Falabella S.A

2024 Corporate Questionnaire Response

Document Version: 25-07-2025

Data Privacy Statement

The data being shared is confidential and proprietary in nature. By accessing or using this data, you agree that its usage shall be governed by the terms and conditions set forth in your agreement with CDP. Any unauthorized use, disclosure, or distribution of this data is strictly prohibited.

About CDP

CDP is a global non-profit that runs the world's only independent environmental disclosure system. As the founder of environmental reporting, we believe in transparency and the power of data to drive change. Partnering with leaders in enterprise, capital, policy and science, we surface the information needed to enable Earth-positive decisions. We helped more than 24,800 companies and almost 1,000 cities, states and regions disclose their environmental impacts in 2024. Financial institutions with more than a quarter of the world's institutional assets use CDP data to help inform investment and lending decisions. Aligned with the ISSB's climate standard, IFRS S2, as its foundational baseline, CDP integrates best-practice reporting standards and frameworks in one place. Our team is truly global, united by our shared desire to build a world where people, planet and profit are truly balanced. Visit cdp.net or follow us @CDP to find out more.

Useful Information

In 2024, the CDP corporate questionnaires on climate change, forests, and water security were integrated into one corporate questionnaire, in addition to the launch of our SME questionnaire. Through this questionnaire, organizations can provide data on multiple environmental issues in a single disclosure, encouraging more holistic and balanced reporting. An overview of the full 2024 corporate questionnaire is available here. A document identifying the environmental issues and framework alignment covered by each question can be downloaded here. CDP has developed its own Activity Classification System (CDP-ACS) which allows us to allocate relevant questions relating to environmental issues and specific sectors to the companies reporting through CDP. You can read a guide to the CDP-ACS here. Dates in this document are presented in the format YYYY-MM-DD. Dates reported to CDP are stored as UTC (Coordinated Universal Time). The dates in this document may differ from dates when viewed in the CDP portal, but will never deviate by more than 24 hours. Please note that in a small number of cases row labels may not be present for single row, single column questions. We recommend you read this questionnaire response in conjunction with CDP questionnaire reporting guidance available on the CDP website here.

Discloser Information

CDP Org ID: 16080

Field	Value
Disclosure cycle	2024 Disclosure Cycle
Questionnaire	CDP Corporate Questionnaire 2024
Discloser name	Falabella S.A
CDP Organization Number	16080
CDP Industry classification	Retail
CDP activity group	Discretionary retail
CDP activity	Department stores
Questionnaire Pathway	Full Version
Privacy status	Public
Environmental Issues Intent to Disclose	Climate Change, Biodiversity, Plastics
Commodities	
Primary Sector	General

Table of Contents

Responses

Q1.1 In which language are you submitting your response?

English

Q1.2 Select the currency used for all financial information disclosed throughout your response.

CLP

Q1.3 Provide an overview and introduction to your organization.

Response 1:

Organization type

Publicly traded organization

Description of organization

Falabella S.A. is a leading physical and digital ecosystem with a presence in seven countries: Chile, Peru, Colombia, Brazil, Mexico, Uruguay, and Argentina. Our competitive advantage derives from a broad portfolio of assets and capabilities that enable us to continuously transform ourselves. We operate department stores, home improvement stores, supermarkets, e-commerce platforms, bank branches, and regional shopping centers, all under well-known brands such as Falabella, Sodimac, Tottus, Banco Falabella, and Mallplaza. We also have purchasing offices in China and digital centers with expert talent in technological development in India, Chile, Mexico, and Argentina. It is important to note that our operations in Mexico are not consolidated within our financial reporting, and consequently, are not included in the information reported in this CDP response. The same applies to Sodimac Colombia, which is also excluded from the reported information.

Q1.4 State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

Response 1:

End date of reporting year

2023-12-31

Alignment of this reporting period with your financial reporting period

Yes

Indicate if you are providing emissions data for past reporting years

No

Q1.4.1 What is your organization’s annual revenue for the reporting period?

11245359531000

Q1.5 Provide details on your reporting boundary.

Yes

Q1.6 Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Response 1: ISIN code - bond

Does your organization use this unique identifier?

Yes

Provide your unique identifier

CLP3880F1085

Response 2: ISIN code - equity

Does your organization use this unique identifier?

No

Response 3: CUSIP number

Does your organization use this unique identifier?

No

Response 4: Ticker symbol

Does your organization use this unique identifier?

