency accounts held by them in local financial entities.

The foreign currency funds that are not used for the redemption of the debt services engaged, must be settled in the exchange market within the next five business days after maturity.

Moreover, the Central Bank's previous approval is established for the access to the exchange market of residents when it exceeds the equivalent to USD 10,000 per month in all of the entities authorized to operate in exchange.

The Central Bank will regularly inform the entities authorized to operate exchange the identity of the natural persons that have gone over the monthly purchase limit. These will not have access to the exchange market for the purchase of foreign currency in relation to the considered transactions.

On the other hand, the natural persons who acquire securities through settlement in foreign currency are obliged to keep them in the buyer's portfolio for a period of no less than five business days from the date of settlement of the operation, before they are sold or transferred to other depository entities.

International prices of the main Argentinian commodities

Argentinian economy has historically been based on the export of commodities, whose prices have been volatile. The rise in their prices has significantly contributed to the increase of the government's revenues from export taxation. If the prices of the commodities suffer variations, the growth of Argentinian economy could be affected.

Argentina suffered its worst drought in the last 50 years during 2018, as well as floodings in different parts of the country, all of which generated losses in the agricultural sector. This also had an effect on the Argentinian economy and in the foreign currency influx through the main export industry.

The year 2019, on the other hand, showed an increase in exports, with a total settlement of USD 23,719 millions, compared to the USD 20,200 millions of the previous year. This was one of the highest settlements of the last 17 years.

Measures taken by the government and pressures from union organizations

Labor relations in Argentina are regulated by a specific law that determines the ways in which salary negotiations, among other matters, are to be carried out. All industrial and trade activity is regulated by collective agreements that groups companies together according to

industry areas and by unions. Although the negotiation process is standardized, each commercial or industrial chamber negotiates salary rises and employment benefits with the corresponding union.

During 2018 and 2019, national mobilizations and strikes called by different social and union organizations against the government multiplied. So much so that Argentina suffered six general strikes during Mauricio Macri's presidency. The main complaints were regarding salary adjustments, rate adjustments, redundancies and the agreement with the IMF.

After Alberto Fernández became president, he issued a decree that established an AR 4,000 wage increase for employees of the private sector, payable in two installments: AR 3,000 in January and AR 1,000 in February.

Public Expenditure

In 2018, Argentina's public expenditure reached 38.9% of the GDP. Due to the agreement reached with the IMF in June, 2018, the new goals for the primary tax balance were set at -2.7% of the GDP in 2018, -1.3% in 2019, primary balance in 2020, and 0.5% surplus in 2021.

The primary fiscal balance could be negatively affected in the future if the public spending continues to rise at a faster rhythm than that of the incomes. A new decline in fiscal account could negatively affect the States ability to access the long term financial markets and, in turn, this could lead for a limited access of the companies to these markets.



Risks related to Brazil

Brazilian economic state and policies have a direct effect on Cencosud's business and access to the capital market

In the 2018 and 2019 tax years, Cencosud's operations in Brazil represented a 13.9% and 14.4% of the consolidated income for the respective periods. Brazilian economy has suffered from instability in the last few decades, characterized by periods of low or negative growth, high and variable inflation rates, and the devaluation of its currency, a drop in credit rating, and high levels of unemployment. Brazil is currently leaving a period of recession. In 2018 and 2019, the value of the real dropped 22.0% and 4.5% respectively in relation to the North American dollar.

Brazil's Gross Domestic Product, in real terms, grew 1.1% in 2018 and 1.1% in 2019. Events in the Brazilian economy can have an impact on Brazil's growth rates and, therefore, in the consumption of Cencosud's products.

Historically, Brazil's political situation has influenced its economical performance and political crises have had a negative impact on investors' and the general public's trust. This has caused an economic slowdown and an increase of the volatility of the securities issued abroad by Brazilian companies.

Currently, Brazilian markets have suffered a higher volatility due to the uncertainty brought on by the Lava Jato investigation that is being carried out by the Brazilian Federal Prosecutor's Office and its impact on the Brazilian economical and political environment. Members of the Brazilian government and of the Legislative Branch, as well as senior officials of big state-owned and private companies have faced corruption charges. The potential result of these investigations is still uncertain, but they have already had a negative impact on the image and reputation of the politicians, the companies involved, and on the general perception of the market regarding Brazilian economy. The result of the 2018 election show an important change in the Executive and Legislative, and instate and federal powers.

Moreover some Brazilian states, specifically the states of Rio de Janeiro, Minas Gerais and Goiás, where Cencosud operates and has stores, have been suffering significant financial problems and have declared a state of "financial disaster" in order to change the Budget priorities while still complying with Brazilian tax laws. Economic conditions there have continued to worsen while many government employees are not receiving their salary. This situation has led to unemployment, has affected the growth of the GDP, and has had a negative impact on the general economic conditions of Brazil.

Impact of the change of Brazilian tax laws

The Brazilian government frequently carries out changes in tax systems. These changes include modifications of current tax rates and, occasionally, the promulgation of temporary taxes, whose proceeds are destined to designated governmental purposes. The new Government announced some changes to the tax laws in order to encourage economic growth and development, a rise in GDP and a drop in unemployment rates. Some of these changes may result in rises in tax payments.

The Brazilian government has significant influence over the economy

The Brazilian government regularly intervenes in the country's economy. Its actions to control inflation rates and other policies and regulations have involved, among other measures, rises in interest rates, changes in tax policies, price controls, currency devaluations, capital controls, and limiting exports and imports.

The uncertainty over whether the Brazilian government will or will not implement policy or regulation changes that affect these or other factors in the future, may contribute to Brazil's economic uncertainty.

Inflation rates may generate economic uncertainty in Brazil

Brazil has historically had high inflation rates. In the near past, inflation, as well as the efforts of the government to fight it, have had negative effects on Brazilian economy and contributed to a higher volatility in the Brazilian stock market. The Central Bank set an inflation goal between 2.5% and 6.5%, the rates reached 2.9% in 2017, 3.8% in 2018, and 4.3% in 2019.

In Brazil, and until the 31st of December, 2019, the Special System for Settlement and Protection was of 6.5% in 2018 and 4.5% in 2019, in accordance to what was established by the Monetary Policy Committee of the Brazil's Central Bank. The government has proposed a set of measures for macroeconomic adjustment and is preparing the field for organizational reforms. The proposal is based on an ambitious tax consolidation plan to reduce the inflation

expectations and allow a drop in the real exchange rates in order to boost competitiveness, productivity, and investments. However, the implementation of this reform plan, especially the tax reform, has been difficult due to the challenge it has been to reach consensus in Congress.

Exchange rate instability may negatively affect the Brazilian economy

Brazilian currency has historically suffered from regular fluctuations. In the past, the Brazilian Government implemented several economic plans and adopted a set of exchange rate policies. There have usually been important fluctuations in exchange rate between the Brazilian currency, the Northamerican dollar, the euro, and other currencies. This volatility may affect the consolidated financial statements.

Business in Brazil is subject to governmental regulation

Operations in Brazil are subject to a variety of national, state, and local laws and regulations, including environmental, agricultural, health and safety, and labor laws.

Cencosud invests financial and administrative resources to comply with these laws and the associated permit requirements.

The regular running of stores and distribution centers depends on public services

The power generation sector in Brazil is based, among other things, on hydroelectric power stations, whose production levels are affected by the predominant hydrologic conditions, which depend on rain and heat levels. If the hydrological conditions result in a low supply of electricity in Brazil, this could cause, among other things, the implementation of comprehensive electricity conservation programs, including forced reductions in power production or consumption.



Risks related to Colombia

Depending on the economic and political situation in Colombia

Colombia has suffered periods of economic and politic instability in the past. This country represented an 8.4% and 8.7% of the total consolidated revenues of the Company for 2018 and 2019 respectively.

The incomes obtained from Cencosud's operations in Colombia rely on its macroeconomic and political conditions. Drops in growth rates, changes to the law, increase in inflation rates, changes to regulations or policies, or future legal decisions and policy interpretations that may imply exchange controls, and other matters could affect the general business environment and, in turn, affect the results of the Company.

Colombia's fiscal deficit could negatively affect the country's economy; however, said indicator has decreased in the last few years. It was of 2.7% in 2018 and 2.4% in 2019.

The Colombian government usually intervenes in the economy of the country and, occasionally, makes important changes in monetary, fiscal, and regulatory policies.

The assets are subject to diverse risks associated with emerging nations

The ownership of assets in Colombia, as it happens in other countries with emerging markets, is subject to political, economical, and other types of uncertainties, such as expropriation, nationalization, renegotiation or annulment of existing contracts, exchange restrictions, and international currency rate fluctuations.

The policies of the Colombian Government will probably affect economy

Historically, the Colombian Government has held a strong influence over the economy of the country. Cencosud's business in Colombia could be affected by changes in policies which imply exchange rate controls and by other political and economic issues that could affect Colombia.

In spite of the country showing a stable economic expansion since 2003 and an inflation rate lower than 8% in the last ten years, economic growth has been negatively affected by low foreign direct investment, the high inflation rates, and the perception of political instability.

The Colombian economy is still vulnerable to external shocks

The Colombian Government has stated that the tightening of credit conditions in the financial market could have a potential, though limited, negative impact on the Colombian economy, mainly due to lower flows of foreign direct investments.

A drop in the economic growth of Colombia's main business partners could have an adverse impact on its balance of trade and affect its economic growth in a negative way. According to the Ministry of Trade, the United States is Colombia's biggest export market, with a 28.6% share of all exports. A drop in demand from North America could have a substantial negative effect over Colombian exports and the country's economic growth.

Colombia has suffered several periods of violence and instability

Colombia has suffered several periods of violence in the last four decades, mainly due to the activities related to guerrillas, paramilitary groups, and drug cartels.

Furthermore, it has been affected by the different protests, marches, and big demonstrations looking to express their opposition to the Government. During these events, the Company's assets could be negatively affected due to acts of vandalism and violence.

Diplomatic relations between Colombia, Venezuela and Ecuador could affect Colombian economy

Diplomatic relations with Venezuela and Ecuador, two of Colombia's business partners, have been tense and negatively affected by events related to the armed conflict, especially in the border between Colombia and Venezuela. Until now, relations with the neighboring country are deteriorated and have caused temporary border closures, trade barriers being imposed, and the alienation of diplomatic relations, all of which could have a negative effect in Colombia's balance of trade, economy, and national security. Colombia has been affected by

the accelerated migration of Venezuelan citizens as a consequence of the neighbouring country's socio-political situation.

Colombia's natural disasters could affect Cencosud's businesses

The Company is vulnerable to natural disasters in Colombia, such as earthquakes, volcanic eruptions, tropical storms, and hurricanes. In the case of a natural disaster, this could have a temporary negative effect in Cencosud's ability to do business.

The operations are subject to regulations

In Colombia, the supermarket business, and trade activity in general, is regulated mainly by the Superintendence of Business and Commerce, which acts as supervisory agency for the compliance of the regulations issued by the same entity, as well as by the ministries of the different areas. The Colombian Ministry of Commerce and Tourism also plays a key role in the industry because the ability to take any measure necessary to ensure the protection of the local market regarding national industry is within its purview.

In addition, all business corporations that are not regulated by specific superintendences are regulated by the Superintendence of Corporations of Colombia. This governmental body supervises and approves corporate events such as mergers, acquisitions, and bankruptcies. All corporations under the scope of this entity must submit their annual financial statements to it.

The taxes resulting from changes in Colombian tax laws and regulations could negatively affect the results of the Company

The proclamation of new tax laws and regulations, and the uncertainty regarding the application or interpretation of future fiscal policies pose a risk to the Company. In the last few years, the Colombian fiscal authorities have established additional taxes.

The Colombian Government could confiscate or expropriate the Company's assets under certain circumstances

In accordance to Article 58 of the Colombian Constitution, the Government can exercise its powers of eminent domain regarding the assets of any company in case such action should be required for the protection of the public interest. According to Law N° 388 of 1997, the eminent powers of domain may be exercised through: (i) an ordinary expropriation, (ii) an administrative expropriation, or (iii) an expropriation due to reasons of war, in case there is one. In all of these cases, the company would have the right to a fair compensation for the expropriated assets. Also, as a general rule, the compensation must be paid before the asset is effectively expropriated. After the expropriation, the parts can impugn the validity of the expropriation and the amount given in compensation through legal proceedings.

Exchange rate fluctuations could negatively affect Colombian economy

The Colombian peso is a volatile currency that has suffered devaluations and appreciations in the past, and could be subject to similar fluctuations in the future.

High inflation rates could have a negative impact on the Company

Inflation rates have been historically high in Colombia and it is imposible to guarantee that they will not rise again. The inflation rates were 3.2% for 2018 and 3.8% for 2019.



Risks related to Peru

Our growth and our profitability

Cencosud's operations in Peru represent approximately 10% of the consolidated revenue of the Company in the region. Therefore, it is important to identify the events that could have a negative effect in the economy and, as consequence, have an impact on the operational performance of the business in the country.

Inflation

The Peruvian economy had a moderate growth rhythm of almost 3% in the last quarter of 2019. The markets connected to the mining industry or, rather, to the expenses of families with higher incomes, have led the expansion of productivity.

The measures taken by the Government of President Martín Vizcarra to revive economy, such as boosting the National Infrastructure Plan or the reduction of the reference interest rates, are positive, but will result in a limited impact on the investments of the first quarter of 2020.

