



ESG SUPPORTING DOCUMENT

DJSI 2023 (FY 2022)

ESG Supporting Document

As part of its ongoing efforts to improve the quality of its financial and non-financial disclosures to stakeholders, SMU S.A. (SMU S.A. and subsidiaries, herein referred to as “SMU” or the “Company”) has provided the information in this document is provided as a supplement to its 2022 Integrated Report.

Corporate Governance

The nine members of SMU's Board of Directors were individually elected for a three-year term at the annual shareholders' meeting held on April 20, 2021.

As of December 31, 2022, average Board tenure is: 7.9 years

Board Training

The Board of Directors has a training policy and a specially developed online training academy to ensure that board members remain up to date on the various topics needed to perform their duties adequately. Annually, training topics are established based on identified needs. Risk management is a key input for the design of the Board's annual training program, which in 2022 included consumer protection, data privacy, sustainability, climate change, code of ethics and the whistleblower channel, and crime prevention. The climate change training covered potential water-related risks relating to supply chain and production that could impact the Company. In December 2022, the head of internal control gave a presentation to the committee, detailing the Company's risk management methodology, including the theoretical framework, for the committee to approve the methodology and define criteria such as risk appetite.

Materiality

In order to prepare the 2022 Integrated Report, SMU carried out a double materiality process that included a review of secondary and primary information and the use of the international standards GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board), as well as TCFD (Task Force on Climate-Related Financial Disclosures). The incorporation of these standards into the process allowed the Company to identify impacts that affect the business, as well as impacts that affect stakeholders.

Furthermore, Chile General Standard No. 461 was applicable to SMU's Integrated Report for the first time for the year ended December 31, 2022, and this standard requires companies to report on their sector-specific SASB standards, ensuring that impacts on the business are covered within the reporting.

As part of the validation and approval process for the Integrated Report, the materiality process and results are presented to the Board of Directors Sustainability Committee and to Management, showing them the material topics that have been identified. These results are subsequently presented to the full Board of Directors for final validation.

The results of the materiality analysis are also incorporated into the Company's risk management processes. In December 2022, the head of internal control gave a presentation to the committee,



detailing the Company’s risk management methodology, including the theoretical framework, for the committee to approve the methodology and define criteria such as risk appetite. This presentation included an analysis of whether the material topics identified and validated in November of the same year were covered by the different types of risks the Company had previously identified and was managing, in order to identify any gaps.

Management Incentives

Management's short-term performance bonus is calculated on the basis of a set of variables that include, among others, the fulfillment of the Company's three-year strategic plan, measured on the basis of KPIs associated with each strategic project. Such projects fall under four strategic pillars (Omnichannel Growth, Customer Experience, Productivity and Efficiency, and Committed and Sustainable Organization) and cover a range of focus areas, including climate action and human rights, among others. Examples of the KPIs that are measured are provided below.

Business Position	Type of Incentive	KPI
CEO and all levels of management	Monetary	Reduce the total carbon footprint in 2022 with respect to 2021
CEO and all levels of management	Monetary	Achieve recyclable packaging ecolabel for 150 private label products in 2022 and 50% of assortment by 2025
CEO and all levels of management	Monetary	Implement food donation from distribution centers in 2022 as part of reducing food waste
CEO and all levels of management	Monetary	Begin human rights due diligence process in 2022 and complete by 2025

SMU employee performance appraisal systems integrates compliance of codes of conduct:

The SMU performance evaluation criteria are structured around the company’s five corporate values: Closeness, Excellence, Respect, Collaboration, and Agility. The SMU Employee performance appraisal system integrates compliance with the company’s codes of conduct via the evaluation of the Respect value. Within the Respect criterion, employee performance in the following areas is evaluated.

- Works honestly, recognizes their own mistakes and those that are made by others, learning from them, and taking steps to ensure they don’t happen again.
- Runs the business with integrity, ensuring that work is performed correctly within the organization and questioning situations in which they identify an opportunity. Fulfills commitments and acts ethically.
- Promotes a culture of respect, working to create a more inclusive society in which individual differences are respected.
- Shows resilience in their work and promotes a proactive approach to risks, difficulties, and/or threats. Sees complex situations as challenges or opportunities and reacts accordingly.
- Works to safeguard sustainability in the business, promoting company values and ensuring compliance with the ethical standards that safeguard the company’s reputation and ensure the success of the business.



Policy Influence

	Currency	FY2019	FY2020	FY2021	FY2022
Lobbying, interest representation or similar	CLP	0	0	0	0
Local, regional, or national political campaigns / organizations / candidates	CLP	0	0	0	0
Trade associations or tax-exempt groups (e.g., think tanks)	CLP	199,572,061	121,818,337	125,872,121	139,067,089
Local, regional, or national political campaigns / organizations / candidates	CLP	0	0	0	0
Other (e.g., spending related to ballot measures or referendums)	CLP	0	0	0	0
Total contributions and other spending	CLP	199,572,061	121,818,337	125,872,121	139,067,089

Within the amounts contributed to trade organizations in 2022, the three largest contributions are described below. These contributions cannot be broken down to one specific issue or topic, as we participate in these associations specifically to contribute to all the important issues and topics currently of interest in the supermarket industry and Chile.