No

Response 5: SEDOL code

Does your organization use this unique identifier?

No

Response 6: LEI number

Does your organization use this unique identifier?

No

Response 7: D-U-N-S number

Does your organization use this unique identifier?

No

Response 8: Other unique identifier

Does your organization use this unique identifier?

No

Q1.7 Select the countries/areas in which you operate.

- Argentina
- Uruguay
- Peru
- Colombia
- Brazil
- Chile

Q1.24 Has your organization mapped its value chain?

Response 1:

Value chain mapped

Yes, we have mapped or are currently in the process of mapping our value chain

Value chain stages covered in mapping

- Upstream value chain
- Downstream value chain

Highest supplier tier mapped

Tier 2 suppliers

Highest supplier tier known but not mapped

Tier 4+ suppliers

Description of mapping process and coverage

We identify stakeholders throughout Falabella's value chain and assess their roles and the potential impact of our business model. This analysis allows us to develop tailored management and engagement strategies for each stakeholder group, spanning both upstream and downstream operations. We maintain multiple communication channels for these groups and monitor potential or actual impacts on them.
The stakeholders identified in our value chain include customers and visitors, financial institutions, civil society organizations, non-governmental organizations, shareholders, investors, communities, suppliers, contractors, government bodies, regulatory authorities, commercial partners, and business and trade associations.
Falabella Retail, one of our subsidiaries, has mapped its suppliers up to Tier 2 and is currently working on mapping Tier 3 suppliers for certain product segments.

Q1.24.1 Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

Response 1:

Q2.1 How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Response 1: Short-term

From (years)

0

To (years)

1

How this time horizon is linked to strategic and/or financial planning

Our short-term time horizon is aligned with our budgeting process and the evaluation of short-term management objectives, targets, and incentives (STI), which include climate-related goals and incentives, as outlined elsewhere in the questionnaire.

Response 2: Medium-term

From (years)

1

To (years)

3

How this time horizon is linked to strategic and/or financial planning

Our medium-term time horizon aligns with our business plan and strategic planning cycle, which are crucial for defining and implementing our decarbonization plan.

Response 3: Long-term

From (years)

3

Is your long-term time horizon open ended?

No

To (years)

20

How this time horizon is linked to strategic and/or financial planning

Our long-term time horizon represents the maximum period typically used to evaluate projects before considering perpetuity. It also encompasses our current interim (2030) and net-zero (2035) emissions reduction targets.

Q2.2 Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

Response 1:

Process in place

Yes

Dependencies and/or impacts evaluated in this process

Impacts only

Primary reason for not evaluating dependencies and/or impacts

Other: We are currently implementing an evolving strategy focused on decarbonization and climate change risks management. Undertaking an assessment of dependencies is an aspect that will be evaluated according to financial materiality definitions.

Explain why you do not evaluate dependencies and/or impacts and describe any plans to do so in the future

We are actively implementing a dynamic strategy focused on decarbonization and managing climate change risks. Assessing dependencies will be evaluated based on financial materiality criteria.

Q2.2.1 Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

Response 1:

Process in place

Yes

Risks and/or opportunities evaluated in this process

Risks only

Is this process informed by the dependencies and/or impacts process?

Yes

Explain why you do not have a process for evaluating both risks and opportunities that is informed by a dependencies and/or impacts process

We are actively implementing a dynamic strategy focused on decarbonization initiatives and climate change risk management. While we have identified and assessed opportunities, a formal process for their evaluation and management has yet to be established.

Q2.2.2 Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Response 1: Row 1

Environmental issue

Climate change

Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

- Risks
- Impacts

Value chain stages covered

- Downstream value chain
- Direct operations
- Upstream value chain
- End of life management

Coverage

Full

Supplier tiers covered

Tier 1 suppliers

Type of assessment

Qualitative and quantitative

Frequency of assessment

More than once a year

Time horizons covered

- Medium-term
- Short-term
- Long-term

Integration of risk management process

Integrated into multi-disciplinary organization-wide risk management process

Location-specificity used

- Site-specific
- Local
- Sub-national
- National

Tools and methods used

- Enterprise Risk Management: ISO 31000 Risk Management Standard
- Enterprise Risk Management: COSO Enterprise Risk Management Framework
- Enterprise Risk Management: Internal company methods
- Other: Internal company methods
- Enterprise Risk Management: Enterprise Risk Management
- Other: Scenario analysis
- Other: External consultants
- Other: Desk-based research
- Other: Materiality assessment
- International methodologies and standards: IPCC Climate Change Projections
- Enterprise Risk Management: Risk models
- Other: Jurisdictional/landscape assessment