Peruvian economy grew 2.16% in 2019 and an average of 4.4% in the next four years, with a gradual acceleration path of 4% in 2020 and 5% in 2023, according to the Ministry of Economy and Finance.

Financial Stability

Latin America's social situation has affected Peru's financial stability to a lesser extent, but it has had a negative impact on non-traditional exports.



Risks related to Chile

Impact of the shock on income generation

Just like in other countries, Chilean economy is being significantly affected by the spread of Covid-19. Specifically, steep drops in sales are expected in several sectors, which will increase quickly and substantially the need of liquidity of the more affected companies, in particular the small and middle-sized ones. If those needs are not satisfied with a better access to

funding, this could trigger bankruptcies and provoke faster and more material impacts on employment. Moreover, the Chilean economy is facing this sanitary emergency from a weak starting point since the recent social crisis hit some productive sectors very strongly. These areas are being affected once again, as is the case of commerce, restaurants, transportation and tourism.

Since the end of 2019, and as a consequence of the aforementioned social crisis, weak indicators connected to the demand could be observed. The current sanitary emergency could produce relevant effects on employment and people's incomes. This way, the Central Bank forecasts a significant drop in productivity in the second semester of 2020 with a -2.5% / -1.75% range at the end of the tax year. However, from then on they expect a recovery that will be shown by a rally in the estimated growth for 2021. For said period, the issuing authority predicts that Chilean economy will grow between 3.75% and 4.75%. They also state that this differs from other recessions, where the duration of the shock is much longer and the economy drops for more than one quarter.

This could affect the Company's incomes, financial statements, and economic situation. This is because Cencosud's income concentration has been of 47.7% and 46.6% for the fiscal years 2019 and 2018 respectively.

Effects of the sanitary measures on the continuity of operation

The sanitary measures taken by the Government are affecting the usual operations of companies and, in particular, are causing an impact on commerce and shopping center operations. These have had to close their doors to protect the health of their employees and their customers. All these measures will affect the incomes of the Company's different business units. This has been partially mitigated by the sales on the e-commerce platforms of Cencosud's different brands.

Economic Emergency Plan in Chile

The sanitary measures adopted could drastically affect economic activity, which would threaten companies' revenues. This may bring consequences regarding people's incomes. As a way to mitigate the effects of this shock on the corporate sector and, therefore, on the people, the Government has announced a set of measures –which, together, add up to US 11,750 millions- that aim to protect employment and household incomes and, at the same time, help small and middle size companies.

In addition, the Central Bank reduced its Monetary Policy Rate to a technical minimum of 0.5% and took additional measures aimed at maintaining adequate access to finance and the normal operation of the finance markets. Among them is the establishment of the Conditional Funding Facility to Increase Placements (FCIC), the inclusion of corporate bonds in the collaterals eligible for all operations of liquidity in pesos, and the purchase of bank bonds from members of the SOMA system for an amount equivalent in U.F.s of up to US 4 thousand millions.

Government regulations and regulatory authorities

The Company is subject to regulations both from the point of view of the Financial Market Commission (CMF) and of those related to environmental matters, which could have a negative effect on its operations and profitability.

Interest and exchange rate risks

The higher demand for safe, short-term assets has contributed to the fall of the world's stock markets and to a reduction in long-term interest rates in the developed markets. Meanwhile, the emerging economies rise; this increase, in the case of Chile, has been of 34 base points. This has promoted an appreciation of the dollar compared to other currencies, which, for Chile, has meant a depreciation of almost 6% starting from May, 2019. On the other hand, the significant drop suffered by copper will be compensated by the fall in oil prices, which will allow the terms of trade not to fall more than 1% in 2020. In this context, the risk premiums have increased, especially in emerging economies. In the case of Chile, this increase has been moderate, with 165 base points on the EMBI spread.

The Government has launched a set of measures to protect employment and the incomes of workers and also of small and middle size businesses. For its part, the Central Bank reduced the Monetary Policy Rate (TPM) by 125 bps, reaching a technical minimum of 0.5%, requiring for it to stay in this "highly expansionary position for an extended period of time."

This adjustment in liquidity provokes an impact, generating an increase of the spread of local corporate bonds.

With the purpose of mitigating the exchange risk, Cencosud wants to keep the balance between the flows indexed to the dollar or to local currency and the levels of assets and liabilities of those currencies. The purpose is to minimize the exposure of the flow to the risks of exchange rate variations. The instruments currently used to comply with the policies correspond to currency swaps and exchange rate forwards.

Other countries' economic and political problems may affect Chilean economy

The prices of the securities issued by Chilean companies are influenced in different degrees by other countries' economic and commercial situations. The Company is also exposed to the risks related to events that may affect the economic and political situations in Asia, the United States, Europe, Brazil, Argentina, and other countries. If the economic situations of these countries deteriorate, the Chilean economy, whether as neighbor or business partner of these nations, could also be affected and suffer a slower growth. The political crises and uncertainties of other Latinamerican countries could also have a negative impact on the Chilean economy and, therefore, on the revenue and the commercial value of the Company's assets.

Inflation and the adjustment measures for its control that may affect Chilean economy

The Consumer Price Index was of 2.6% in 2018 and 3.0% in 2019, according the the Chilean National Statistics Institute (INE).

A drop in the price of copper has been registered; it reached a price close to US 2 per pound during March, 2020, and it was predicted that its average price will be approximately US 2.15

per pound. This negative effect will be significantly compensated by the drop in oil prices, which fell to between US 20 and US 30 per barrel in the first quarter. This will mean that the deterioration in trade terms will not go over 1% in 2020. Likewise, the drop in fuel prices will also contribute to control inflationary pressures and will provide a positive contribution to the disposable income.

The outlooks for inflation will be dominated by the great widening of the activity gap that is expected in this scenario. Strong forces are operating against each other in the short term; on the one hand is the drop in the price of oil and, on the other, the depreciation of the peso.

Regarding this last situation, it is important to note that, unlike what happened after the social crisis, the most recent depreciation is not idiosyncratic, it was in response to the global appreciation of the Northamerican currency. In the Central Bank's basic scenario, inflation will have a downwards trajectory in the following quarters, dropping from the 3.9% range in February to numbers close to an annual 3% in the last quarter of 2020. In this scenario, the middle-term inflationary pressures have reduced significantly, this means that, for inflation to reach its goal of 3%, it is necessary to maintain the monetary policy in this highly expansionary position for an extended period of time.

Employment

Employment and workers' incomes will also be affected by the crisis scenario brought about by Covid-19. The need to avoid contagion between people has led to the stoppage of activities with high levels of personal interaction, such as commerce, education, restaurants, and hotels, among others. Although some of these operations can continue partially, this is not the case in other situations and the uncertainty over the duration of the cessation of activities puts the employment and incomes of a great number of people at risk.

The Government has announced a package of measures that aim at allowing workers to maintain their income through unemployment insurance resources, even when still maintaining their jobs. The extent to which workers' employment and incomes are reduced, especially those who do not have a formal contract or are self-employed, will determine the extent of the impact on consumption and economic performance. In 2019, unemployment closed with a rate of 7%. The rise in this indicator may have a negative impact on the revenue of the different business units because people may restrict their consumption if their household income decreases.

Increase in internet operations

Mobility restrictions are generating a rise in internet purchases; however, with this, there has also been an increase in hackers and cyber attacks. Therefore, it is relevant that the companies be able to safeguard and protect their information against data corruption, cyber attacks, or security breaches in the operations. Dependence on informational technology networks and systems, including the internet, to process, transfer, and store electronic information is increasingly higher. The breach of these systems may affect the value of Cencosud's assets and of its customers' information. This represents a risk to its reputation.

Change in tax laws

The countries in which the Company operates may adopt new tax laws or modify the current ones in order to increase the taxes applicable to the business or reduce the current tax incentives.

On September 29th, 2014, Law 20,780 was promulgated, which was later modified by Law 20,899 in February 8th, 2016, (the "Tax Reform"). This introduced a new taxation regime for companies, the Partially Integrated System established in article 14(B) of the Income Law, increasing the tax burden, among other changes. In January 2020, a new Tax Reform was approved, which, among other aspects, rises to 40% the highest rate of personal tax and applies a surcharge to property tax on real estate with a fiscal valuation of more than \$ 400 millions.

Keeping key people

The management of its businesses could be affected by not hiring or keeping key personnel. It is imposible to determine the impact caused when key employees leave, and this may depend, among other things, on their ability to recruit other people with similar experience and talents.

Subsidiaries and Related Companies

GRI 102-4; 102-5; 102-6; 102-7

Argentina

Cencosud S.A. (Argentina)

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 1,669,618,547.

Business Purpose: to carry out on its own, through third parties or in association with third parties, being able to open branches, representations, agencies and subsidiaries, both in the country and abroad, for the following activities:

- Trade: development and operation of superstores and supermarkets; execution of legal acts; import and export of products usually commercialized in the appropriate commercial establishments; purchase and sale, import, export, distribution, representation, and any other form related to the industry of building and decorating buildings;
- Construction: through the construction of all kinds of buildings in property owned by the Company or by third parties and the execution of public or private works;
- Industrial: extraction and/or fabrication of products related directly and indirectly to its business purpose;
- Corporate: participation in other societies;
- Investments: purchase, sale and negotiation of any of the systems and forms created in the Republic of Argentina and/ or abroad;
- Real Estate: sale and purchase, development, administration, lease, brokerage and renting of all kinds of buildings;
- Representations: all types of representations in the terms allowed by the law;
- Financial: execution of legal acts whose purpose is the funding of payments, the granting of credit and the use of payment collection systems for the redemption of all kinds of credits and/or debts;
- Insurance: brokerage in the hiring of insurance, operation as proxy agents and commercialization of insurance products in accordance to current legal regulations;
- Trusts: execution of trust agreements;
- Training Premises: development of premises for training, playing, with electrical, electronic, digital and/or mechanical machines for entertainment and fun;
- Shopping Centers: construction, leasing, enjoyment of shopping centers and the operation, administration and development of the same whose purpose is the use and benefit of commercial premises;
- Logistics: development on its own or through third parties of the transportation and movement of general goods and their distribution, storage, and packaging.

Agrojumbo S.A.

Chairman of the Board: Roberto Óscar Philipps

Regular Director: Stefan Krause Niclas

The subscribed and settled capital up to December 31st, 2019, is of AR 27,854,767

Business Purpose: the purpose of this society is to carry out, on its own or through third parties or in association with third parties, in any part of the country or abroad, the execution of commercial, financial, real estate, mining, food and agricultural industry and agricultural service activities.

Agropecuaria Anjullon S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 20,944,311.

The purpose of this society is to carry out, on its own, through third parties, associated with or in representation of third parties, in the country or abroad, the execution of agricultural, industrial, commercial activities.

Carnes Huinca S.A.

Liquidator: Mirta Noemi Bertero, society in the process of dissolution and liquidation.

The subscribed and settled capital up to December 31st, 2019, is of AR\$5,772,000.

The purpose of this society is to carry out, on its own, and/or through third parties and/or associated with third parties, the execution of commercial and industrial activities related to meat.

Cavas y Viñas El Acequi3n S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 393,086.

The purpose of this society is to carry out, on its own and/or associated with third parties, the execution of agricultural, commercial, import and export, and construction activities.

Invor S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 3,000,000.

The purpose of this society is to carry out, on its own, through third parties or associated with third parties, in the country or abroad, the execution of commercial, industrial, financial, real estate, construction, and agricultural and livestock activities.

Pacuy S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 3,000,000,

The purpose of this society is to carry out, on its own, through third parties or associated with third parties, in its own or somebody else's property, the execution of commercial, industrial, financial, real estate, construction, agricultural and livestock activities.

Corminas S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 10,998,455.

The purpose of this society is to carry out, on its own, through third parties and/or associated with third parties, the execution of commercial and industrial, construction and real estate, finance, mining, import and export activities.

Unicenter S.A.

Chairman of the Board: Roberto Óscar Philipps

Vicepresident: Matías Videla Solá

The subscribed and settled capital up to December 31st, 2019, is of AR 1,000,000

The purpose of this society is to carry out, on its own, through third parties and/or associated with third parties, the following activities:

- Administration of Shopping Centers and development in all its forms of real estate and the execution of all operations on the building that are allowed by regulations and the law;
- The purchase and sale and leasing of personal property, titles, shares, debentures and all kinds of real estate, as well as the capital investment in established companies;
- To participate in other stock companies;
- To grant credits, loans, guarantees, bonds, mortgages, pledges, advances in cash, and/or any other type of guarantee in favor of subsidiary, holding, related companies or companies under common control of the Society or its shareholders.

The operations included in the Financial Institutions Act are excluded, as well as all those that require public bidding.

Brazil

Cencosud Brasil Comercial Ltda.