Name of organization	Description	Total amount paid in 2022 (CLP)
Supermarkets Association of Chile (ASACH)	Professional association made up of the main supermarkets in the country. "The Association of Supermarkets intends to contribute to the development of the industry and collaborate technically with initiatives that enhance its contribution to the quality of life of people and the sustainable development of the country." Key topics researched by ASACH include: the safety of food and products, the quality of service to consumers, and innovations that improve the productivity of the industry. In 2022 key topics focused on Food Sovereignty and Security, Supermarket Crime Prevention Working Group, Truckers' strike and supply, Critical Infrastructure Bill.	50,000,000
SOFOFA	Trade union federation that brings together companies, sectoral associations and regional unions linked to the Chilean industrial sector. The organization influences public policy in issues related to a more inclusive Chile, sustainable	42,000,000



Name of organization	Description	Total amount paid in 2022 (CLP)
	<p>business opportunities and regional development suggest as a more diversified economy and great decentralization.</p> <p>Key topics proposed by the SOFOFA include sustainable development, proposing policies that encourage investment, entrepreneurship, permanent training, employment, and insertion in private activity along with stimulating its initiatives, the free market and openness to foreign trade.</p>	
Chamber of Commerce of Santiago AG	Trade association that brings together companies in the commerce sector	12,000,000

Risk Management Internal Audit

As defined in the Company’s Corporate Risk Management Policy, the Internal Audit department is responsible for periodically and independently evaluating the risk management model and proposing improvements when applicable. During 2022, an internal audit was performed on the Corporate Risk Evaluation process. The audit included reviews of key risk indicators, monthly reports, procedures, and Management Risk Committee minutes and presentations, among others.

Supply Chain

Supplier Screening and Evaluation

To determine whether a contractual or commercial relationship can be initiated or maintained, SMU evaluates current and potential suppliers based on criteria that depend on the nature of the product or service to be hired. These criteria may include factors relating to the supplier’s internal control system, energy efficiency, labor regulation compliance, anticorruption, social inclusion, and sustainable agriculture, among others. For example, SMU works with CREDIA, an external evaluation company that performs a documentary evaluation for certain indirect suppliers. All national suppliers must pass the Compliance Tracker anticorruption filter to join as new supplier. If, for example, a supplier does not meet the minimum ESG requirements applicable to them within a certain timeframe, suppliers could be excluded from the contract.

In addition to evaluating current and potential suppliers based on criteria that depend on the nature of the product or service to be hired, SMU also considers sector-specific ESG impacts of suppliers (e.g., ensuring that contractors have their labor certifications up to date).

For existing suppliers, the Company can undertake on-site, 2nd party evaluations and/or on-site evaluations by an accredited independent auditing body as part of our quality control process. SMU’s development process for new private label products is certified using under ISO 9001, and the Company requires that its private label and controlled brand suppliers be certified under the Global Food Safety Initiative (food products), ISO 9000 quality management or equivalent standards (non-food products). In the absence of these certifications, the supplier must submit to quality inclusion audits to verify minimum compliance levels.



Supplier Screening

Supplier Screening	2022
Total number of Tier-1 suppliers	3609
Total number of significant suppliers ¹ in Tier-1	59
Total number of significant suppliers in non-Tier-1	0
Total number of significant suppliers (Tier-1 and non-Tier-1)	59

Significant Supplier Assessment	2022	Target 2022
Total number of significant suppliers assessed via desk assessments/on-site assessments	51	
% of significant suppliers assessed	86%	
Number of significant suppliers assessed with substantial actual/potential negative impacts	29	
% of significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%	100%
Number of significant suppliers with substantial actual/potential negative impacts that were terminated	0	

Corrective Action Plans

SMU supports its suppliers with the implementation of corrective action plans. In 2022, the Company identified 29 suppliers as having high ESG risk, as they had failed to have their contractor labor certification up to date. SMU supported all 29 to get their labor certification up to date via a corrective action plan.

Corrective action plan support for significant suppliers	2022	Meta 2022
Total number of suppliers supported in corrective action plan implementation	29	100%
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%	

Capacity Building Programs

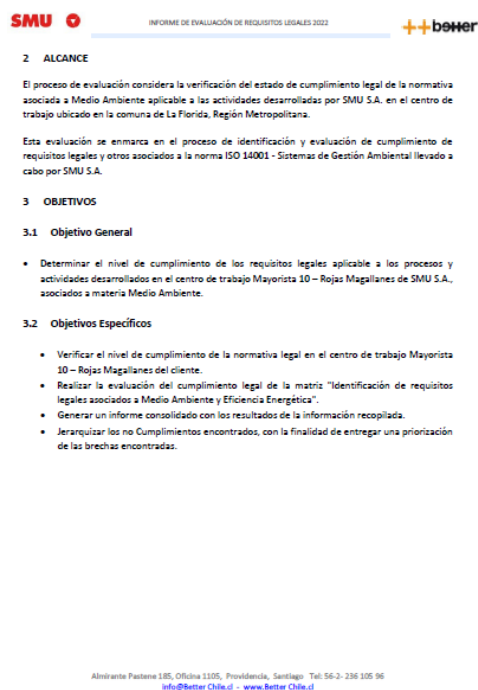
Capacity building programs for significant suppliers	2022
Total number of significant suppliers in capacity building programs	4
% of significant suppliers in capacity building programs	7%

¹ SMU defines significant suppliers as critical direct and indirect suppliers, as well as suppliers that have been identified as having high ESG risk.