Risk types and criteria considered

- Acute physical: Heavy precipitation (rain, hail, snow/ice)
- Policy: Carbon pricing mechanisms

- Chronic physical: Heat stress
- Chronic physical: Other chronic physical driver: Rationing of municipal water supply
- Reputation: Other reputation: Inconsistency between what has been declared and what has been executed, due to noncompliance with the established commitments or for making inaccurate or misleading statements
- Chronic physical: Precipitation or hydrological variability
- Acute physical: Landslide
- Chronic physical: Changing temperature (air, freshwater, marine water)
- Reputation: Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
- Acute physical: Storm (including blizzards, dust, and sandstorms)
- Chronic physical: Increased severity of extreme weather events
- Acute physical: Flood (coastal, fluvial, pluvial, ground water)
- Chronic physical: Temperature variability
- Policy: Changes to national legislation
- Acute physical: Heat waves
- Technology: Transition to lower emissions technology and products
- Chronic physical: Changing precipitation patterns and types (rain, hail, snow/ice)
- Acute physical: Wildfires
- Chronic physical: Water availability at a basin/catchment level
- Chronic physical: Water stress
- Market: Availability and/or increased cost of raw materials
- Market: Changing customer behavior
- Acute physical: Cyclones, hurricanes, typhoons

Partners and stakeholders considered

- Regulators
- Investors
- Customers
- Employees
- Suppliers

Has this process changed since the previous reporting year?

Yes

Further details of process

We recognize that one of the key challenges facing us in the future is to identify, assess, and manage the transition and physical risks that may arise from climate change and the shift to a low-carbon economy. For this reason, we have advanced with TCFD disclosure recommendations, including scenario analysis and risk assessment exercises to ensure the integration of climate change risk management into our Comprehensive Risk Management Model. This approach ensures that the management of climate-related risks aligns with our strategy and benefits from established governance and reporting processes and methodologies. We have assigned a Climate Change Risk Specialist to define the steps to follow and provide guidelines and directives to our subsidiaries regarding the management of these risks.
Our risk management model is based on the Integrated Risk Management Policy and the Internal Audit Policy, which set the guidelines and procedures for risk prevention and mitigation. This Policy is aligned with national and international risk standards, such as ISO 31,000 and COSO ERM. It outlines the general guidelines of our risk management model and specifies the responsibilities of the main roles involved. The Corporate Risk Committee of the Board of Directors meets quarterly, during which direct reports of General Management present updates on the integrated risk matrix, controls, and management system. Our risk management is based on the \’ Three Lines Model\’ of the Institute of Internal Auditors (IIA).
During 2021-22, we undertook a climate change scenario and risk assessment exercise considering short,

medium, and long-term horizons. Risks were identified, evaluated, and prioritized by each Business Unit based on their potential impact and our vulnerability to negative consequences. This assessment covered direct operational risks, as well as supply chain (upstream) and customer (downstream) risks.
In 2023, we hosted multidisciplinary workshops across each business vertical in Chile, Peru, and Colombia to identify specific physical risks and existing controls against hazards like high temperatures and extreme precipitation. These sessions focused on assessing the impact on priority assets, chosen for their importance to the value chain, their history of climate exposure, and their significance relative to other assets. We also analyzed the geographic distribution of our assets across Chile, Peru, and Colombia to identify the most exposed regions and anticipate potential impacts from physical climate risks.
The next step of our strategy involves quantifying the potential impacts of identified risks over varying timeframes, integrating these assessments with relevant climate scenario projections. We will prioritize specific risks, geographic areas, and climate zones, and systematically evaluate the effectiveness of existing controls using a standardized methodology that complements our risk management model. Additionally, we will assess both inherent and residual risk levels to monitor and adjust our risk management strategies based on their performance.

Q2.2.7 Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

Response 1:

Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Yes

Description of how interconnections are assessed

Interconnections between environmental impacts and risks are assessed as part of our decarbonization strategy. We have implemented an Environmental and Climate Change Policy aimed at managing the environmental impacts of our operations, mitigating their adverse effects, and fostering sustainable development. Our decarbonization strategy is informed by a comprehensive analysis of our operational carbon footprint, required mitigation measures, and external factors and risks that affect our greenhouse gas emissions within these scopes.