Chairman of the Board and CFO: Sebastián Darío Los

Sales Manager: Alejandro Alberto Arruiz Calvete

Capital: R 7,068,634,244

The object of this company is the:

- Operation of activities related to the wholesale or retail trade of food products in general, industrialized or not, in supermarkets and superstores, or through catalogues, via television, telephone, internet, or other means of communication;
- Operation of activities related to the wholesale or retail trade of fabrics, clothes, shoes, bedding and bathroom accessories, leather goods, travel accessories, drinks, tobacco, tools, chemical products, photo and video cameras, personal hygiene items, books, gardening supplies, among others;
- Operation of activities related to the wholesale or retail trade of medicines, pharmacological products in their original packaging, through drugstores or catalogues, via television, telephone, internet, or any other means of communications, in accordance to the law;
- Activities of corresponding banking exploration through receipt and payment services, and other activities that are the result of agreements and services kept with banks, all in accordance to the law;
- To participate in other companies, local or foreign, as partners, shareholders or quota holder;
- To trade gasoline, lubricants, tyres, motor vehicle parts and accessories, and to provide car wash services;
- Bakery, confectionery and rotisserie activities, including the manufacturing, transformation, commerce, wholesale and retail of general food products and frozen bakery products;
- Transportation and storage of goods;
- Import and export of the goods and materials necessary for the development of its activity;
- Real estate activities in general, including the leasing of personal and real estate property, as well as the administrative and working operation of shopping centers;
- Development of short-term parking spaces;
- Development of restaurants and other establishments that serve food and drink, catering services for events;
- Wholesale trade of drinks and alcoholic drinks;
- Organization of rendering of services for fairs, exhibitions, and conferences;
- Educational services related to food and its production.

Perini Comercial de Alimentos Ltda.

Chairman of the Board and CFO: Sebastián Darío Los

Sales Manager: Alejandro Alberto Arruiz Calvete

Capital: R 11,837,256

Its business purpose spans a range of activities, which includes:

- Operations related to the wholesale or retail trade of general food products, industrialized or not, in supermarkets, superstores, or through catalogues, or via television, telephone, internet, or other means of communication;
- Operation of activities related to the wholesale or retail trade of medicines, pharmacological products in their original packaging, through drugstores or catalogues, via television, telephone, internet, or any other means of communications, in accordance to the law;
- Activities of corresponding banking exploration through receipt and payment services, and other activities that are the result of agreements and services kept with banks, all in accordance to the law;
- To participate in other companies, local or foreign, as partners, shareholders or quota holder;
- Operation of activities related to the wholesale or retail trade of fabrics, clothes, shoes, bedding and bathroom accessories, leather goods, travel accessories, drinks, tobacco, tools, chemical products, photo and video cameras, personal hygiene items, books, gardening supplies, among others;
- To trade gasoline, lubricants, tyres, motor vehicle parts and accessories, and to provide car wash services;
- Confectionery activities, manufacturing and production of food products in general;
- Rendering services for event organization, catering, administration, among others;
- To manufacture and/or purchase packaging for goods and products;
- Transportation and storage of goods;
- Import and export of the goods and materials necessary for the development of its activity;
- Purchase and sale, leasing, sub-letting of personal property and real estate;
- Import and export of the goods necessary for the development of its activity;
- Development of short-term parking spaces.

Mercantil Rodríguez Comercial Ltda.

Chairman of the Board and CFO: Sebastián Darío Los

Sales Manager: Alejandro Alberto Arruiz Calvete

Capital: R 185,156,232

Its business purpose spans a range of activities, which includes:

- Operations related to the wholesale or retail trade of food products in general, in supermarkets and superstores, via television or other means of communication;
- Operation of activities related to the wholesale or retail trade of medicines, pharmacological products, through drugstores or catalogues, via television or any other means of communications;
- Activities of corresponding banking exploration through receipt and payment services, and other activities that are the result of agreements and services kept with banks, all in accordance to the law;
- To participate in other companies, local or foreign, as partners, shareholders or holders;
- Operation of activities related to the wholesale or retail trade of fabrics, clothes, shoes, bedding and bathroom accessories, travel accessories, drinks, tobacco, tools, chemical products, cameras, personal hygiene items, books, gardening supplies, among others;
- To trade gasoline, lubricants, tyres, accessories, and to provide car wash services;
- Confectionery activities;
- To manufacture and/or purchase packaging for goods and products;
- Transportation and storage of goods;
- Import and export of the goods and materials necessary for the development of its activity;
- Purchase and sale, leasing, sub-letting of personal property and real estate;
- Development of short-term parking spaces.

Chile

Cencosud S.A.

President: Horst Paulmann Kemna

Board Directors: Peter Paulmann Koepfer, Heike Paulmann Koepfer, Julio Moura, Roberto Óscar Philipps, Alejandro Pérez Rodríguez, Jorge Pérez Alati, Mario Valcarce Durán, Hans Eben Ivanschitz

Directors Committee: Alejandro Pérez Rodríguez, Roberto Óscar Philipps, Mario Valcarce Durán

General Manager: Matías Videla

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2,422,050,488.

The business purpose of the company is:

- The exercise of trade in general, including the purchase, sale, consignment, distribution, import, export, representation, commission, packaging, retail packaging, and commercialization, on its own or by someone else, of all types of tangible personal property;
- To execute in the country or abroad continued or income investments in all types of assets, tangible or intangible. For this effect, the company will be able to acquire, keep, sell, transfer, and negotiate in any form and in any capacity, all kinds of assets, tangible or intangible. For this effect, the company will be able to acquire, keep, sell, transfer, and negotiate in any form and in any capacity, all kinds of assets, whether in the country or abroad and collect its benefits and profits;
- To execute and celebrate all kinds of acts and contracts that lead to the fulfillment of the business purpose.

Banco Paris S.A. (under liquidation)

Liquidator: Fredy Astudillo Poblete

The subscribed and settled capital up to December 31st, 2019, is of M\$ 11,266,892.

The business purpose of this company is the execution of those acts, contracts, deals, and operations whose aim is to facilitate the liquidation of the company, with the capacity to execute occasional or temporary operations in order to achieve the best performance of corporate business.

Easy Retail S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 32,315,578

The business purpose of the company will be the development and administration in all its forms of trade activities in general and, especially, the purchase, sale, distribution, import, export, representation, commission, packaging, retail packaging, and commercialization on its own or by someone else of all types of tangible personal property.

Cencosud Shopping Internacional SpA.

Administration: Corresponde a Cencosud Shopping S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 175,848,118.

The business purpose of the company is:

- To execute exclusively abroad continuous or income investments in all kinds of personal property or real estate, tangible or intangible. For this effect, the Company will be able to acquire, keep, sell, transfer, and negotiate in any form and in any capacity, all kinds of assets located abroad and receive its benefits and incomes;
- To form and participate in all types of companies constituted exclusively abroad, whether civil or commercial;
- To execute on its own or by third parties, all kinds of acts or civil or commercial contracts necessary for the fulfillment of the business purpose;
- The carry out in Chile investments of documents, financial instruments, or any other short-term investment;
- In general, to execute all acts and deals that are directly or indirectly related to the business purpose.

Cencosud Retail S.A.

President: Horst Paulmann Kemna

Directors: Ricardo Bennett De La Vega

The subscribed and settled capital up to December 31st, 2019, is of M\$ 414,501,698.

The business purpose of the company is:

- The development of self-service, supermarkets, and other similar establishments, under the wholesaler or retailer modality;
- To carry out directly or through other companies, the purchase or sale, on its own or through others, of all types of goods, merchandise or services related to the previous point;
- To create, form or participate in civil or commercial companies whose purpose is related to the activities mentioned in the previous points;
- The purchase and sale of all types of good, their distribution, import and export, furniture manufacturing; personal property and real estate investments; the development and funding of companies that administer Department Stores or business premises; the advisory and rendering of services related to the stated purposes and the exercise of any activity that leads to the development of the aforementioned purposes;
- The development, administration and operation, on its own or through someone else, of pharmacies, drugstores, be they human, veterinary or dental, business premisses or commercial facilities whose lines of business are similar or supplementary to those mentioned, for which they will be able to execute all types of operations of a civil or commercial nature that allow the development and operation of them, all of this within the current legal rules and regulations;
- The purchase, packaging, transformation, production, sale, import and export, and distribution, wholesale or retail, of all kinds of pharmacological products and, in general, of any medical or consumer product or good related to the development of pharmacies, drugstores, be they human, veterinary or dental, business premisses or commercial facilities whose lines of business are similar or supplementary to those mentioned in this clause; the representation of national or foreign companies and the granting or acceptance of commercial concessions in the mentioned categories;
- The acquisition, transfer, import, export, commercialization and leasing, with or without promise to sell, of equipment, machinery and elements destined to the installation, operation and running of pharmacies, drugstores, be they human, veterinary or dental, business premisses or commercial facilities whose lines of business are similar or supplementary to those mentioned;
- The purchase, sale, construction, leasing and/or subleasing, lot division, urban development, commercialization, and exploitation, in its own or through others, and in any of its forms, of urban or agricultural real estate, owned or of others, to administer and receive the benefits and incomes, and, in general, any other activity related to it;
- Earning the loyalty of customers, individuals or legal entities, national or international, through the rendering, supply or development of multiple services, including publicity and promotion services, data processing and/or technological services, and others related to it;
- The rendering of services or administration, on its own or through others, of owned or third party establishments, under any modality and/or condition; and
- The development of its premises, information systems, and points of sale, in the country and abroad, to sell and distribute tickets for all types of events or shows realized or organized by the Company or by third parties, to process payments of service providers' bills, to make transferances and cash withdrawals, and to render other similar services. The activities of the Company that are according to its business purpose can be carried out in the country or abroad.

Cencosud Fidelidad S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 100,526.

The purpose of the company is earning the loyalty of customers of national and international companies through the rendering, supply and development of multiple services and the participation in all kinds of businesses, in Chile or abroad, whose purpose is related directly or indirectly with the activity previously noted, for this the company will be able to form, modify or take part in all kinds of companies or associations for such purpose.

Cencosud Shopping S.A.

President: Peter Paulmann Koepfer

Directors: Andreas Gebhardt Strobel, Juan Antonio Gálmez Puig, Rafael Fernández Morandé, Victoria Vásquez García, Matías Videla and José Raúl Fernández

Directors Committee: Rafael Fernández Morandé, Victoria Vásquez García and Matías Videla

General Manager: Germán Cerrato

The subscribed and settled capital up to December 31st, 2019, is of M\$707,171,245.

The business purpose of the company is:

- The purchase, sale, lease, lot division, construction, and, in general, the realization and administration, in its own or through others, of all kinds of real estate investments;
- To carry out, in the country or abroad, continued or income investments in all kinds of personal property, tangible or intangible. For these effects, the company will be able to acquire, keep, sell, transfer, and negotiate in any form and under any category, all kinds of financial instruments expressed in local or foreign currency, shares, bonds, debentures, personal property, and receive their benefits and incomes;
- To execute investments to form, integrate, participate and represent all types of companies or businesses, national or foreign, that develop a similar line of business to the mentioned previously and that are of interest to the company;
- To invest continually or temporarily in the purchase, sale, production, import, export, distribution, commercialization and sale of all types of goods and products;
- To develop and administer, on its own or through others, parking lots in owned or third party buildings;
- All other activities on which the shareholders agree.

Inmobiliaria Santa Isabel S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 650,597.

The business purpose of the company is the purchase, sale, commercialization, trade, lease and financing of all kinds of personal property and real estate, the construction of buildings and civil engineering projects; the purchase and sale of land, its urban development, lot division, subdivision, study, promotion and real estate business development, their administration and development, the rendering of services related to administration and third party businesses and participation as partner and shareholder under any title in all kinds of companies, whatever their purpose, nature, or nationality.

Santa Isabel Administradora S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2,666,836

The business purpose of the company is:

- The administration and running of commercial establishments such as self-service stations, supermarkets, distributors, department stores, and other similar ones;
- To carry out, directly or through other companies, the purchase, sale, import, export, elaboration or production, commercialization and distribution, on its own or through others, of all kinds of goods, merchandise or services related to the previous point;
- To create, form or participate in civil or commercial societies whose object is related to the activities mentioned in the two previous points. The activities of the Company that are according to its business purpose can be carried out in the country or abroad.

Sociedad Comercial de Tiendas S.A.

President: Horst Paulmann Kemna

Director: Peter Paulmann Koepfer

The subscribed and settled capital up to December 31st, 2019, is of M\$ 32,952,756.

The business purpose of the company is:

- The installation and commercial development of stores, being incorporated within it the commercialization, export, import of all types of goods, and also the industrialization of articles of its category;
- The investment in real estate, their administration and the reception of its benefits and incomes, with the ability to purchase property, build on them on its own or through others, and to transfer them;
- Likewise, to execute all acts that are related directly or indirectly with the abovementioned;
- To become part of other companies, and will also have as purpose the realization of all the acts agreed on by its partners;
- Execute or carry out all act or contract that leads to the observance of the business purpose. All the activities mentioned above will be carried out while complying with the legal rules and regulations in force in Chile.

Hotel Costanera S.A.

President: Peter Paulmann Koepfer

Directors: Heike Paulmann Kopefer and Matías Videla

General Manager: John Paul Schackely

The subscribed and settled capital up to December 31st, 2019, is of M\$ 1,830,732

The business purpose of the company will be:

- The development, construction, implementation and development of hotels and their supplementary services;
- The selection, acquisition and installation of hotel property, including furniture, installations and equipments. To carry out their operations, the company will be able to execute all types of investments, celebrate all types of contracts, grant guarantees, give and take all types of national or international representations, and execute all the acts necessary or conducive to the achievement of the aforementioned goals.

Megajohnson's Viña del Mar S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 19,798,314

The administration and development of department stores, being able, to that effect, of crafting, selling, importing, exporting and/or reexporting, wholesale or retail, all kinds of goods and products to the full extent. Likewise, will be able to develop the category in the investment business of tangible or intangible assets, personal property or real estate, to administer those investments and receive their benefits.

American Fashion SPA

The administration and use of the registered name of American Fashion Spa corresponds to Cencosud Retail S.A., who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 622,773.