Environmental Management System Certification/Audit/Verification

Certification/Audit/Verification	Coverage (% of operating m2)
<p>Third party certification/audit/verification by specialized companies: Audit of legal requirements associated with environment and energy efficiency, carried out in September 2022, by an independent third party: Better Consulting.</p> <p>The facilities evaluated were:</p> <ul style="list-style-type: none"> - Mayorista 10 Rojas Magallanes - Unimarc Peñaflo - Alvi Vespucio - CD Alvi Pudahuel <p>The Environmental Qualification Resolution (RCA) of the Lo Aguirre Distribution Center is audited by an independent third party, Mankuk Consulting & Services.</p>	<p>6.7</p>



SMU INFORME DE EVALUACIÓN DE REQUISITOS LEGALES 2022 **böher**

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SMU INFORME DE EVALUACIÓN DE REQUISITOS LEGALES 2022 **böher**

2 ALCANCE

El proceso de evaluación considera la verificación del estado de cumplimiento legal de la normativa asociada a Medio Ambiente aplicable a las actividades desarrolladas por SMU S.A. en el centro de trabajo Unimarc ubicado en la comuna de Peñaflore, Región Metropolitana.

Esta evaluación se enmarca en el proceso de identificación y evaluación de cumplimiento de requisitos legales y otros asociados a la norma ISO 14001 - Sistemas de Gestión Ambiental llevado a cabo por SMU S.A.

3 OBJETIVOS

3.1 Objetivo General

- Determinar el nivel de cumplimiento de los requisitos legales aplicable a los procesos y actividades desarrollados en el centro de trabajo Unimarc - Peñaflore de SMU S.A., asociados a materia Medio Ambiente.

3.2 Objetivos Específicos

- Verificar el nivel de cumplimiento de la normativa legal en el centro de trabajo Unimarc - Peñaflore del cliente.
- Realizar la evaluación del cumplimiento legal de la matriz "Identificación de requisitos legales asociados a Medio Ambiente y Eficiencia Energética".
- Generar un informe consolidado con los resultados de la información recopilada.
- Jerarquizar los no Cumplimientos encontrados, con la finalidad de entregar una priorización de las brechas encontradas.

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SMU INFORME DE EVALUACIÓN DE REQUISITOS LEGALES 2022 **böher**

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2 ALCANCE

El proceso de evaluación considera la verificación del estado de cumplimiento legal de la normativa asociada a Medio Ambiente aplicable a las actividades desarrolladas por SMU S.A. en el centro de trabajo ubicado en la comuna de San Ramón, Región Metropolitana.

Esta evaluación se enmarca en el proceso de identificación y evaluación de cumplimiento de requisitos legales y otros asociados a la norma ISO 14001 - Sistemas de Gestión Ambiental llevado a cabo por SMU S.A.

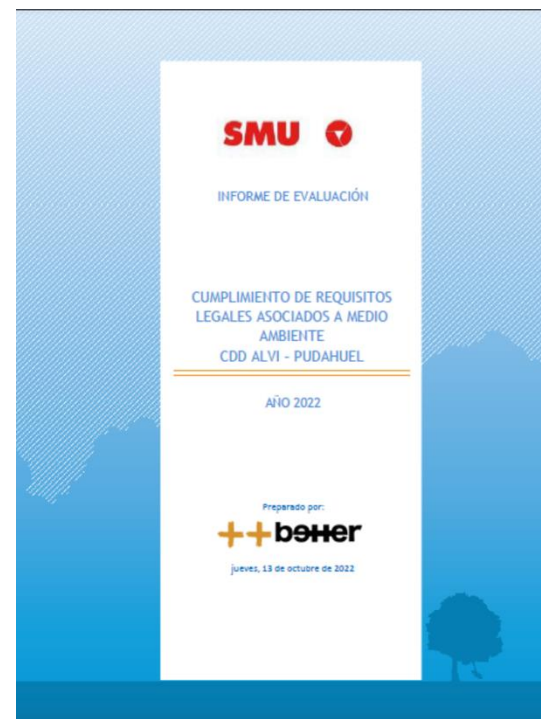
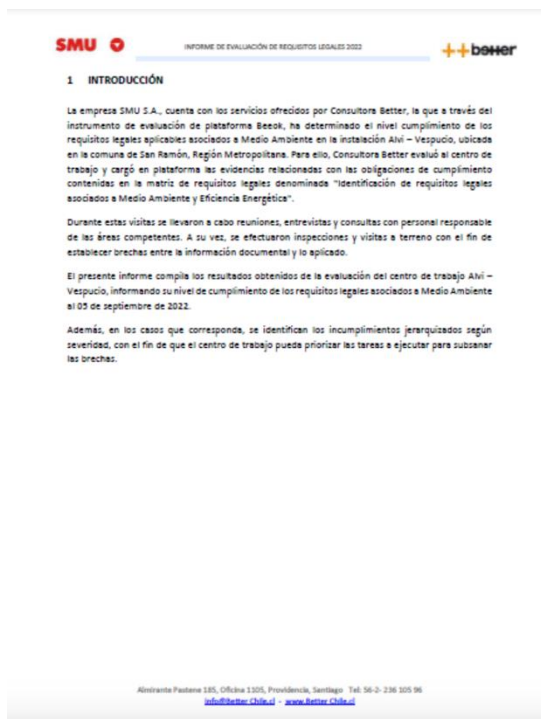
3 OBJETIVOS

3.1 Objetivo General

- Determinar el nivel de cumplimiento de los requisitos legales aplicable a los procesos y actividades desarrollados en el centro de trabajo Alvi - Vespucio de SMU S.A., asociados a materia Medio Ambiente.