To effectively assess and prioritize risks throughout the entire value chain, our analysis encompassed key business areas: supply chain (upstream), direct operations, and target markets (downstream), addressing aspects such as sourcing, production, logistics, sales, and customer engagement. We have compiled these findings into a comprehensive inventory of 14 specific physical risks, supplemented by identified transition risks.

Q2.3 Have you identified priority locations across your value chain?

Response 1:

Identification of priority locations

Yes, we have identified priority locations

Value chain stages where priority locations have been identified

Direct operations

Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities: Other location with substantive nature-related dependencies, impacts, risks, and/or opportunities: Strategic business assets exposed to substantive climate risks.

Description of process to identify priority locations

In 2023, we hosted multidisciplinary workshops across each business vertical in Chile, Peru, and Colombia to identify specific physical risks and controls against climate hazards such as high temperatures and extreme precipitation. These sessions focused on assessing the impact on priority locations, selected based on their critical importance to our business value chain, their history of exposure to climate hazards, and their transactional significance relative to other assets.

Will you be disclosing a list/spatial map of priority locations?

No, we have a list/geospatial map of priority locations, but we will not be disclosing it

Q2.4 How does your organization define substantive effects on your organization?

Response 1: Risks

Type of definition

Qualitative

Metrics considered in definition

- Likelihood of effect occurring
- Other: Impact of risk.

Application of definition

Within our risk management model, we have scales to assess risks that consider probability and impact. This approach allows us to evaluate, measure, and prioritize potential risks our company faces, including climate-related risks. The impact scale considers different criteria depending on the nature of the potential impact, with some risks assessed across multiple criteria. These criteria include financial, reputational, legal, people-related, and environmental impacts. We assess financial impact in terms of Value-at-Risk (a percentage of significant segment of financial statements to Falabella), with an absolute threshold defined at the corporate group level and percentage thresholds applied across different business levels and scales.

Response 2: Opportunities

Type of definition

Qualitative

Metrics considered in definition

Other: We are implementing an evolving strategy focused on risks. This process includes the identification of opportunities, but a formal process for the assessment of opportunities has not been implemented. Hence, we do not have metrics’ definition.

Application of definition

We are actively implementing a dynamic strategy focused on decarbonization initiatives and climate change risk management. While we have identified and assessed opportunities, a formal process for their evaluation and management has yet to be established. As a result, we do not have defined metrics yet.

Q3.1 Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Yes, both in direct operations and upstream/downstream value chain

Q3.1.1 Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Response 1: Climate change

Risk identifier

Risk1

Risk types and primary environmental risk driver

Chronic physical: Changing temperature (air, freshwater, marine water)

Value chain stage where the risk occurs

Direct operations

Country/area where the risk occurs

Chile

Organization-specific description of risk

As global temperatures rise, the established relationship between building energy consumption and environmental conditions has the potential to create new and increased costs. For our assets, which are mostly air-conditioned commercial spaces, variations in ambient temperatures are a key factor in determining electricity consumption, particularly for heating, ventilation, and air conditioning (HVAC). This component of our energy consumption fluctuates significantly from month to month, and even year to year, depending on outdoor temperature, solar radiation, relative humidity, and wind. Under the climate change scenarios we have analyzed, rising temperatures will lead to increased demand for HVAC services, driving up our operating costs.

Primary financial effect of the risk

Increased indirect [operating] costs

Time horizon over which the risk is anticipated to have a substantive effect on the organization

Long-term

Likelihood of the risk having an effect within the anticipated time horizon

Unknown

Magnitude

Unknown

Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

For our assets at Falabella S.A., which are mostly air-conditioned commercial spaces, variations in ambient temperatures are a key determinant of electricity consumption, particularly for heating, ventilation, and air conditioning (HVAC). This component of our energy consumption fluctuates significantly from month to month, and even year to year, depending on outdoor temperature, solar radiation, relative humidity, and wind. Under the climate change scenarios we have analyzed, rising temperatures will increase the demand for HVAC services, thereby driving up our operating costs. We conducted the financial evaluation of this risk with a long-term horizon in mind.

Are you able to quantify the financial effect of the risk?