The purpose of the company is the commercialization, distribution, purchase and/or sale, import and/or export, reexport and representation of all kinds of articles and garments of the brands "AMERICAN EAGLE OUTFITTERS"® and "AERIE"® and the running of the stores in which those articles are commercialized and distributed as a result of the "MultiStore Retail License Agreement" of November 15th, 2014, and any of its eventual modifications, both in the country and abroad.

Administradora TMO S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$4,500,000.

The business purpose of the company is:

- The issuance and operation of credit cards or any other instrument that allows its owner or user to have a credit given by the Company to be used for the acquisition of goods or the payment of services sold or rendered by entities related to the Company;
- The investment in all kinds of personal property, tangible or intangible, such as shares, pledge of shares, bonds and debentures, savings plans, quotas or rights in all kinds of societies, be they commercial or civil, communities or associations, and in all kinds of personal property titles or assets;
- The acquisition, transfer and development of all kinds of personal property assets, tangible or intangible; the construction on them, on its own or through others, and their development, directly or indirectly, in any form;
- The administration of the previously mentioned investments and the reception of their benefits or incomes;
- The granting of real or personal warranties to pledge obligations to third parties in which the Company has an interest;
- The development of any other legal activity supplementary or accessory to those previously mentioned.

Administradora de Centros Comerciales Cencosud SpA.

The administration and use of the registered name will belong to Cencosud Shopping S.A., who will practice them through its agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 8,483.

The business purpose of the company is:

- The administration of shopping centers;
- To render or hire, on its own or through others, services related to the purpose mentioned before, such as those of engineering, design, architecture, technical advisory, administration, legal advisory, security, advertisement, accounting, cleaning, technology, and to charge a salary or commission for those services;
- In general, to execute all acts and deals that relate directly or indirectly to the business purpose.

Jumbo Supermercados Administradora Ltda.

The administration and use of the registered name of Jumbo Supermercados Administradora Limitada belong to the company Cencosud Retail S.A. who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 3,891,131.

The business purpose of the company is the administration and operation, on its own or through others, of superstores, supermarkets and/or stores. The company will be able to execute all acts and deals that relate, directly or indirectly, with the business purpose and the fulfillment of all other purposes agreed to by the partners.

Administradora de Servicios Cencosud Ltda.

The administration and use of the registered name of Administradora de Servicios Cencosud Limitada belong to the company Cencosud Retail S.A. who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 140,879.

The business purpose of the company is:

- The issuance, commercialization, and operation of "gift cards" or any other equivalent document that can be accepted as instrument of payment in establishments belonging to the Cencosud group;
- The development of other activities related to the promotion of the commercialization of goods and services;
- The development of activities that allow the connection of retail or service rendering companies with their customers; and
- The participation in all types of businesses in Chile and abroad, whose object relates, directly or indirectly, with the aforementioned activities and for which the company will be able to form, modify and/or take part in all kinds of companies or associations for that purpose.

Cencosud Internacional SpA

The administration and use of the registered name of the company belong to Cencosud S.A., who will practice them through its agents.

The subscribed and settled capital up to December 31st, 2019, is of USD M 3,655,687,156.

The business purpose of the company is:

- To carry out, exclusively abroad, continuing or income investments in all kinds of property or real estate assets, tangible or intangible. For these effects, the Company will be able to acquire, keep, sell, transfer and negotiate in any form and under any capacity, all kinds of assets located abroad and receive their benefits and incomes;
- To constitute and participate in all types of societies constituted exclusively abroad, be they civil or commercial;
- To execute, on its own or through others, all types of acts or civil or commercial contracts necessary for the fulfillment of the business purpose;
- To execute in Chile investments in documents, financial instruments or any other short-term investment;
- In general, to execute all acts and deals that relate, directly or indirectly, with the business purpose.

Comercial Food and Fantasy Ltda.

The administration and use of the registered name of Sociedad Comercial Food and Fantasy Limitada, belong to Cencosud S.A. who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 42,934.

The business purpose of the company is the commercial development, on its own or through others, of games or entertainment activities; the import, commercialization and distribution of all types of machinery, equipment, and games for the purpose of entertainment; to render food, drink and general restaurant services; the production and distribution of food and drink of all kind, and its direct sale to the public: the formation of other companies or the participation in other companies already constituted; in general, any kind of activity related to the ones mentioned above whether directly or indirectly, and which are considered to be convenient for the business purposes; and the execution of all additional activities agreed on by the partners.

Eurofashion Ltda.

The administration and the use of the registered name Eurofashion Limitada, belong to Cencosud Retail S.A. who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2,733,838.

The business purpose of the company is the elaboration, on its own or through others, the commercialization, distribution, purchase and/or sale, import and/or export, reexport, representation of all kinds of clothing articles and garments.

Inmobiliaria Bilbao Ltda.

The administration and use of the registered name Sociedad Inmobiliaria Bilbao Limitada, belong to Cencosud Shopping S.A. who practices them through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 5,750,264.

The business purpose of the company is construction in general, on its own or through others; the purchase of land and the elements necessary for the fulfillment of said purpose; the investment of assets of all kinds; the development of such assets; to invest in shares, bonds and other types of personal property assets, and the rendering consultancy and advisory services in real estate, financial, or technical matters. It will be able to act in the country or abroad for the development of its business purpose.

Logística y Distribución Retail Ltda.

The administration and the use of the registered name Sociedad Logística y Distribución Retail Limitada, belong to Cencosud Retail S.A. who practices them through its representatives and agent.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 10,081,815.

The business purpose of the company is the purchase and sale of movable property, the storage, transportation and distribution of these goods and all other acts, contracts and deals agreed on by the partners.

Mercado Mayorista PyP Ltda.

The administration and use of the registered name Sociedad Mercado Mayorista P y P Limitada, belong to Mr. Horst Paulmann and Cencosud S.A., who practice them through their representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 9,000.

The business purpose of this company is the purchase, sale, packaging and distribution in general, by themselves or through others, of all kinds of private property; the investment in transferable securities and any other business or activity agreed on by the partners.

Paris Administradora Ltda.

The administration and use of the registered name Paris Administradora Limitada, belongs to Cencosud Retail S.A. who practices the through its representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 9,570,929.

The business purpose of this company is the administration and operation of business premises of all kinds, including superstores, supermarkets, stores, convenience stores, home improvement stores, department stores.

Johnson Administradora Ltda.

The administration and the use of the registered name Sociedad Johnson Administradora Limitada, belong to Cencosud Retail S.A. who practices them through their representatives and agents.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 684,284.

The business purpose of this company is the administration and operation, on its own or through others, of convenience stores and/or department stores. The company can execute all acts and businesses that relate, directly or indirectly, with its business purpose and the fulfillment of any other purposes agreed on by the partners.

Cencosud Internacional Argentina Spa

The administration of the company and the use of the registered name belong to the partner Cencosud Internacional SpA, who will practice it directly or through representatives appointed by public deed.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 1,524,874,750

The business purpose of the company is:

- To execute investments of a passive nature both in Chile and abroad, in private property and real estate, tangible or intangible, with the ability to purchase, sale, liquidize or keep those investments;
- To take interest or participate as partner or shareholder in companies or societies of any nature, Chilean or foreign;
- To receive or invest the profits of the investments;
- To participate in all types of investment projects, societies, communities or associations, no matter what their purpose is; and
- The execution of any act or contract and the development of any related business activity.

CAT Corredores de Seguros y Servicios S.A.

Regular Directors: Juan Matamoros, Danilo González, Sandra Espinoza, Ricardo Bennett, Matías Videla and Diego Marcantonio

General Manager: Rodrigo Della Maggiora Silva

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2,274,862.

The company has as sole and exclusive purpose, as subsidiary of a bank, to act as intermediary in the hiring of all kinds of insurance, with any insurance entity, in accordance with the current legal regulations, especially regarding what is established in article 57 of the DFL 251 of 1931, and the subsequent provisions that substitute it or supplement it. In the development of its line of business, the company will be able to carry out all types of consultancies and rendering of services related to said purpose, in the widest form allowed by the Chilean legislation currently or in the future.

CAT Administradora de Tarjetas S.A.

Regular Directors: Juan Matamoros, Danilo González, Sandra Espinoza, Ricardo Bennett, Matías Videla and Diego Marcantonio.

General Manager: Eulogio Guzmán Llona

The subscribed and settled capital up to December 31st, 2019, is of M\$ 63,248,041.

The business purpose of the company, as a supporting company and as subsidiary of a bank, will be: a) to issue and operate credit cards; and b) to grant loans with or without guarantees.

Administradora y Procesos S.A.

Regular Directors: Juan Matamoros, Danilo González, Sandra Espinoza, Ricardo Bennett, Matías Videla and Diego Marcantonio.

General Manager: Juan Carlos Contreras Canales

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2,501,432.

The company will have as its purpose the realization, on its own or through others, of the authorization and record of transactions, the informational data processes and the administration of payment cards. The company may supplement this line of business with the following: /i/ to provide electronic channels for the operation of cards, taking the responsibility for its operational safety; /ii/ to render services related to internet transactions; /iii/ to provide fraud prevention services; /iv/ to carry out operations related to the generation of physical cards; and /v/ other supplementary activities to the main line of business or necessary to carry them out.

Servicios Integrales S.A.

Board of Directors: Juan Matamoros, Danilo González, Sandra Espinoza, Ricardo Bennett, Matías Videla and Diego Marcantonio

General Manager: Lizette Martínez Socías

The subscribed and settled capital up to December 31st, 2019, is of M\$ 30,000.

The business purpose of the company will be the realization, on its own or through others, of collection services, financial advisories, and any other activity that supplements the ones mentioned before or that is necessary to carry them out.

Meldar Capacitación Ltda.

The use of the registered name, the administration and judicial and extrajudicial representation of the company belong to Retail S.A, now Cencosud Retail S.A, who practices them through its agents appointed through public instrument or by a legalized power granted abroad.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 2000.

The business purpose of the company is to provide training services.

Comercializadora Costanera Center SpA

The administration of the company and the use of the registered name belong to the partner Cencosud Shopping S.A., who will practice it directly or through agents appointed through public deed.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 10000.

The purpose of the company is to execute investments and develop all types of assets, private property or real estate, tangible or intangible, on its own or through others, both in Chile and abroad; the commercial development, on its own or through others of games and entertainment activities and/or leisure activities; the import, commercialization and distribution of all kinds of entertainment equipment and games; to provide food, drink and general restaurant services; the production and distribution of food and drinks of all types, and their direct sale to the public. Likewise, it will be able to form, take part and participate in all kinds of societies, civil or commercial, public limited companies or limited liability companies, whatever their purpose, as well as in all kinds of communities, associations and joint ventures, whatever their nature, and the administration and development of these investments and the reception of their benefit and income, and of any other benefit agreed on by the shareholders.

Cencosud Inmobiliaria S.A.

The subscribed and settled capital up to December 31st, 2019, is of M\$ 57,977,671.

The business purpose of the company is:

- The purchase, sale, leasing, lot division, construction and, in general, the realization and administration, on its own or through others, of all kinds of real estate investments;
- To execute, in the country or abroad, continuing or income investments in all kinds of private property, tangible or intangible. For these effects, the company can acquire, keep, transfer and negotiate in any form and under any capacity, all kinds of financial instruments expressed in national or foreign currency, shares, bonds, debentures, transferable securities, and receive their benefits and incomes;
- To carry out investments to form, take part, participate and represent all types of companies and businesses, national or foreign, who develop a line of business similar to the ones mentioned above and that are of interest for the company;
- To invest permanently or temporarily in the purchase, sale, manufacturing, import, export, distribution, commercialization and sale of all types of assets and products;
- To develop and administrate, on its own or through others, parking lots in buildings belonging to them or to third parties;
- All other activities agreed on by the shareholders.

Sociedad Comercial de Tiendas II S.A

The subscribed and settled capital up to December 31st, 2019, is of M\$ 12,424,354.

The business purpose of the company is:

- The installation and commercial development of stores, taking part within it, the commercialization, export, import of all types of assets, and also the industrialization of articles related to its line of business;
- The investment in real estate, their administration and the reception of their benefits, with the ability to acquire property, build on it on its own or through others and transfer it;
- Likewise, to realize all acts related directly or indirectly with the point mentioned before;
- To participate in other companies and will have as purpose also the realization of all acts agreed on by its partners;
- To execute or celebrate all acts or contracts that lead to the fulfillment of the business purpose. All the activities mentioned before must be carried out with observance of the current legal laws and regulations in Chile.

Colombia**Cencosud Colombia S.A.**

Main Board: Cristián Siegmund, Andreas Gebhardt and Diego Marcantonio

Alternates: Martha Lucia Henao, Carlos Alberto Mechetti, Ana María Mantilla

Senior General Manager: Cristián Siegmund

Alternate 1: Martha Lucia Henao

Alternate 2: Ana María Mantilla

The subscribed and settled capital up to December 31st, 2019, is of COP M\$ 86,196,359.