3.2 Objetivos Específicos

- Verificar el nivel de cumplimiento de la normativa legal en el centro de trabajo Alvi - Vespucio del cliente.
- Realizar la evaluación del cumplimiento legal de la matriz "Identificación de requisitos legales asociados a Medio Ambiente y Eficiencia Energética".
- Generar un informe consolidado con los resultados de la información recopilada.
- Jerarquizar los no Cumplimientos encontrados, con la finalidad de entregar una priorización de las brechas encontradas.



SMU INFORME DE EVALUACIÓN DE REQUISITOS LEGALES 2022

1 INTRODUCCIÓN

La empresa SMU S.A., cuenta con los servicios ofrecidos por Consultora Better, la que a través del instrumento de evaluación de plataforma Beesol, ha determinado el nivel cumplimiento de los requisitos legales aplicados asociados a Medio Ambiente del centro de trabajo Centro de Distribución ALVI, ubicada en la comuna de Pudahuel, Región Metropolitana. Para ello, Consultora Better evaluó al centro de trabajo y cargó en plataforma las evidencias relacionadas con las obligaciones de cumplimiento contenidas en la matriz de requisitos legales denominada "Identificación de requisitos legales asociados a Medio Ambiente y Eficiencia Energética".

Durante estas visitas se llevaron a cabo reuniones, entrevistas y consultas con personal responsable de las áreas competentes. A su vez, se efectuaron inspecciones y visitas a terreno con el fin de establecer brechas entre la información documental y lo aplicado.

El presente informe compila los resultados obtenidos de la evaluación del centro de trabajo Centro de Distribución - Pudahuel, informando su nivel de cumplimiento de los requisitos legales asociados a Medio Ambiente al 07 de septiembre de 2022.

Además, en los casos que correspondiera, se identifican los incumplimientos jerarquizados según severidad, con el fin de que el centro de trabajo pueda priorizar las tareas a ejecutar para subsanar las brechas.

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SMU INFORME DE EVALUACIÓN DE REQUISITOS LEGALES 2022

2 ALCANCE

El proceso de evaluación considera la verificación del estado de cumplimiento legal de la normativa asociada a Medio Ambiente aplicable a las actividades desarrolladas por SMU S.A. en el centro de trabajo ubicado en la comuna de Pudahuel, Región Metropolitana.

Esta evaluación se enmarca en el proceso de identificación y evaluación de cumplimiento de requisitos legales y otros asociados a la norma ISO 14001 - Sistemas de Gestión Ambiental llevado a cabo por SMU S.A.

3 OBJETIVOS

3.1 Objetivo General

- Determinar el nivel de cumplimiento de los requisitos legales aplicable a los procesos y actividades desarrollados en el centro de distribución Alvi- Pudahuel de SMU S.A., asociados a materia Medio Ambiente.

3.2 Objetivos Específicos

- Verificar el nivel de cumplimiento de la normativa legal en el centro de distribución Alvi - Pudahuel del cliente.
- Realizar la evaluación del cumplimiento legal de la matriz "Identificación de requisitos legales asociados a Medio Ambiente y Eficiencia Energética".
- Generar un informe consolidado con los resultados de la información recopilada.
- Jerarquizar los no Cumplimientos encontrados, con la finalidad de entregar una priorización de las brechas encontradas.

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Mankuk
CONSULTING & SERVICES

SMU

Informe de Auditoría Ambiental

Centro de Distribución Lo Aguirre

SMU S.A.

Fecha: Marzo, 2022

SMU

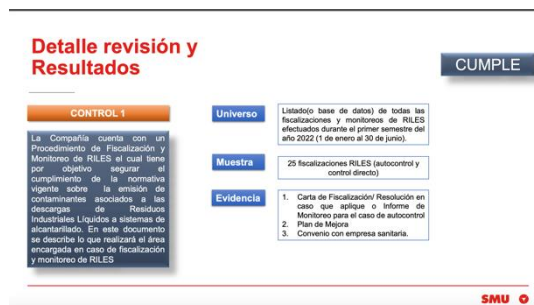
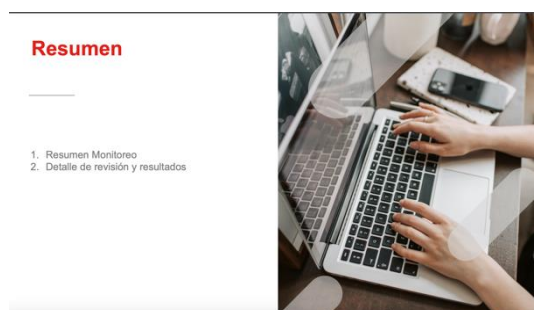
1. Introducción