Yes

Anticipated financial effect figure in the long-term - minimum (currency)

1950000000

Anticipated financial effect figure in the long-term - maximum (currency)

2050000000

Explanation of financial effect figure

The methodology for assessing the physical risks of climate change is currently being implemented, including defining the probability and inherent and residual impacts, aligned with our comprehensive risk management framework. This includes an impact scale that covers several dimensions, such as reputational, legal, people, and environment. In 2021, we conducted a preliminary study estimating the financial impact of physical risks, specifically temperature changes. The figures represent the accumulated Net Present Value (NPV) over the 2023-2050 period for six strategic assets, one from each of our main business units: Mallplaza Norte, Open Kennedy, Tottus Buin, Falabella Ovalle, Sodimac Las Condes, and Data Center Conchalí, the latter being a relevant upstream asset not owned by us. This analysis considered the RCP8.5 scenario.
This quantitative study assessed the projected temperature increases’ impact on energy consumption and heating and cooling costs from 2023 to 2050. We selected a priority asset for each business unit and gathered data on historical and projected cooling and heating degree days for the relevant geographies. Historical data came from NASA’s Langley Research Center POWER project, while future projections were obtained from the Climate Risk Atlas of Chile (\’ARClim\’) by the Ministry of Environment. These projections, based on the RCP8.5 scenario, represent the most pessimistic pathway defined by the IPCC, assuming continued emissions growth throughout the 21st century and resulting in significant warming. The variable analyzed was the multi-model mean for the ensemble of 15 General Circulation Models (GCMs) selected by ARClim. We performed a regression analysis of historical data to estimate energy consumption, compared it to a baseline average, and calculated the potential additional costs, converting them to comparable present value.

Primary response to risk

Policies and plans : Develop a climate transition plan

Description of response

Since this analysis was prospective and considered only six assets, a mid-term action we have identified is to extend it to the rest of our portfolio using the developed methodology. This will allow us to fully assess the impact that future temperature increases will have on all our facilities. Our ability to adapt to increased HVAC costs will depend on the nature of our operations. For our real estate business units, there is a potential to pass these additional costs onto commercial lessees, provided the costs are moderate and do not impact demand for these premises. Nonetheless, we are also evaluating the need for infrastructure and energy efficiency improvements to moderate the relationship between climate zone and energy consumption and to reduce vulnerability to cost increases. This consideration is part of our climate transition plan and the investments we are making to achieve net zero for our Scope 1 and 2 emissions by 2035.

Q3.1.2 Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Response 1: Climate change

Q3.5 Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

Q3.6 Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Response 1: Climate change

Environmental opportunities identified

No

Primary reason why your organization does not consider itself to have environmental opportunities

Other: We are implementing an evolving strategy focused on risks. This process includes the identification of opportunities, but a formal process for the assessment of opportunities has not been implemented.

Please explain

We are currently implementing an evolving strategy focused on decarbonization initiatives and climate change risks management. This strategy has included the identification and assessment of opportunities, but a formal process for the evaluation and management of these opportunities has not been implemented.

Q4.1 Does your organization have a board of directors or an equivalent governing body?

Response 1:

Board of directors or equivalent governing body

Yes

Frequency with which the board or equivalent meets

More frequently than quarterly

Types of directors your board or equivalent is comprised of

- Non-executive directors or equivalent
- Independent non-executive directors or equivalent

Board diversity and inclusion policy

No

Q4.1.1 Is there board-level oversight of environmental issues within your organization?

Yes

Q4.1.2 Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Response 1: Climate change

Positions of individuals or committees with accountability for this environmental issue

Other: Board of Directors

Positions' accountability for this environmental issue is outlined in policies applicable to the board

Yes

Policies which outline the positions' accountability for this environmental issue

Other policy applicable to the board: Environmental and Climate Change Policy and Integrated Risk Management Policy

Frequency with which this environmental issue is a scheduled agenda item

Scheduled agenda item in some board meetings - at least annually

Governance mechanisms into which this environmental issue is integrated

- Monitoring progress towards corporate targets
- Reviewing and guiding annual budgets
- Overseeing reporting, audit, and verification processes
- Other: Overseeing and guiding the risk management process
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures
- Approving corporate policies and/or commitments
- Monitoring the implementation of a climate transition plan
- Overseeing the setting of corporate targets

Please explain

Our Board of Directors at Falabella S.A. oversees the implementation of our corporate sustainability strategy, approves the allocation of annual budgets for decarbonization initiatives, and requests changes and updates from management, thereby guiding and strengthening our strategic approach and resource allocation. In 2023, we presented the progress of our climate change strategy to the Board once, and this will be repeated annually starting in 2024.