Business Purpose:

- The constitution and start-up of business establishments dedicated to providing services under the DIY format;
- To develop activities related to the construction sector, such as the elaboration of designs, adaptation, demolition, restauration or remodelling of buildings. The purchase, import, export, acquisition, preparation, manufacture, elaboration, sale, distribution, and, in general, the production and commercialization of mass-market products, the purchase and sale of all kind of medication for human and/or animal consumption, all these goods and services may be provided by the company or third parties, activities in stores and commercial wholesale and/or retail establishments; the issuance, sale and commercialization of bonds and/or cards exchangeable for goods and/or services, and the rendering of additional services, such as travel agencies, car service centers, gas stations, ticket sale for entertainment shows, restaurants and coffee shops, drugstores and pharmacies that sell medicine for human and/or animal use, the collection of money for the delivery and payment for all kinds of goods and services, as well as the premises, administration, and the operation of said stores and businesses, after the appropriate authorizations are given.

Cencosud Col Shopping S.A.S.

Main Board: Cristián Siegmund, Andreas Gebhardt and Diego Marcantonio

Alternates: Martha Lucia Henao, Carlos Alberto Mechetti, Ana María Mantilla

Senior General Manager: Cristián Siegmund

Alternate 1: Martha Lucia Henao

Alternate 2: Ana María Mantilla

The subscribed and settled capital up to December 31st, 2019, is of COP M\$ 394,528,123.

The business purpose of the company is:

- The development of activities related to the construction industry, such as the elaboration of designs, and the adaptation, demolition, restauration or remodelling of buildings;
- The construction, planning, design and execution of all kinds of buildings or urban developments, be their owned or third-party owned;
- To acquire, transfer, administer, rent or lease, or in any other capacity, all kinds of real estate;
- To lease or rent, or in any other capacity, all kinds of buildings, including spaces or points of sale within, or the use of own or third party buildings for commercial establishments, for their own or for third parties, and for the rendering of supplementary services;
- The planning, development and management of shopping centers, and all the related, necessary and supplementary activities. Included in the business purpose are, in general, all preparatory, supplementary or accessory acts and contracts for all of the above, which are related to the existence and operation of the Company, and those that lead to the achievement of the business purposes, as well as any other legal activity. The Company will not be able to guarantee, personally or with its assets, obligations other than its own.

Peru**Cencosud Perú S.A.**

Board of Directors: Horst Paulmann Kemna and Matías Videla

General Manager: Alfredo Mastrokalos Viñas

The subscribed and settled capital up to December 31st, 2019, is of S/ 1,811,935,015 (Soles)

The purpose of the company is the realization of investments of all kinds in companies or businesses constituted in Peru or abroad, whose main line of business is the realization of real estate, financial, and wholesale and retail sales businesses. The investments made by the company during the exercise of its business purpose will be made through cash or in-kind contributions, the acquisition of securities, bonds, the purchase of shares, assets or any other modality of investment. In addition, the company will also be able to render accounting, administrative, business and commercial consulting services, human resources training, storage, purchase and sale, stock centers, traffic and handling of goods, logistic services, administration of the system of vouchers, coupons, or similar documents for the rendering of food services for the workers, and any other related activity.

Cinco Robles S.A.C.

Does not have a Board of Directors.

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas.

The subscribed and settled capital up to December 31st, 2019, is of S/ 119,411,436 (Soles).

The business purpose of the company is: the purchase and sale and administration of real estate assets, property investments in general.

Cencosud Retail Perú S.A.

Board of Directors: Horst Paulmann Kemna and Matías Videla

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas.

The subscribed and settled capital up to December 31st, 2019, is of S/ 94,348,879 (Soles).

The business purpose of the company is: the purchase and sale, import, export of all types of wholesale or retail products, which can be marketed in establishments.

ISMB Supermercados S.A.

Does not have a Board of Directors.

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas.

The subscribed and settled capital up to December 31st, 2019, is of S/ 23,534,659 (Soles).

The business purpose of the company is: the realization of activities of purchase and sale, leasing and administration of buildings; the management and consultancy of real estate businesses.

Las Hadas Inversionistas S.A.C.

Does not have a Board of Directors.

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas.

The subscribed and settled capital up to December 31st, 2019, is of S/ 1,000 (Soles).

The main business purpose of the company is to exercise the rights of the holder of shares representative of the capital stock of other companies, be they local or foreign, to carry out investments and real estate and infrastructure activities.

Loyalty Perú S.A.C.

Board of Directors: Fernando Romero Belismelis, Alfredo Mastrokalos Viñas, Alejandro Desmaison Fernandini, Carlos Gonzáles Camargo and Alberto de Ferrari Morelo (Alternate)

General Manager: Juan Daniel Aspillaga Elías

The subscribed and settled capital, by Cencosud Perú S.A. as shareholder, up to December 31st, 2019, is of S/ 1,819,000 (Soles), which are equivalent to 42.50% of the shareholder group. The subscribed and paid capital stock of Loyalty Perú SAC is of S/ 4,280,000.

The purpose of the company is to earn the loyalty of the customers of associated companies, through an identification and awards system that rewards their loyalty, satisfying and exceeding their expectations, contributing with the growth of the associates in a scheme of self-financed operations.

Tres Palmeras S.A.

Board of Directors: Horst Paulmann Kemna and Matías Videla

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas

The subscribed and settled capital up to December 31st, 2019, is of S/ 363,313,091 (Soles).

The purpose of the company is the purchase, sale and administration of real estate, real estate businesses in general.

Travel International Perú S.A.C.

Does not have a Board of Directors.

General Manager: Cencosud Perú S.A. represented, in turn, by its General Manager, Alfredo Mastrokalos Viñas

The subscribed and settled capital up to December 31st, 2019, is of S/ 806,100 (Soles).

The purpose of the company is to realize touristic service operations, the elaboration, production, organization and sale of programs and other touristic services, national or international, booking and sale of tickets for any means of transportation.

Caja Rural de Ahorro y Crédito CAT Perú S.A.

Board of Directors: Miguel Uccelli Labarthe, Ignacio Paulo Quintanilla, María Nelly Viola, Eduardo Sánchez Carrión Troncón, Felipe Bayly Letts, Luis Gastañeta Alayza, Diego Leonardo Marcantonio, Alfredo Mastrokalos Viñas, Gonzalo Gil Plano, Francisco Rivadeneira Gastañeta, Francisco Jose Vilca Muenta, Susan Karem Castillo Loo, Alfonso Tola Rojas, Matías Videla Solá and Cristián Eyzaguirre Johnston

General Manager: Carlos Américo Morante Ormeño

The subscribed and settled capital, by Cencosud Perú S.A. as shareholder, up to December 31st, 2019, is of S/ 96,338,899 (Soles), which is the equivalent of 48.99% its participation in the shareholder group. In turn, the subscribed and paid capital stock by Cencosud Retail Perú SA as shareholder, up until December 31st, 2019, is of S/ 1 (Sol), the equivalent to 0.01% of participation in the shareholder group. The subscribed and paid capital stock of Caja Rural de Ahorro and Crédito CAT Perú SA is of S/ 196,610,000 (Soles).

The business purpose of the company is: financial entity.

Paris Marcas Perú S.A.

Board of Directors: Horst Paulmann Kemna and Matías Videla

The subscribed and settled capital up to December 31st, 2019, is of S/ 1,176,178.

The business purpose of the company is the service of supply, storage, purchase, stock, traffic and product handling control, transportation, physical distribution and any other function or logistic service in general; likewise, its purpose will be the purchase, sale, commercialization, representation, import, export of all types of wholesale or retail products that can be marketed in establishments, department stores, supermarkets, including telecommunication equipment and devices, motor vehicles, on their own or through third parties, with the ability to work on the installation, modification, management and/or administration, direct or indirect, of commercial establishments; without it being

exclusive, it will also import, distribute, administer and develop home and/or third party brands, national and foreign; purchase and sale of private property and real estate, its lease and development; construction, development of real estate projects, shopping centers, galleries, leisure centers and administration of shopping centers. Implicit in the business purpose are the acts related to the same that contribute to the achievement of its purposes, even if they are not explicitly stated. The company will be able to carry out without reservation or any limitation, all the necessary administrative and disposal acts and contracts for the fulfillment of its business purpose on its own or through third parties.

Cencosud Perú Shopping S.A.C.

Does not have a Board of Directors.

General Manager: Felipe Bayly Letts

The subscribed and settled capital up to December 31st, 2019, is of S/ 470,847,120 (Soles).

The business purpose of the company is to deal with the purchase and sale, leasing, lot division, construction and administration of real estate assets, as well as the realization and administration of all kinds of personal property and real estate investments. Implicitly included in the business purpose are the acts related to the same that assist with the realization of said purpose, even if they are not explicitly stated.

Cencosud Perú Holding S.A.C.

Does not have a Board of Directors.

General Manager: Felipe Bayly Letts

The subscribed and settled capital up to December 31st, 2019, is of S/ 470,848,119 (Soles).

The business purpose of the company is to carry out investments of all nature in businesses, societies or companies constituted in Peru or abroad. The investments made by the company in the exercise of its corporate purpose will be carried out through cash or in-kind contributions, acquisition and/or sale of securities, bonds, shares, assets or any other investment modality. Implicitly included in the business purpose are the acts related to the same that assist with the realization of said purpose, even if they are not explicitly stated.

Main Property

GRI 102-4

Below is a list with the main¹⁶ stores used for the development of the set of operations in each one of the countries in which the Company operates separated by business unit.

Supermarkets

Country	Name	Address	Property
Chile	J Bilbao	Av. Francisco Bilbao 4144, Las Condes	Owned
Chile	J Kennedy	Av. Kennedy 9001, Las Condes	Owned
Chile	J Costanera	Av. Andrés Bello 2465, Providencia	Owned
Chile	J La Reina	Av. Francisco Bilbao 8750, Las Condes	Owned
Chile	J Maipú	Av. Américo Vespucio 1001, Maipú	Owned
Chile	J La Florida	Av. Vicuña Mackenna 6100, La Florida	Owned
Chile	J Peñalolén	Av. Sánchez Fontecilla 12000, Peñalolén	Owned
Chile	J Rancagua	Av. Pres. Frei Montalva 750, Rancagua	Owned
Chile	J La Dehesa	Av. La Dehesa 1445, Lo Barnechea	Owned
Chile	J El Llano	Av. El Llano Subercaseaux 3519, San Miguel	Owned
Chile	J Viña Del Mar	Av. 1 Norte 2901, Viña del Mar	Owned
Argentina	J Unicenter	Paraná 3617	Owned
Argentina	J Palermo	Av. Bullrich 345	Owned
Argentina	J Pilar	Las Magnolias 698	Owned
Argentina	J Nordelta	Av. de los Lagos 6660	Rented
Argentina	J Neuquén	J. J. Lastra 2400	Owned
Argentina	J Lomas	Av. Antártida Argentina 799	Owned
Argentina	Veá 52 San Luis.	Julio Argentino Roca 300	Rented
Argentina	J Quilmes	Avenida Calchaquí 3950	Owned
Argentina	J San Martín	San Lorenzo 3773	Owned
Argentina	J Parque Brown	Av. Gral. Francisco Fernández de la Cruz 4602	Owned
Argentina	J Plaza Oeste	Lobos 2585	Owned
Argentina	J Escobar	Ruta Provincial 25 N°1710	Owned
Brazil	M Calçada	Av. Jequitaita 411-Agua de Meninos	Rented
Brazil	PREZ BOTAFOGO	Rua General Polidoro, 260 - Botafogo - RJ. CEP 22.280-003	Rented
Brazil	PREZ RECREIO	Av. das Américas, 16.100 - Recreio dos Bandeirantes - RJ. CEP 22.790-704	Rented
Brazil	G Costa Azul	Rua Arthur de Azevedo Machado 3443	Rented
Brazil	M Jabotiana	Av. Tancredo Neves - cep:49.080-470	Owned
Brazil	G Hiper Jardins	Av. Sílvio Teixeira 831	Rented
Brazil	PREZ CAMPO GRANDE	Estrada do Cabuçu, 1654 - Campo Grande - RJ. CEP 23.052-230	Rented
Brazil	PREZ NILOPOLIS	Av. Getulio de Moura, 1.591- Centro - Nilópolis - RJ. CEP 26.525-001	Rented
Brazil	G Hiper Iguatemi	Avenida Antônio Carlos Magalhães 4479	Rented
Brazil	PREZ BARRA DA TIJUCA	Av. das Américas, 13.850 - Recreio dos Bandeirantes - RJ. CEP 22.790-702	Rented
Brazil	PREZ FREGUESIA	Estrada de Jacarepaguá, 7.153 - Freguesia - RJ. CEP 22-753-033	Rented
Peru	Wong Chacarilla	Calle Monte Bello 150, Lima	Owned + Third parties
Peru	Wong Ovalo Gutiérrez	Av. Santa Cruz 771, Lima	Owned

¹⁶ Cencosud defined as main all those stores that made up for 25% of the sales of the business in the country in which they operate.