SMU S.A. (en adelante, "SMU" o "el Titular") ha solicitado a Mankuk Consulting & Services S.A. (en adelante, "Mankuk") identificar la situación actual del Centro de Distribución Lo Aguirre, ubicado en la Macrolote Industrial 10 del Loteo Izarra de Lo Aguirre, Comuna de Pudahuel, Provincia de Santiago, Región Metropolitana, y que fue aprobado mediante Res. Ex. N° 661/2009, de fecha 13 de agosto de 2009, por la Comisión Regional de Evaluación Ambiental de la Región Metropolitana de Santiago y que posteriormente fue modificada mediante la Res. Ex. N° 117/2011, de fecha 20 de abril de 2011, de la Comisión de Evaluación Ambiental de la Región.

El presente documento pretende identificar las condiciones ambientales en que operan y establecer el grado de cumplimiento de las Resoluciones de Calificación Ambiental previamente señaladas, así como el cumplimiento de la actual normativa vigente aplicable al establecimiento y actividades llevadas a cabo en su interior. Cabe mencionar que dichas instalaciones se encuentran en operación desde el año 2011.



Certification/Audit/Verification	Coverage (%)
<p>Internal certification/audit/verification by company's own specialists from headquarters: The company has a Liquid Industrial Waste (RILEs) Inspection and Monitoring Procedure which is following current regulations on the emission of pollutants associated with the discharge of Liquid Industrial Waste to sewage systems. This procedure requires regular monitoring including taking samples to ensure compliance with environmental regulations. Operations with at least one sample taken during 2022 account for 20.1% of the Company's total operating space (m2). In addition, the Company's internal audit department performs audit of compliance with the procedure. (Please see below: internal audit report from first half of 2022, showing the control was monitored and the result of the audit was COMPLIANT.)</p>	20.1



Direct Greenhouse Gas Emissions (Scope 1)

Direct GHG (Scope 1)	Unit	FY 2019	FY 2020	FY 2021	FY 2022 ²
Total direct GHG emissions (Scope 1)	Metric tons CO2 equivalents	57,715	160,270	184,612	319,934.93
Data coverage (as % of denominator)	Percentage of operating space (square meters)	47.3	95	95	96.5

The increase in Scope 1 emissions in 2022 compared to 2021 was due to refrigerant gas lost through failure of older equipment and its replacement, which in some cases meant changing the type of refrigerant. This one-time situation associated with replacing older equipment is part of a plan to replace assets approaching the end of their useful life. The increase with respect to 2019 is due to a significant increase in the coverage of the measurement.

As a target, SMU has defined that total scope 1 and scope 2 emissions must be lower than the previous year.

Indirect Greenhouse Gas Emissions (Scope 2)

Indirect GHG (Scope 2)	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Location-based	Metric tons CO2 equivalents	36,637	93,243	91,715	72,543.14
Data coverage (as % of denominator)	Percentage of operating space (square meters)	47.3	95	95	96.5
Market-based ³	Metric tons CO2 equivalents	36,637	93,243	91,715	70,446
Data coverage (as % of denominator)	Percentage of operating space (square meters)	47.3	95	95	96.5

The increase in Scope 2 emissions with respect to 2019 is due to a significant increase in the coverage of the measurement.

As a target, SMU has defined that total scope 1 and scope 2 emissions must be lower than the previous year.

² Total direct emissions from year 2022 are shown differently from the Integrated Report, due to verification adjustment.

³ The difference between location-based and market-based figures in 2022 is due to the fact that for the market-based calculation, purchases of renewable energy were subtracted from total consumption, and this new non-renewable energy consumed was multiplied by the average emission factor provided by the Ministry of Energy (Chile).



Renewable Energy Certificates



CERTIFICADO DE ENERGÍA RENOVABLE
ALVI SUPERMERCADOS MAYORISTAS S.A.
141 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a ALVI SUPERMERCADOS MAYORISTAS S.A. en PAJARITOS 5100, MAIPÚ.

Junio, 2023

GREEN SOLUTIONS

ENEL



141ALV202211121250062



CERTIFICADO DE ENERGÍA RENOVABLE
RENDIC HERMANOS S.A.
5.852 MWh

El presente certificado acredita que la totalidad de la energía declarada desde abril a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a RENDIC HERMANOS S.A. en IZARRA DE LO AGUIRRE 20903, PUDAHUEL.

Junio, 2023

GREEN SOLUTIONS

ENEL



5852REN202204122935639



CERTIFICADO DE ENERGÍA RENOVABLE
INMOBILIARIA JAEN SPA
271 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a INMOBILIARIA JAEN SPA en AV. BERNARDO O' HIGGINS 756, PUCÓN.

Junio, 2023

GREEN SOLUTIONS

ENEL



271INM202211123600245



CERTIFICADO DE ENERGÍA RENOVABLE
COMERCIALIZADORA DEL SUR DOS S.A.
189 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a COMERCIALIZADORA DEL SUR DOS S.A. en AV. JAVIERA CARRERA 1610, TEMUCO.