Our sustainability strategy, pillars, and goals are managed by the Strategy and Sustainability Department and monitored by the executive team through various committees that review ESG strategy progress and performance. The Board reviews progress with our decarbonization plan, approving climate targets and the associated investments and guidelines for each business unit to achieve them. It is submitted annually to the Board to review the results and approve the strategic vision, commitments, associated investment budget, and performance indicators, including incentives for the organization' s executives.

Additionally, the Board oversees the corporate management of climate change risks, which are classified as high-level risks in our Integrated Risk Management Policy. The Board holds ultimate responsibility for Risk Management, determining Risk Appetite, exercising oversight, and establishing governance structures and processes, while delegating management through the various Risk Committees established at both the corporate and Business Vertical levels. Moreover, the Board also approves our Environmental and Climate Change Policy, reinforcing its responsibility and commitment to environmental issues.

Q4.2 Does your organization's board have competency on environmental issues?

Response 1: Climate change

Board-level competency on this environmental issue

Yes

Mechanisms to maintain an environmentally competent board

- Consulting regularly with an internal, permanent, subject-expert working group
- Having at least one board member with expertise on this environmental issue

Environmental expertise of the board member

Experience: Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Q4.3 Is there management-level responsibility for environmental issues within your organization?

Response 1: Climate change

Management-level responsibility for this environmental issue

Yes

Response 2: Biodiversity

Q4.3.1 Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Response 1: Climate change

Position of individual or committee with responsibility

Executive level: Chief Sustainability Officer (CSO)

Environmental responsibilities of this position

- Strategy and financial planning: Managing major capital and/or operational expenditures relating to environmental issues
- Strategy and financial planning: Developing a climate transition plan
- Dependencies, impacts, risks and opportunities: Assessing environmental dependencies, impacts, risks, and opportunities
- Dependencies, impacts, risks and opportunities: Managing environmental dependencies, impacts, risks,

and opportunities
- Other: Providing employee incentives related to environmental performance
- Other: Other: Integrating climate-related issues into the strategy
- Strategy and financial planning: Developing a business strategy which considers environmental issues
- Policies, commitments, and targets: Setting corporate environmental policies and/or commitments
- Policies, commitments, and targets: Setting corporate environmental targets
- Strategy and financial planning: Managing environmental reporting, audit, and verification processes
- Strategy and financial planning: Conducting environmental scenario analysis
- Strategy and financial planning: Managing annual budgets related to environmental issues
- Policies, commitments, and targets: Measuring progress towards environmental corporate targets
- Strategy and financial planning: Implementing a climate transition plan

Reporting line

Reports to the Chief Executive Officer (CEO)

Frequency of reporting to the board on environmental issues

Annually

Please explain

The Corporate Strategy and Sustainability Officer is responsible for managing business sustainability and reports directly to the CEO. This role involves integrating environmental, social, and human rights issues into our business strategy. The Corporate Sustainability Department was established at the end of 2022 to strengthen and accelerate progress on sustainability issues. Its primary mission is to develop and implement an agenda focused on the highest standards and corporate best practices, and to monitor progress on both short-term and long-term business challenges. The Corporate Sustainability Department meets with our Board once a year to report results and seek approval for the strategic vision, commitments, and investment budget. The annual meeting held in November 2023 included the presentation and validation of our climate change strategy, budget, targets, and the governance required to monitor both short-term and medium-term progress.

Q4.5 Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Response 1: Climate change

Provision of monetary incentives related to this environmental issue

Yes

% of total C-suite and board-level monetary incentives linked to the management of this environmental issue

33

Please explain

At Falabella, we are committed to mitigating our impacts and addressing the urgent climate crisis by achieving net zero emissions by 2035 for Scope 1 and 2 emissions, with an interim reduction target of 65% by 2030. To incentivize robust management of our climate initiatives, we incorporate related performance indicators into the annual objective matrices for relevant roles. Specifically, the annual reduction targets for Scope 1 and 2 are designed to align performance with our expected reduction pathway for the medium and long term, supporting our commitments. These targets are also part of the monetary incentives for certain executives and managers within our business units. For Mallplaza, carbon footprint reduction is an ESG indicator that, along with other metrics, accounts for approximately 33% of those used to assess the performance of the General Manager, Corporate Managers, Managers and Assistant Managers of this business unit.