Country	Name	Address	Property
Peru	Metro Híper San Juan de Lurigancho	Av. Próceres de la Independencia 1632, Lima	Owned + Third parties
Peru	Wong Benavides	Av. Alfredo Benavides 1475, Lima	Owned + Third parties
Peru	Wong Dos de Mayo	Av. Dos de Mayo 1099, Lima	Owned + Third parties
Peru	Metro Híper PLN	Km. 14.5 Panamericana Norte , Lima	Third parties
Peru	Metro Híper San Miguel	Av. De la Marina 2500, San Miguel, Lima	Owned
Peru	Wong San Miguel	Esq. Av. La Marina y Av. Universitaria C.C. Plaza San Miguel	Third parties
Colombia	J 19 Santa Ana	Calle 110 # 9 B - 04, Bogotá	Owned
Colombia	J 15 Los Hayuelos	Av. Carrera 86 # 19 A - 50, Bogotá	Owned
Colombia	J 13 Valle Del Lili	Carrera 98 No. 16-50 , Cali	Owned
Colombia	J 11 Calle 80	Av. Calle 80 # 69 Q-50, Bogotá	Owned
Colombia	J 16 Carrera 30	Carrera 32 # 17 B -04, Bogotá	Owned
Colombia	J 23 De La 65	Carrera 65 # 45-85 , Medellín	Owned
Colombia	J 14 Calle 170	Calle 170 # 64-47, Bogotá	Owned

Home Improvement

Country	Name	Address	Property
Chile	Easy Rancagua	Carretera El Cobre 750 L-1100, Rancagua	Owned
Chile	Easy Temuco	Av. Caupolicán 0650, Temuco	Owned
Chile	Easy Maipú	Av. Américo Vespucio 1001, Maipú	Owned
Chile	Easy La Reina	Av. Francisco Bilbao 8750, Las Condes	Rented
Chile	Easy Viña del Mar	Av.1 Norte 2901, Viña del Mar	Owned
Chile	Easy Los Ángeles	Av. Vicuña Mackenna 780 Los Ángeles	Owned
Argentina	Easy Neuquén	Av. J.J. Lastra 2400, Neuquén, Prov. de Neuquén	Owned
Argentina	Easy Mendoza	General Balcarce 897, Godoy Cruz, Prov. de Mendoza	Owned
Argentina	Easy San Isidro	Fondo de la Legua 2513, Villa Adelina, Prov. de Buenos Aires	Owned
Argentina	Easy Palermo	Av. Bullrich 345, Cdad. Aut. de Buenos Aires	Owned
Argentina	Easy Córdoba	Av. O'higgins 3859, Córdoba, Prov. de Córdoba	Owned
Argentina	Easy Quilmes	Av. Calchaquí 3950, Quilmes, Prov. de Buenos Aires	Owned
Argentina	Easy Pilar	Las Magnolias 698, Pilar, Prov. de Buenos Aires	Owned
Argentina	Blaisten Palermo	Av. Juan B. Justo 1380	Rented
Argentina	Blaisten Floresta	Av. Juan Alberdi 3928	Owned
Colombia	Easy Américas	AV. AMERICAS No. 68 – 94	Rented
Colombia	Easy Centro Mayor	Calle 34A SUR No. 34D - 50	Owned

Department Stores

Country	Name	Address	Property
Chile	Paris Parque Arauco	Av. Presidente Kennedy 5225, Las Condes	Rented
Chile	Paris Costanera Center	Av. Andrés Bello 2447, Local 1200, Providencia	Owned
Chile	Paris Viña	Av. Libertad 1390, Viña del Mar	Rented
Chile	Paris ALC	Av. Presidente Kennedy 9001, Las Condes	Owned
Chile	Paris Plaza Oeste	Av. Américo Vespucio 1501, Cerrillos	Rented
Peru	Paris Plaza Lima Norte	Av. Alfredo Mendiola 1400	Rented
Peru	Paris Mega Plaza	Av. Alfredo Mendiola 3698, Valle de la Piedra Liza	Rented

Shopping Centers

Country	Name	Address	Property
Chile	Alto Las Condes	Av. Kennedy 9001, Las Condes	Owned
Chile	Florida Center	Av. Vicuña Mackenna 6100, La Florida	Owned
Chile	Costanera Center	Avda. Andrés Bello N°2425, Providencia	Owned
Argentina	Unicenter	Paraná 3745, Martínez, Buenos Aires	Owned
Argentina	Plaza Oeste	Juan Manuel de Rosas 658/760, Morón, Buenos Aires	Owned
Argentina	Palmas del Pilar	Las Magnolias 698, Pilar, Buenos Aires	Owned
Peru	Plaza Lima Sur	Prol. Paseo de la República S/N , Chorrillos	Rented
Peru	San Juan de Lurigancho	Av. Próceres - Independencia 1632, SJL	Owned
Colombia	La 65	Carrera 65, #45-85	Owned
Colombia	Hayuelos	Carrera 86, #19A-50	Owned

Non-Productive Land

Country	Number of properties	Mts ²
Chile	77	2,557,623
Argentina	70	3,135,076
Peru	25	130,509
Colombia	15	267,716
Brazil	25	386,476

Brands and Patents

GRI 102-2; 102-6

The Cencosud Group has registered, and is in the process of registering, a number of commercial brands in Chile, Argentina, Colombia, Brazil and Peru. Among them are: Jumbo, Easy, Santa Isabel, Disco, Veá, Paris, Tarjeta Cencosud, Wong, Metro, GBarbosa, Prezunic, Bretas and Sky Costanera.

In addition, it continues with the development of its own brands, such as Krea, URB, Alpes Outdoor, Roots, Veeden, Alaniz Home, Alaniz, Attimo, Green Field, Opposite, Tribu, Aussie, Mini Tribu, Nex, Foster, J.J.O., Umbrale, Pets Fun, Beef Maker and Cuisine & Co., which have had a great success in the market.

Cencosud has signed license agreements with renowned international brands such as American Eagle, Carter's, Women's Secret, Topshop, Topman, Aerie and Miss Selfridge.

The Company has duly registered –or is in the process of registration- in the appropriate entities qualified for this matter all the brands needed for its operation in each of the countries where it operates.

House Brands and regional synergies

The mission of Cencosud's Regional Commercial Area is the development of commercial synergies in the Company which, today, affect all retail businesses in the region. The strategy to look for these synergies has converged in the point of tying the sourcing of its own goods with the relation with suppliers of national brands, which allows a wider view of the category.

Sourcing and Food Home Brands

The centralized Food purchasing process was improved in 2019, widening the range of products beyond the commodities, which will help reach practically all the categories of our home brands.

In relation to the fresh produce portfolio, the range of species worked cross-sectionally in the countries of the region was widened, importing out-of-season solutions and stable programs for the seasonal fruits, for example. This improved the availability for customers in eight out of ten fresh fruit categories. This was achieved by building and strengthening ties with world class direct suppliers, shortening the chain that brings the fruit from its origin to the Company, and prioritizing a socially responsible and environmentally respectful supply.

On the other hand, regarding non-perishable foods, centralized sourcing strategies were cemented which ensure high quality and sustainability standards. Likewise, the Company has achieved a constants reduction of purchasing expenses and a better managing of the supply risks in mass products relevant to the consumer basket of the region.

Development of food house brands and imported brands

Following the dynamism of the food world, during 2019 a new integral work model became effective. This model allowed, through the regional integration of teams and processes, the simultaneous alignment of the needs of the five countries and a more agile, quick, and deep sourcing reaction. In this context, important reductions were achieved towards the end of the year regarding the times of development and the generation of more complete category proposals.

This consolidated relevant competitive advantages when it came to capitalizing on better global proposals, making a positive impact on profitability and access to distinguishing propositions of higher value. And all of this while diversifying the base of suppliers and improving the negotiation parameters in the most competitive origins for each product, including a regional sourcing from the markets where we trade.

Development of non-food home brands

Cencosud is one of Latin America's pioneers in putting together a centralized team for the development and purchase of non-food home brands. In 2018 it managed to widen the range in the different retail divisions, reaching practically a 100% in home brands in Home Improvement, covering the majority of the businesses in Supermarkets, and increasing coverage in Department Stores. The biggest achievements are described below:

- Cencosud has a successful model for the development and purchase of products in any non-food category, allowing an important improvement in profitability in those categories that have been added to the regional purchase process. The consolidation of the regional model had an important improvement in contribution, far above the products from third party suppliers. The biggest impact in the participation of home brands was seen in Home Improvement, where almost all the categories increased participation.
- Collections with “Fast Fashion” features were added to the Clothing and Home categories, which permitted the offering of trendy products to the Supermarkets, thus revolutionizing the concept of fashion in this channel.
- “Eco” collections have been developed in ground-breaking fashion in Latin American supermarkets both in Clothing and in Home, offering the customer goods developed in a 100% sustainable way.
- In 2019, Cencosud expanded its sourcing base in Bangladesh, achieving a better value for money in its clothes and managing to keep detailed control over the quality of the garments. In addition, Cencosud became member of Accord, an institution that guarantees the infrastructure conditions in the factories in Bangladesh.
- Easy was extended in the Hard categories to the regional purchase which, in 2019, was reflected in the complete centralization of its home brands. Due to the new division of tasks, the teams of each country have achieved a better commercialization of the regional products, thus raising the level of sales.
- For the first time both Supermarkets and Easy purchased together the Christmas stock, thus allowing an increase in profitability in all lines of products. In addition, the efficiency of the stock purchased jointly has been improved, reducing the global stock by 30% and delivering better benefits due to purchase synergies.
- During 2019 the optimization of stock and the development of regional suppliers in the Hard category starts to become evident in the progress in turnaround times, which allows for improvements in the negotiated conditions.
- Considered within the process of continued improvement, a plan for the certification of factories in their origin is underway. This improves the quality standards of the commercialized products.

RENOWNED BRAND PORFOLIO



Supplier Base

Cencosud's ten main suppliers at a regional level are the following: Nestlé Chile S.A., Agrosuper Com. de Alimentos Ltda., Unilever Chile Ltda., Samsung Electronics Chile Ltda., Empresas Carozzi S.A., Comercial Santa Elena S.A., Diwatts S.A., Cooperativa Agrícola y Lechera de la Unión Ltda., BRF S.A. and Cervecería y Maltería Quilmes S.A.I.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

Below is a list of the main ten suppliers in each business unit.

Supermarkets

The main ten suppliers in the Supermarkets segment in the region are the following: Nestlé Chile S.A., Agrosuper Com. de Alimentos Ltda., Unilever Chile Ltda., Empresas Carozzi S.A., Comercial Santa Elena S.A., Diwatts S.A., Cooperativa Agrícola y Lechera de la Unión Ltda., BRF S.A., Cervecería y Maltería Quilmes S.A.I. and Embotelladoras Chilenas Unidas S.A.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

Home Improvement

The ten main suppliers in Home Improvement in the region are the following: Maderas Arauco S.A., Codelpa Chile S.A., Sherwin Williams Argentina I.C.S.A., Industria Metalúrgica Limitada, Einhell Chile S.A., Cerámica Alberdi S.A., Productos Venier S.A., Compañía Industrial El Volcán S.A., Aislantes Nacionales S.A. and Egger Argentina Sociedad Anónima.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

Department Stores

The ten main suppliers for the Department Stores segment in the region are the following: Samsung Electronics Chile Ltda., LG Electronics Inc Chile Ltda., Apple Chile Comercial Limitada, L'Oreal Chile S.A., Colchones Rosen S.A.I.C., Electrolux de Chile S.A., Intcomex Chile S.A., Ingram Micro Chile S.A., Adidas Chile Ltda. and Claro Chile S.A.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

Shopping Centers

The ten main suppliers for the Shopping Center segment in the region are the following: Constructora Colpatria S.A., Obras Especiales Chile S.A., GGP Servicios Industriales SpA, J E Construcciones Generales S.A., Liderman SpA, SISEG S.R.L. Sociedad de Policía PA, Empresa de Servicios de Seguridad Privada FU-DU LT, Ascensores Schindler Chile S.A., Berclean S.A. and Prosegur Chile S.A.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

Financial Services

The ten main suppliers in the region in the Financial Services segment are the following: Eaya Consulting S.R.L., Mastercard Cono Sur S.R.L, Teleatento del Perú S.A.C., Gedco S.A., Directway S.A., Gestión Legal S.A., Argentina Collection Agency S.R.L., Paktar Servicios S.A., First Data Cono Sur S.R.L. and Arimas S.A.

The first two suppliers represented individually more than 10% of the total purchases made during the period of the supply of goods and services of the segment.

Corporation (Others Segment)

The ten main suppliers in the Corporation segment (or Others segment) in the region are the following: Administradora y Procesos S.A., Swiss Medical S.A., Productos y Servicios Panaderos S.A., NCR Chile Industrial y Comercial Limitada, Red Televisiva Megavisión S.A., SAP Chile Limitada, Pincenter S.A., Sodexo Soluciones de Motivación CHI, Sociedad de Transportes Nazar Ltda. and Red de Televisión Chilevisión S.A.

No supplier individually represented at least 10% of the total purchases of the supply of goods and services of the segment made during the period.