Junio, 2023

GREEN SOLUTIONS

ENEL



189COM202211123600246





CERTIFICADO DE ENERGÍA RENOVABLE
 RENDIC HERMANOS S.A.
 169 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a RENDIC HERMANOS S.A. en AV. SANTA MARÍA 2415, ARICA.

Junio, 2023


 GREEN SOLUTIONS

E NEL



169REN202211123600247



CERTIFICADO DE ENERGÍA RENOVABLE
 RENDIC HERMANOS S.A.
 228 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a RENDIC HERMANOS S.A. en LOS CARRERA 2242, COPIAPO.

Junio, 2023


 GREEN SOLUTIONS

E NEL



228REN202211123600248



CERTIFICADO DE ENERGÍA RENOVABLE
 RENDIC HERMANOS S.A.
 530 MWh

El presente certificado acredita que la totalidad de la energía declarada desde noviembre a diciembre de 2022 ha sido inyectada al sistema eléctrico por medio de generación de Energía Renovable (ER).

Green Solutions autentifica que según los informes y registros del Coordinador Eléctrico Nacional (CEN), Enel está facultado para otorgar este Certificado de ER a RENDIC HERMANOS S.A. en AV. UNO NORTE 839, VIÑA DEL MAR.

Junio, 2023


 GREEN SOLUTIONS

E NEL



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Indirect Greenhouse Gas Emissions (Scope 3)

Indirect GHG (Scope 3)	Unit	FY 2019	FY 2020	FY 2021	FY 2022 ⁴
Total indirect GHG emissions (Scope 3)	Metric tons CO ₂ equivalents	21,862	39,428	77,012	76,288.91

The increase in Scope 3 emissions in 2021 relative to 2020 is primarily due to the decision to begin measuring the Company's e-commerce emissions related to delivering products to customers.

Scope 3 Category	Emissions in the reporting year (Metric tons CO ₂ e)	Emissions calculation methodology and exclusions
1. Purchased Goods and Services	-	-
2. Capital Goods	-	-
3. Fuel-and-energy-related-activities (not included in Scope 1 and 2)	-	-
4. Upstream transportation and distribution	-	-
5. Waste generated in operations	31,928	In this category, generation of hazardous and non-hazardous waste are considered.
6. Business travel	-	-
7. Employee commuting	-	-
8. Upstream leased assets	-	-
9. Downstream transportation and distribution	44,361	In this category, transportation of hazardous and non-hazardous waste, transportation, and distribution of products from Distribution Center to supermarkets and distribution of e-commerce products are considered.
10. Processing of sold products	-	-
11. Use of sold products	-	-
12. End of life treatment of sold products	-	-
13. Downstream leased assets	-	-
14. Franchises	-	-
15. Investments	-	-
Other upstream	-	-
Other downstream	-	-

For every scope 3 category, GHG emissions were obtained by multiplying activity data by documented emission factors, according to GHG Protocol guidelines. Includes CO₂, CH₄, N₂O, SF₆, NF₃, HFC and PFC emissions.

Global warming potentials from the IPCC's Sixth Assessment Report (AR6) are used for direct emissions; and factors published directly by DEFRA/Ministry of Energy for indirect emissions.

⁴ Total indirect emissions from year 2002 are shown differently from the Annual Report, due to verification adjustment.



Energy Consumption

Total Energy Consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Total non-renewable energy consumption	MWh	490,765	360,962	333,573	313,670
Total renewable energy consumption	MWh	0	0	0	7,380
Data coverage (as % of denominator)	Percentage of operating space (square meters)	97	97	97	97

During 2022, SMU signed new energy supply contracts in order to supply 30 facilities with energy from renewable sources and certify that supply with renewable energy certificates. Also, 2021 coverage was updated.

Packaging

Packaging Material	Coverage (% of cost of goods sold, private label products)	Total Weight (metric tons)
Wood/paper fiber packaging	100	12,380
Metal packaging	100	2,479
Glass packaging	100	428

Plastic Packaging

Plastic Packaging	FY 2019	FY 2020	FY 2021	FY 2022
A. Total weight of all plastic packaging	3,220	3,621	3,664	4,396
B. Percentage of recyclable plastic packaging	-	-	73.5	78.2
C. Percentage of compostable plastic packaging	-	-	-	-
D. Percentage of recycled content within your plastic packaging	-	-	-	-
Coverage (as a % of cost of goods sold, private label products)	100	100	100	100



Waste Disposal

Waste disposal	Unit	FY 2019	FY 2020	FY 2021	FY 2022
Total waste recycled/reused	Metric tons	14,773.03	15,016.36	15,012.78	16,264.35
Total waste disposed	Metric tons	94,981.36	74,210.42	72,403.57	67,686.58
- Waste landfilled	Metric tons	94,981.36	74,128.50	72,310.46	67,607.26
- Waste incinerated with energy recovery	Metric tons	0	81.92	93.11	79.32
- Waste incinerated without energy recovery	Metric tons	0	0	0	0
- Waste otherwise disposed	Metric tons	0	0	0	0
- Waste with unknown disposal method	Metric tons	0	0	0	0
Data coverage (as % of denominator)	Revenue	98	98	98	98