Q4.5.1 Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Response 1: Climate change

Position entitled to monetary incentive

Board or executive level: Other C-Suite Officer: Mall Plaza General Manager

Incentives

Bonus - % of salary

Performance metrics

Emission reduction: Reduction in absolute emissions

Incentive plan the incentives are linked to

Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

Further details of incentives

At Falabella, we are committed to mitigating our impacts and contributing to addressing the urgent climate crisis by achieving net zero emissions by 2035 for scopes 1 and 2, with an intermediate emissions reduction target of 65% by 2030. To incentivize robust management of our climate initiatives and the attainment of these targets, we include related performance indicators in the annual objective matrices for relevant roles. Notably, our annual reduction targets for scopes 1 and 2 are designed to align performance with our expected reduction pathway for the medium and long term, aiming to achieve our commitments. These targets are also part of the monetary incentives for certain executives and managers within our business units. For Mallplaza, carbon footprint reduction is an ESG indicator that, along with other metrics, accounts for approximately 33% of those used to assess the performance of the General Manager, Corporate Managers, Managers and Assistant Managers of this business unit.

How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

We have developed a multi-year investment plan and allocated a dedicated budget to achieve our climate-related targets. Climate incentives for our business units' executives and managers support the implementation of climate management processes and the execution of decarbonization investment budgets.

Q4.6 Does your organization have an environmental policy that addresses environmental issues?

Yes

Q4.6.1 Provide details of your environmental policies.

Response 1: Row 1

Environmental issues covered

Climate change

Level of coverage

Organization-wide

Value chain stages covered

- Upstream value chain
- Downstream value chain
- Direct operations

Explain the coverage

At Falabella, our Environmental and Climate Change Policy sets out the guiding principles for the conduct of our company and its associates. With a corporate-wide scope, this policy applies to the entire organization and mandates compliance and implementation from all associates. Additionally, we encourage our suppliers to align their practices with the standards, guidelines, and principles outlined in the policy.

Regarding carbon footprint, our policy considers the impact of individuals, organizations, products, services, and events. It includes a specific commitment to climate change, requiring each group company to implement a strategy to reduce its carbon footprint and to anticipate, prepare for, and adapt to risks and opportunities related to climate change. Each of our business units must comply with applicable regulations and pursue concrete projects to meet or exceed voluntary commitments when appropriate.

We also pledge not to invest directly in the expansion of the fossil fuel industry. Moreover, our policy commits to adopting best practices to promote biodiversity and prevent natural habitat degradation caused by our activities. To support these efforts, we actively collaborate with external stakeholders—including suppliers, non-governmental organizations, and local authorities—to build environmental capacities and promote best practices across the value chain, from raw material sourcing to final disposal.

Environmental policy content

- Environmental commitments: Other environmental commitment: Efficient use of resources and circular economy promotion
- Climate-specific commitments: Other climate-related commitment: Reduce carbon footprint
- Additional references/Descriptions: Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns
- Climate-specific commitments: Commitment to not invest in fossil-fuel expansion
- Environmental commitments: Commitment to comply with regulations and mandatory standards
- Environmental commitments: Commitment to stakeholder engagement and capacity building on environmental issues

Indicate whether your environmental policy is in line with global environmental treaties or policy goals

No, but we plan to align in the next two years

Public availability

Publicly available

Attach the policy

Environmental-Policy-2024.pdf

Q4.10 Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Response 1:

Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Yes

Collaborative framework or initiative

- World Business Council for Sustainable Development (WBCSD)
- Corporate Leaders Group (CLG)
- Task Force on Climate-related Financial Disclosures (TCFD)
- UN Global Compact

Describe your organization's role within each framework or initiative

At Falabella, we are registered as a Task Force on Climate-related Financial Disclosures (TCFD) Supporter. We recognize that climate change presents both risks and opportunities that affect our assets and value chain. Since 2021, we have integrated TCFD recommendations into our climate action strategy, incorporating the four key pillars—Governance, Strategy, Risk Management, and Metrics and Targets—from a corporate perspective. This disclosure is featured in our Integrated Annual Report 2023 and Climate Report 2023, with the TCFD Index included in the latter.
We have been adhering to the United Nations Global Compact in Chile since 2022, demonstrating our commitment to labor and human rights, environmental protection, and combating corruption. Our goal is to contribute meaningfully to the global agenda set by the SDGs. This commitment is also shared by our subsidiaries, including Sodimac, Falabella Retail, Tottus, Mallplaza, and Banco Falabella.
Falabella Retail, Sodimac, Mallplaza, and Banco Falabella participate in Acción Empresas, the local chapter of the WBCSD, a Chilean non-profit organization with over 120 member companies that promotes sustainable and competitive business practices. This initiative aims to foster sustainable development and a more inclusive and equitable society in Chile.
Additionally, our subsidiary Sodimac is a member of Corporate Leaders Group Chile, which works to promote policies and tools that support the transition to a low-carbon economy and create sustainable development opportunities for Chile.