GRI Tables

GRI Code	Content	Page	Answer
Company Profile			
102-1	Name of the Company	p.9	CENCOSUD S.A.
102-2	Activities, brands, products and services	P.189	<p>Cencosud is a multibrand and multiformat retail company, present in five countries in Latin America. It operates in the following business divisions: Supermarkets, Shopping Centers, Home Improvement, Department Stores and Financial Services.</p> <p>For more details go to: https://www.cencosud.com/unidades-de-negocio. In addition, the main brands are detailed in page 217.</p>
102-3	Location of headquarters	P.9	Legal Address: Av. Kennedy 9001, Las Condes, Santiago, Chile.
102-4	Location of operations	P.9	<p>Argentina: Suipacha Nº 1111, piso 18, C.A.B.A. Buenos Aires. Brazil: Av. das Nações Unidas, 12.995 - 17º andar - Brooklin – São Paulo, CEP 04578-000. Colombia: Avenida 9 No. 125 - 30, Bogotá. Chile: Av. Kennedy Nº 9001, Las Condes, Santiago. Peru: Calle Augusto Angulo Nº 130, distrito de Miraflores, Lima.</p>
102-5	Ownership and legal status	P.9	<p>Section one of the Bylaws states: <i>“a public limited company is constituted, named CENCOSUD S.A. which will comply with the rules that regulate public limited companies in the terms stated in the second section of the Supreme Decree 587 of 1982, Administrative Regulation 18,046”.</i></p> <p>For more detail, please check this link: http://s2.q4cdn.com/740885614/files/doc_downloads/legal_documents/Bylaws-of-Cencosud-S.A.-(ENG).pdf.</p>
102-6	Markets served	P. 10	Argentina, Brazil, Colombia, Chile and Peru.
102-7	Size of the organization	P.10	Up to 12.31.2019, the Company has a Market Cap of US 3.8 BN. For more information, please check: //investors.cencosud.com/Spanish/inversionistas/eventos-y-presentaciones/presentaciones/default.aspx .
102-8	Information on the number of employees and other workers	P. 10	At the close of December 31 st , 2019, the Company has a total of 125,269 employees, 50.9% of which are women and 49.1% are men.
102-9	Supply Chain	P. 147, 195	Check chapter 10.
102-10	Important changes in the organization and its supply chain	P.13	In 2019, Cencosud made its initial public offer for its subsidiary, Cencosud Shopping, reaching USD 1,055 millions and becoming the biggest IPO in the history of the Santiago Stock Market. In addition, the agreement between Cencosud and Scotiabank Perú for the joint development of the charge card business was approved. The Company sold for USD 100 millions 51% of its portfolio. In October, 2019, the Company announced a new organizational structure, assigning a country manager in all the markets where it operates, except Chile
102-11	Main precautionary approach	P. 37-41, 160-175.	Chapter on Risk and Risk Factors by country.

GRI Code	Content	Page	Answer
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102-12	External Initiatives	P. 137	<p>Cencosud takes care to align the needs of the Company with those of the community through conversations with the stakeholderes based in mutual trust. The Company establishes permanent relationships and bonds with the different organizations through associations, alliances and memberships.</p> <p><i>The details of this information are available in the webpages of Cencosud S.A.:</i> https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_ing.pdf https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_prt.pdf</p>
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102-13	Associations and Affiliations	P. 137	<p>Cencosud takes care to align the needs of the Company with those of the community through conversations with the stakeholders based in mutual trust. The Company establishes permanent relationships and bonds with the different organizations through associations, alliances and memberships.</p> <p><i>The details of this information are available in the webpages of Cencosud S.A.:</i> https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf https://www.cencosud.com/cencosud/site/artic/20160120/asocfile/20160120161151/aportes_web.pdf https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_ing.pdf https://www.cencosud.com/cencosud/site/artic/20190614/asocfile/20190614153134/aportes_corporativos_2019_prt.pdf</p>
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Strategy

102-14	Statement of senior executives responsible for the decision-making	P. 4-7	This can be found in the Report in the Letter from the President and Letter from the General Manager. In addition, it can be found in the Liability Statement of the Directors that sign this Integrated Annual Report.
102-15	Main impacts, risks and opportunities	p. 37-41, 160-175	Chapter on Business Model and Chapter on Risks.

Ethics and Integrity

102-16	Values, principles, standards, and rules of conduct	p.22-27	<p>Cencosud states as its Mission:</p> <p><i>“Our mission is to work every day to become the most profitable and prestigious retailer in Latin America, based on the excellence of our service, our respect towards the communities with whom we live, and the commitment of our team of employees.”</i></p> <p>For mode detail, please check: https://www.cencosud.com/nuestra-empresa/.</p>
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GRI Code	Content	Page	Answer
102-17	Ethical advisory and precautionary mechanisms	p. 54-55	<p>Cencosud's Board of Directors or its Directors Committee meets at least once per semester with the representatives of the external audit agency in charge of auditing the Financial Statements in order to analyze the aspects related to this standard. In the respective sessions they analyze, among other matters, different aspects that suggest adopting the standard as a corporate governance practice. Among the topics considered, most of the matters of analysis that this practice suggests are included. Historically, it has been the Company's Directors Committee who has met regularly with the External Auditing Company. They, in turn, report back to the Board of Directors during their respective session regarding the relevant aspects of the meeting.</p> <p>Cencosud's General Manager always participates in these meetings, together with some of the senior executives. For more details, please check the answers in the "Information Regarding the Adoption of Corporate Governance Practices" that are available using the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_docs/esp/practicasgobiernocorporativonc34120150331.pdf.</p>
Governance			
102-18	Governance Structure	P. 45-46	<p>On April 29th, 2016, was the General Shareholders's Meeting, in which the Board of Directors of the company was chosen for the 2016-2019 term.</p> <p>The details can be found through the following link: http://investors.cencosud.com/Spanish/inversionistas/gobierno-corporativo/estructura-de-gc/directorio/default.aspx</p>
102-19	Delegation of Liability	-	<p>Cencosud's Bylaws can be checked here: http://s2.q4cdn.com/740885614/files/doc_downloads/legal_documents/Bylaws-of-Cencosud-S.A.-(ENG).pdf.</p>
102-20	Responsibility at executive level for economic, environmental, and social issues	-	<p>The scope of the Risk Management Corporate Policy includes the assessment of the impact produced by each one of the identified risks, including those related to sustainability. The company is working in updating and improving its Risk Management process.</p> <p>For more details, please check the answers in the "Information Regarding the Adoption of Corporate Governance Practices" that are available using the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_docs/esp/practicasgobiernocorporativonc34120150331.pdf.</p>
102-21	Survey of stakeholders regarding economic, environmental, and social issues	p. 29-35	<p>The results of the materiality study are shown in a grid. The position of the topics in it was established based on a quantitative evaluation which represents the degree of relevance each topic has both for the company and for its stakeholders.</p>
102-22	Structure of the highest governing body and its committees	P.45-46	<p><i>Corporate Governance Model:</i></p> <p>http://investors.cencosud.com/Spanish/inversionistas/gobierno-corporativo/estructura-de-gc/directorio/default.aspx.</p> <p><i>Sr. Horst Paulmann Kemna.</i></p>
102-23	President of the highest governing body	P. 51-53	<p>Mr. Paulmann is the President of the Board of Directors and the founder of Cencosud S.A. He has been part of its Board of Directors since November, 1978.</p>

GRI Code	Content	Page	Answer
102-24	Appointment and selection of the highest governing body	-	<p>The Bylaws establish that the Company will be run by a Board of Directors formed by nine members. The directors may or may not be shareholders and they can be indefinitely reelected. The Board of Directors will perform their duties for a three-year term. The election of the Board of Directors will be carried out during the corresponding General Shareholders Meeting. In the elections carried out in the Shareholders Meeting, each shareholder will have one vote for each share they own or represent, with the possibility of accumulating their votes in favor of one person or distributing them as they see fit. The Board members that get the highest number of votes in one voting will be elected for the Committee until reaching the number of members needed. However, through the unanimous voting of all current holders of voting shares, the ballot can be omitted and the Board can be elected by acclamation. If by any reason the Shareholders Meeting called to choose the Board is not held on the set date, the position of the directors whose term has expired will be considered as extended until the appointment of their substitutes and the Board will call, within 30 days, a Shareholders Meeting to carry out the appointments. In the case of the vacancy of a Director, the Committee will completely renew the Board during the next General Shareholders Meeting held by the company and, meanwhile, the Committee will name a substitute.</p>
102-25	Conflicts of Interest	P.46-47	<p>In compliance with what is established in sections 9, 10, and 16 of the Stock Market Act N° 18,045, in sections 43 and 46 of the Public Limited Companies Act N° 18,046, and what is stated in the General Act N° 270 of December 31st, 2009, issued by the Commission for the Financial Market (CMF). Cencosud S.A., as issuing entity of public-offering securities, presents its Handbook for the Handling of Information Relevant for the Market, hereafter the "Handbook." The Handbook was approved in the meeting of the Company's Board of Directors held on March 30th, 2008, and modified according to the agreements adopted in the Board meeting held on March 26th, 2010, and is published in the Company's website and available in the Company's administration office.</p> <p>Cencosud's Board of Directors has approved a Code of Conduct addressed to all the members of the Board. The Code endorses the mission and statement of value of Cencosud's Code of Ethics as the source of guidance for the Board's work. Moreover, it makes reference to the concept of Conflict of Interest recognized and supplemented in the Code of Ethics. The main situations that could present a Conflict of Interest are recognized in the Code in paragraphs 3.4 and 41.</p> <p>The Code forbids directors from taking advantage, for themselves or people related to them, of businesses discovered through their role. They are obliged to declare any events that may present a potential conflict; they must do so in writing and addressed to the president, and abstain from participating in the decision-making process. This procedure is regulated in paragraphs 4.3 and 4.4, recognizing also what is established in Title XVI of Act 18,046. This Code is available for shareholders and the general public.</p>

GRI Code	Content	Page	Answer
102-26	Role of the highest governing body in the selection of goals, values and strategies	P. 54-55	<p>It is established in the Bylaws that the Board of Directors represents the company in court and out of it, and in the fulfillment of its business purpose, which does not need to be evidenced to third parties. It is invested with all management and regulation faculties that do not pertain exclusively to the General Shareholders Meeting, without the need for a special power of attorney, not even for acts and contracts for which the law demands such a requirement. This without detriment to the representative legal authority that corresponds to the General Director. The Board of Directors can delegate part of their faculties to Managers, Assistant Managers, or Legal Representatives of the Company, a Director or a Directors Committee and to other people for specific purposes.</p> <p>http://s2.q4cdn.com/740885614/files/doc_downloads/legal_documents/Bylaws-of-Cencosud-S.A.-(ENG).pdf.</p>
102-27	Collective knowledge of the highest governing body	P. 51-52	<p>They are detailed in the Report and they are also available in the corporate website:</p> <p>http://investors.cencosud.com/Spanish/inversionistas/gobierno-corporativo/estructura-de-gc/directorio/default.aspx</p>
102-28	Performance assessment of the highest governing body	P. 46-47	<p>Regarding the proper running of the Board of Directors and its continuity in the absence of one or more of its members. Considering the experience of the members that form Cencosud's Board of Directors and the proper running of it during its history, with complete compliance to the due diligence and the legal rules that regulate it, Cencosud has not needed to dictate a specific proceeding regarding the characteristics stated in the standards. Irrespective of this, the Board of Directors, in its continued interest in having the best tools for the performance of their duties, is constantly open to the improvement of its operating standards. The Board has established a policy through which it proposes the minimal monthly time for the directors. Cencosud's Board of Directors has approved a policy that establishes the minimum time that each director will allocate to its role, depending on their specific situation, experience, training, business qualifications, etc. However, the policy states that it is expected that each director will devote to its role all the necessary time for the appropriate and diligent fulfillment of their duties as director, including, especially, the preparation and attendance to the Board meetings. This same policy recognizes the importance of continued and regular attendance to the respective Board or Committee meetings of which they are part. This is recognized by the active participation of the directors, both in the respective meetings of the Board, Committees and regular meetings of the management teams. Likewise, it is established that in case a director does not attend a meeting, they must be informed about the progress of the Company by the Corporate General Manager. This policy is available to shareholders and the general public through Cencosud's webpage.</p>
102-29	Identification and management of economic, environmental, and social impacts	P. 32-33	Chapter on Risk and Material Issues

GRI Code	Content	Page	Answer
102-30	Effectiveness of the risk management processes	P. 38-41	<p>Cencosud has been working for years in the identification of its relevant risks, be they economic, operational, credit, financial, regulatory, system, fraud, etc., and the way in which they should be controlled and moderated. Both Cencosud’s Board of Directors and the different managements participate actively in the detection and control of the risks present in each business area. In order to appropriately administer and control the Company’s risks, and besides the work done by the Board of Directors and the Directors Committee, Cencosud’s Administration has several Committees and organizations that, as part of their functions, ensure the right administration of the relevant risks. Cencosud has, among others, a Credit Risk Committee, an Audit Committee, a Manager in charge of the implementation of the SOX-Compliance regulations and controls, an Internal Audit Corporate Manager, and teams that meet to evaluate the different risks that exist in each area. Likewise, Cencosud has carried out a mapping of risks related to the Law of Corporate Criminal Liability, appointing a Head of Crime Prevention and implementing a Crime Prevention Model. It is also checking the risks the Company may be exposed to in terms of Free Competence. The “Information Regarding the Adoption of Corporate Governance Practices” is available in the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_doc/s/esp/practicagobiernocorporativonc34120150331.pdf.</p>
102-31	Assessment of economic, environmental and social issues	P. 38-41	For the appropriate administration and control of the Company’s risks, besides the work done by the Board of Directors and the Directors Committee.
102-32	Role of the highest governing body in the elaboration of sustainability reports	P. 49	The Integrated Annual Report must be approved by the Board of Directors; it is reviewed and approved in the session previous to the General Shareholders Meeting, in which each year’s Integrated Annual Report is also examined and approved.
102-33	Notification of critical concerns	P. 32-33	<p>Cencosud’s Internal Audit Corporate Management is in charge of the company’s mapping and risk management, they report directly to the Board of Directors. Likewise, the work done by the Directors Committee, Auditing Committee, and Credit, Finance, Ethics, and Business Risk Committees, Management office in charge of the implementation of the SOX-Compliance regulations and controls, help strengthen the control and carry out follow-ups of the company’s risks.</p> <p>In addition, the company has a Legal Affairs Corporate Manager, a Head of Crime Prevention, an Agent of Regional Compliance, and a Free Competence Committee, who alert against the regulatory and legal risks the company is exposed to. These three lasts instances report directly, or through the Directors Committee, to the Board of Directors.</p> <p>For more details see the answers in the “Information Regarding the Adoption of Corporate Governance Practices” is available in the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_doc/s/esp/practicagobiernocorporativonc34120150331.pdf.</p>
102-34	Nature and total number of critical concerns	P. 32-33	Material issues and risk factors.