Water Consumption

Water consumption	Unit	FY 2019	FY 2020	FY 2021	FY 2022
A. Withdrawal: total municipal water supplies	Million cubic meters	1.6	1.3	1.2	1.12
B. Withdrawal: fresh surface water	Million cubic meters	0	0	0	0
C. Withdrawal: fresh groundwater	Million cubic meters	0	0	0	0.01
D. Discharge: water returned to the source of extraction at similar or higher quality as raw water extracted (only applies to B and C)	Million cubic meters	0	0	0	0
E. TOTAL NET FRESH WATER CONSUMPTION (A+B+C-D)	Million cubic meters	1.6	1.3	1.2	1.13
Data coverage (as % of denominator)	Percentage of operating space (square meters)	97	97	97	97



Physical Climate Risk Adaptation

SMU has formalized its commitment to the care and protection of the environment in a Corporate Sustainability Policy, and in the Statement of Commitment to Care for the Environment. Along with this, in 2022 it committed to managing five key sustainability criteria aligned with the provisions of the World Business Council for Sustainable Development (WBCSD). These criteria are Carbon Neutrality; Biodiversity, Human Rights and Due Diligence; Inclusion and Diversity, and Transparency and Reportability, publishing progress annually within a two-year implementation period.

There is a conviction as a Company to promote actions in terms of environmental care and management, and the urgency of executing projects focused on climate change, considering both mitigation and adaptation measures.

SMU's commitment is reflected in a portfolio of environmental projects contained in both the Company's 2020-2022 Strategic Plan, which was successfully completed in December, and its new Strategic Plan for 2023-2025. Furthermore, the Company's rigorous internal governance structure requires progress to be monitored in terms of sustainability.

The Strategic Plan contains a set of environmental projects that address the main issues associated with climate change linked to the business, which are consistent with the risks and opportunities detected, allowing anticipation of the adverse effects of climate change. Among the subjects addressed are electromobility; use of renewable energy; water footprint and water recirculation; and reduction, recycling, and recovery of waste, among others.

Within the framework of the actions promoted here, SMU has also set a quantitative goal of reducing its carbon intensity by 8% by 2025, relative to 2021.

Water Footprint Quantification and Reduction Project: The current situation of drought due to climate change has prompted the Company to design this project that seeks to address the scarcity of this resource, emphasizing water reuse actions, as a way of adapting to this scenario.

The project, currently underway in 2023, considers the recirculation of water from the cooling system at the Lo Aguirre Distribution Center, which will reduce the consumption of 15 million liters of water per year, thus advancing greater efficiency and circularity of this resource. As such, the Company is preparing for scenarios of greater risk and water scarcity that may affect the operation of the business. In addition, the Company measured the water footprint of the Lo Aguirre Distribution Center in 2022, in order to understand the impact of its activity on the water resource and to use this information to evaluate and design projects that allow new actions of circularity around this resource, reaching higher levels of efficiency.

SMU has applied for the Blue Certificate granted by the Sustainability and Climate Change Agency, for carrying out the quantification of Lo Aguirre's Water Footprint for the 2022 period.

Reducing Food Waste: SMU's Food Waste Reduction Program aims to respond to one of the material sustainability issues in the industry. The project includes actions aimed at reducing waste at source, advancing every day in developments and processes to achieve a better estimate of demand, essential in adapting to water scarcity risks, but mainly to reduce emissions generated by overproduction of food that will not be consumed, emissions from waste transport, and finally, GHG emissions in the final disposal stage.

In addition to the above, the project considers the liquidation of products that are about to expire, the



donation to social organizations from all the stores and distribution centers, the delivery of food to animal rescue and protection organizations, waste recovery/transformation initiatives, and composting.

Recyclable Packaging (Clean Production Agreement Eco-Labeling): The Ecolabel provides verification that the packaging of a product is at least 80% recyclable. As part of this agreement, SMU has committed to targets relating to the packaging of its private label products. For 2022, the Company had a target of reaching 150 products with the Ecolabel, and this goal was exceeded, reaching a total of 171 products by year-end. As part of the new strategic plan, the goal is to reach at least 50% of the product label assortment.

Electromobility: Within the framework of the 2023-2025 Strategic Plan, SMU has the goal of using electric trucks for 10% of the deliveries made between its distribution centers and its stores by 2025, with the aim of making progress in reducing CO2 emissions.

It should also be noted that, during 2022, the Lo Aguirre Distribution Center entered the *Giro Limpio* ("Clean Business") Program, as a company that generates cargo, with the aim of contributing to reducing energy consumption and Greenhouse Gas emissions and other local contaminants.

Energy Management System: As part of SMU's Energy Program, in 2022 the Company began implementing an energy management system based on the ISO 50,001:2018 standard and obtained ISO 50,001 certification for three facilities that together account for more than 5% of the Company's total energy consumption in Chile. SMU has set a goal to certify 100% of its facilities in Chile under ISO 50,001 by 2025.

In energy operating terms, during 2022 the Company continued to incorporate new technologies to make the use of energy more efficient. By 2023, in new store openings, a bypass between the water matrix and the pump drive will be implemented in 2023, to avoid unnecessary operation of the drinking water pumps.

Adopting actions in energy matters responds to a scenario where it is essential to be able to mitigate the impacts in terms of carbon footprint, but above all to respond to a context marked by risks in terms of climate change, and energy supply.