GRI Code	Content	Page	Answer
102-35	Remuneration Policies	p. 53-54, 57.	<p>Proceedings regarding the succession and the compensation policies and plans for senior executives. Cencosud has, besides its Human Resources Manager, a Training and Development Management office, which has set up a process called Talent Review, which facilitates the replacement of senior executives if necessary.</p> <p>This process helps define, in a cross-sectional way, the human capital and the distinctive features of leadership in Cencosud, and to determine the main successions to the main management positions, in case they become necessary. Cencosud has executed processes in which the employees suitable to replace senior executives have been assessed. Regarding this, Cencosud is working on adopting a higher degree in this Corporate Governance practice.</p> <p>For more details see the answers in the “Information Regarding the Adoption of Corporate Governance Practices” is available in the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_doc_s/esp/practicasgobiernocorporativoncg34120150331.pdf.</p>
102-36	Process to determine remunerations	P. 53-54, 57	<p>Cencosud’s Board of Directors has approved a procedure that sets the responsibility to ensure internally that the compensation plans and the severance policies for the Executives do not generate incentives for the beneficiaries to commit illegal acts or expose Cencosud or its subsidiaries to risks that are not aligned to the purposes of the relevant general plans and/or policies of Cencosud. For this effect, all compensation, incentive, or severance plan that benefits some or all the Executives, must include, among others, objective parameters of general application to determine, set, and analyze the observance of the purposes, goals, or conditions that allow the earning of the appropriate compensation, incentive or severance payment. In addition, preference is given to the dominant subjection of compensations, incentives and/or severance payments that may be granted to variables not susceptible to intervention, modification, or alteration by the Executives benefited by the corresponding plan or by the areas that depend on them. Moreover, Cencosud has a Regional Compensations Policy.</p> <p>The Management Control and Human Resources Managements, among others, participate in the process of evaluation of the compliance with the objectives of the different plans mentioned. Cencosud implemented a process of Cencosud’s Executives Performance Management which included all of Cencosud’s executives at a regional level, in order to shift the organization towards defined objectives; to conduct people’s performance regarding the business; to appropriately motivate employees; to promote their development with transparency and consistency; and to improve the leaders’ supervisory abilities. For more details see the answers in the “Information Regarding the Adoption of Corporate Governance Practices” is available in the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_doc_s/esp/practicasgobiernocorporativoncg34120150331.pdf.</p>

GRI Code	Content	Page	Answer
102-37	Involvement of the Stakeholders in remunerations.	p.53-64,57	In Cencosud, preference is given to the dominant subjection of compensations, incentives and/or severance payments that may be granted to variables not susceptible to intervention, modification, or alteration by the Executives benefited by the corresponding plan or by the areas that depend on them. Moreover, Cencosud has a Regional Compensations Policy. For more details see the answers in the "Information Regarding the Adoption of Corporate Governance Practices" is available in the following link: http://s2.q4cdn.com/740885614/files/doc_downloads/gov_doc_s/esp/practicasgobiernocorporativonc34120150331.pdf .
102-38	Total annual compensation ratio.	-	Confidential Information.
102-39	Ratio of percentage increase in total annual compensation.	-	Confidential Information.
Participation of Stakeholders			
102-40	List of stakeholders.	P. 19-21	Financial market. Employees. Civil society organizations. Suppliers. Customers. Authority and regulator.
102-41	Collective negotiation agreements.	p.96-97	
102-42	Identification and selection of stakeholders.	P.19-21	
102-43	Approach for the participation of the stakeholders.	P.19-21	
102-44	Issues and concerns that have been pointed out through the participation of the stakeholders.	p.19-21	Detailed in the chapter about materiality
Practices for the preparation of reports			
102-45	Entities included in the consolidated financial statements	p. 8	
102-46	Definition of the reports' contents and the coverage of the issue	p.8	
102-47	List of material issues	p.34	Economic performance. Good Corporate Governance, Ethics and Compliance. Supplier development. Community relations. Life cycle and traceability of the products. Digital transformation. Marketing and Responsible Consumption. Experience and relation with customers. Eco-efficient management of resources. Waste Management. Employee development.
102-48	Restatement of the information.	-	Does not exist.
102-49	Changes in the drafting of reports.	-	There were no changes

GRI Code	Content	Page	Answer
102-50	Period considered in the report.	p. 8	Between January 1 st , 2019, and December 31 st , 2019.
102-51	Date of the last report.	p.8	March 2019
.....102-52.....	Cycle of report elaboration.	p. 8	Annual.
102-53	Contact point for enquiries regarding the report.	p. 9	
102-54	Declaration of elaboration of the report in accordance to the GRI standards	p.8	Comprehensive Option.
102-55	Index of GRI contents.	-	
102-56	Declaration of external verification	-	The issuance was verified. The letter is in the annex.

Management Approach

103-1	Explanation of the material issue and its coverage.	P.44,88,100; 105;110;116; 129;132;138; 139;145.	It is in the management approach of each material issue.
103-2	The management approach and its components.	P.44,88,10 0; 105;110;11 6; 129;132;13 8;139;145.	It is in the management approach of each material issue.
103-3	Management approach assessment.	P.44,88,10 0; 105;110;11 6; 129;132;13 8;139;145.	It is in the management approach of each material issue.

Economic Performance

201-1	Direct economic value generated and distributed.	P. 36	
201-2	Financial implications and other risks and opportunities derived from climate change.	-	It is omitted
201-3	Obligations of the defined benefits plan and other retirement plans.	P. 155	
201-4	Financial assistance from the government.	-	Is not received.

Market Presence

202-1	Ratio of standard entry-level salary to local minimum wage by gender.	-	Confidential information.
202-2	Proportion of senior executives recruited from the local community,	p.152-153	

GRI Code	Content	Page	Answer
Indirect Economic Impact			
203-1	Investments in infrastructure and services supported.	p.66-85	Corporate Information and Rationale.
203-2	Significant indirect economic impacts.	p.66-85	Corporate Information and Rationale.
Purchasing Practices			
204-1	Proportion of expenditure on local suppliers.	-	It is omitted, confidential information.
Anti-corruption			
205-1	Operations evaluated for risks related to corruption.	P. 59-64	
205-2	Communication and training regarding anti-corruption policies and procedures.	P.59-64	
205-3	Confirmed corruption cases and measures taken.	P.59-64	
Unfair Competition			
206-1	Legal actions related to unfair competition and monopolistic practices and against free competition.	-	It is omitted.
Materials			
301-1	Materials used by weight and volume	P. 132-135	
301-2	Recycled supplies	P.132-135	
302-3	Recycled products and packaging material	P.132-135	
Energy			
302-1	Energy consumption within the organization.	P.129-131	
302-2	Energy consumption outside of the organization.	P.129-131	
302-3	Energy Intensity.	P. 129-131	
302-4	Reduction of energy consumption.	P.129-131	
302-5	Reduction fo the energy requirements of products and services.	-	It is omitted.
Water			
303-1	Water extraction by source.	p. 128 and 131.	
303-2	Water sources significantly affected by water extraction.	-	It is omitted, it is not material.

GRI Code	Content	Page	Answer
303-3	Recycled and reused water.	-	It is omitted, it is not material.

GRI Code	Content	Page	Answer
Biodiversity			

304-1	Operation centers in properties, rented or managed, located in or near protected areas or areas of great value for biodiversity but that are outside of protected areas.	-	Does not apply and does not apply to the operation.
304-2	Significant impact on biodiversity of activities, products or services.	-	There are none registered up until the closing of this report and are they do not apply to the operation.
304-3	Protected or restored habitats.	-	There are none registered up until the closing of this report.
304-4	Species that appear in IUCN's Red List and in national conservation lists whose habitats are in areas affected by operations.	-	There are none registered up until the closing of this report.

Emissions			
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305-1	Direct emissions of Greenhouse gases, GHG (Range 1)	P. 128; 130;131;	
305-2	Indirect emissions of Greenhouse gases, GHG (Range 2)	P.128; 130; 131	
305-3	Other indirect GHG emissions (Range 3)	P.128; 130; 131	
305-4	Intensity of the GHG emissions	P.128; 130; 131	
305-5	Reduction of the GHG emissions	P.128; 130; 131;	
305-6	Emission of substances that wear out the Ozone layer (SAO).	-	It is omitted, it is not material.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions.	-	It is omitted, it is not material.

GRI Code	Content	Page	Answer
Sewage and waste			

306-1	Water discharge according to quality and destination	-	It is omitted.
306-2	Waste by type and elimination method	-	It is omitted.
306-3	Significant spills	-	Not applicable due to Cencosud's operation.

GRI Code	Content	Page	Answer
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306-4	Transportation of hazardous waste	-	Not applicable due to Cencosud's operation.
306-5	Bodies of water affected by water discharges and/or runoffs.	-	Not applicable due to Cencosud's operation.

Environmental Compliance

307-1	Non-compliance with environmental legislations and regulations.	-	There were none registered, even if material, at the closing of this report.
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Suppliers environmental assessment

308-1	New suppliers that have passed evaluation and selection filters regarding environmental criteria.	P.145-149	
308-2	Negative environmental impacts on the supply chain and measures taken.	-	It is omitted.

Employment

401-1	New hirings and personnel rotation	p. 154-155	
401-2	Benefits for full-time employees that are not given to half-time or temporary employees.	p. 155	
401-3	Parental leave.	p. 156	

GRI Code	Content	Page	Answer
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Worker – company relation

402-1	Minimal periods of notice regarding operational changes	p. 96-97	
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Health and Safety

403-1	Worker representation in formal worker-company committees of health and safety.	p.87-97	
403-2	Types of accidents and frequency rates of accidents, occupational illnesses, lost days, absenteeism, and numer of deaths due to occupational accidents or illnesses.	P. 157	
403-3	Workers with high incidence or high risk of occupational illnesses	P. 157	
403-4	Health and safety issues dealt with in formal agreements with unions.	P.87-97	

Training and Education

404-1	Average of annual training hours per employee	p. 158	
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GRI Code	Content	Page	Answer
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404-2	Programs to improve the employees' abilities and programs to help with transitioning.	p.158	
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404-3	Percentage of employees whose professional performance and development are evaluated regularly.	p.158	
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Diversity and Equality

405-1	Diversity in the governing bodies and employees.	p.152	
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405-2	Ratio of base salary and remunerations of women versus men.	p.159	
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Non-discrimination

406-1	Cases of discrimination and corrective measures taken.	-	There were none at the time of the closing of this report.
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Freedom of association and collective negotiation

407-1	Operations and suppliers whose right to freedom of association and collective negotiation could be at risk.	-	There were none at the time of the closing of this report.
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Child Labor

408-1	Operations and suppliers with significant risks of cases of child labor.	p. 152	
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Forced Labor

409-1	Operations and suppliers with significant risks of cases of forced labor.	p.152	
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Practices in safety matters

410-1	Security personnel trained in human rights policies and procedures.	p. 152	
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Indigenous Peoples

411-1	Cases of violations of indigenous peoples' rights.	-	Not applicable due to Cencosud's operation.
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GRI Code	Content	Page	Answer
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Human Rights

412-1	Operations subjected to revisions or evaluations regarding their impact on human rights.	p.152	
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412-2	Employee training in human rights policies or procedures.	-	
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GRI Code	Content	Page	Answer
Local Communities			
412-3	Important investment agreements and contracts with clauses about human rights or subjected to a human rights evaluation.	-	It is omitted, confidential.
413-1	Operations with participation of the local community, impact evaluations and development programs.	p. 158	
413-2	Operations with significant negative impacts – real or potential- on local communities.	p. 137-149	
Social Assessments of Suppliers			
414-1	New suppliers that have passed selection filters according to social criteria.	-	It is omitted, confidential.
414-2	Negative social impacts on the supply chain and measures taken.	-	It is omitted, confidential.
Public Policies			
415-1	Contributions to political parties and/or representatives.	P. 59-64.	
Health and Safety of the Customers			
416-1	Assessment of the impacts on health and safety of the categories of goods or services.	p.101-128	
416-2	Cases of non-compliance regarding the impacts of health and safety of the categories of goods and services.	p. 101-128	No material ones registered.
Marketing and Labeling			
417-1	Requirements for the information and labeling of goods and services.	p. 99-126	
417-2	Cases of non-compliance regarding the information and labeling of goods and services.	p. 99-126	No material ones registered.
417-3	Cases of non-compliance regarding marketing communications.	-	No material ones registered.
Customer Privacy			
418-1	Substantiated claims regarding customer privacy violations and loss of customer data.	p. 115-120	
419-1	Non-compliance of laws and regulations in economic and social areas.	-	It is omitted.

The information presented complies with the requirements of the "Comprehensive" option of the GRI Standard¹⁷, based on the principles of accuracy, balance, clarity, comparability, reliability, and timeliness. However, Cencosud will present omissions if the answer to any of these indicators is considered as confidential or strategic information for the Company.

¹⁷ <https://www.globalreporting.org/standards/gri-standards-translations/gri-standards-spanish-translations-download-center/>.