Emissions Reduction Targets

Scope Covered	Target Timeframe	Baseline year emissions covered and as a % of total base year emissions
Scope 1 + 2 combined	Base year: 2021 Target year: 2025	Base year emissions: 0.213 ton CO ₂ e/m ² Percentage of total base year emissions: 92%

Food Loss & Waste Impact

Food Loss & Waste	Unit	FY 2021	FY 2022
A. Total weight of all food loss & waste	Metric tons	12'033.69	12'233.22
B. Total weight of food loss & waste volumes used for alternative purpose	Metric tons	114.18	796.82
C. Total discarded (A-B)	Metric tons	11'919.51	11'436.4
Coverage	Percentage of revenue	98	98



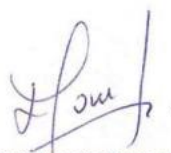


Santiago, 2 de junio de 2023

INFORME DE ENTREGAS SMU 2022

Por este medio, Corporación Red de Alimentos informa que SMU S.A., con sus tres unidades de negocios -Unimarc, Alvi y Mayorista 10-, realizó la entrega de 579.552 kilos de alimentos y artículos de primera necesidad, todos aptos para el uso y consumo humano, en un total de 28.938 cajas durante el año 2022.

Estos productos fueron entregados a 264 organizaciones sociales de diferentes lugares del país y que son socias beneficiarias de Red de Alimentos, logrando impactar a 98.324 personas en condición de vulnerabilidad en todo Chile.



María Eugenia Torres H.
Gerente General
Corporación Red de Alimentos

Certificate Translation:

Santiago, June 2nd, 2023

Corporación Red de Alimentos hereby informs that SMU S.A., with its three business units -Unimarc, Alvi and Mayorista 10-, delivered 579,552 kilos of food and necessities, all suitable for human use and consumption, in a total of 28,938 boxes during the year 2022.

These products were delivered to 264 social organizations from different parts of the country and that are beneficiary partners of Red de Alimentos, achieving an impact on 98,324 people in vulnerable conditions throughout Chile.



Product Certifications

SMU has begun a survey of the certifications of its goods suppliers in order to have greater visibility on the sustainability of its supply chain over time. Suppliers have provided the certifications listed below, and the Company continues to request information.

Certification of Agricultural Products

- Coffee: Rainforest Alliance Certificate

Certification of Animal Products

- Aquaculture products: Best Aquaculture Practices (BAP), HACCP Certificate, ASC Certificate.
- Cattle products: Animal Welfare Standard, Global Standard for Food Safety
- Swine products: Animal welfare verified, WELFCERT
- Poultry products: Certified humane.

Occupational Health and Safety

Consolidated Fatalities

	2020	2021	2022
Fatalities in Chile and Peru	0	0	0

Consolidated Lost-Time Injury Frequency Rate (LTIFR)

	2020	2021	2022
Lost-Time Injury Frequency Rate (LTIFR) - Chile and Peru	-	21.8	29.6



Benefits of Employee Development Programs

At SMU, people are fundamental to achieving the established objectives and fulfilling the business purpose. Attracting and retaining talent, investing in training opportunities and the performance evaluation process are key factors for development and, thus, the sustainability of the Company. Some of the key employee development programs are described in the Company's 2022 Integrated Report. Examples of the benefits of these programs are provided below.

- “Develop Your Career” program: By training people for growth and development, the program allows SMU to promote people internally, cutting down on hiring costs. In 2022, 26.4% of the graduates from the Develop Your Career program experienced career growth through a change of position within the Company.
- “Differentiated Performance Management” program: Thanks to this program, 88.46% of key positions within SMU have a defined succession or coverage plan, which reduces the risk of losing knowledge and essential skills when key personnel leave the Company.

Customer-Centric Product Development

In order to meet the needs and preferences of its customers, SMU continuously reviews its product assortment. In addition, in recent years, the Company’s strategy has included the development of its private label portfolio, adding new products and brands. The Company identifies new trends and changes in customer preferences, including health and nutrition aspects and product ingredients, using a multidisciplinary approach. SMU’s Commercial team travels to international fairs to discover and evaluate new product offerings. This team also subscribes to multiple market intelligence services that provide insight into consumer trends and new products. The specialty private label consultancy, Daymon, partners with SMU to provide insight into global trends and also contributes to sourcing. The Customers and Marketing team uses loyalty programs, studies, and surveys to glean in-depth knowledge into changes in customer preferences. And each format combines the different sources of information to define the product assortment that best meets the needs of its specific customer segment.

In order to add a new product to the assortment, the product must first be approved by the Inclusion Committee, with representatives from the different formats and the Commercial team. Subsequently, the product must be approved by the Quality department.

Specifically regarding health and nutrition, the Company’s research has shown that among a certain group of consumers, there is a clear trend towards leading a balanced lifestyle and choosing products that contribute to better health and wellbeing. However, different customers have different interpretations of these concepts. For example, in their quest for healthy eating, some customers prefer sugar-free foods, whereas others prefer whole foods, even if they contain some sugar. SMU’s product assortment must satisfy a range of preferences relating to health and nutrition, which is why the Company is developing a specialty private label brand to cover a broad selection of products with specific attributes.