Q4.11 In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

Response 1:

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

Global environmental treaties or policy goals in line with public commitment or position statement

Paris Agreement

Attach commitment or position statement

Climate-Report-2023-Falabella.pdf

Indicate whether your organization is registered on a transparency register

Yes

Types of transparency register your organization is registered on

Mandatory government register

Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Chilean legislation mandates that meetings with certain authorities must adhere to transparency standards outlined in the law. A lobbying system is in place to facilitate requests for meetings with public officials. Additionally, the Transparency Council was established to make this information publicly accessible, among other responsibilities. Falabella fully complies with these standards. Information about meetings with public officials on behalf of Falabella S.A. is publicly through Infolobby

Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

At Falabella, we engage with various associations and organizations that combat climate change and actively collaborate with our peers, NGOs, and local authorities to achieve global sustainability goals. Beyond our efforts to address climate change, we participate in several initiatives and partnerships to reduce and remediate environmental impacts. The most significant initiative is our coordinated response across the different jurisdictions where we operate, in line with the Paris Agreement.

We monitor the alignment of these engagement activities with our sustainability and climate strategy, as well as other priorities, through the sustainability teams in each of our business units. We make strategic contributions to chambers and financial organizations to drive business growth and sustainable development in the countries where we operate, fostering collaboration and trust. In accordance with our internal regulations and policies, we do not make contributions to political campaigns or lobby organizations. We publicly disclose information on the memberships and alliances of our business units in our Integrated Report 2023, pages 117-120.

Q4.11.2 Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Response 1: Row 1

Type of indirect engagement

Indirect engagement via a trade association

Trade association

South America: Other trade association in South America: Acción Empresas

Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Climate change

Indicate whether your organization’s position is consistent with the organization or individual you engage with

Consistent

Indicate whether your organization attempted to influence the organization or individual’s position in the reporting year

No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

Acción Empresas is a non-profit organization committed to enhancing lives and protecting the planet through business sustainability in Chile. Falabella Retail, Sodimac, Mallplaza, and Banco Falabella are active participants, making annual contributions as members. Climate change is one of Acción Empresas’ six thematic priorities, emphasizing corporate contributions to mitigation and adaptation and promoting actions for a low-carbon transition. Our business units engage in the Climate Action workstream, participating in collaborative and knowledge-sharing activities that align with our own climate change commitments. Given that Acción Empresas’ focus on climate change aligns with our company’s commitments, we have not sought to influence their stance on this issue.

Funding figure your organization provided to this organization or individual in the reporting year (currency)

35554

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Climate change is one of the six thematic priorities of Acción Empresas, focusing on the contributions companies can make in terms of mitigation and adaptation, and promoting actions that support a low-carbon transition. At the same time, The Ministry of the Environment in Chile—through the HuellaChile program—coordinates voluntary efforts at both individual entities, such as Falabella and its subsidiaries, and at the level of industry associations and other related organizations. These efforts are aimed at meeting the targets set in the Nationally Determined Contributions (NDCs) agreed upon under the Paris Agreement. In addition to being a registered and recognized organization in HuellaChile, Acción Empresas is part of a public-private partnership with the Ministry of the Environment and the Production Development Corporation (CORFO), which falls under the Ministry of Economy. This partnership collaborates on accelerating the implementation of practices to mitigate and adapt to climate change through the Transforma Climate Change Program. Our funding corresponds to total membership costs for our business units.

Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Yes, we have evaluated, and it is aligned

Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Paris Agreement

Response 2: Row 2

Type of indirect engagement

Indirect engagement via other intermediary organization or individual

Type of organization or individual

Other: United Nations Global Compact

State the organization or position of individual

Pacto Global Chile

Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Climate change

Indicate whether your organization’s position is consistent with the organization or individual you engage with

Consistent

Indicate whether your organization attempted to influence the organization or individual’s position in the reporting year

No, we did not attempt to influence their position

Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position

The Global Compact is a United Nations initiative that promotes private sector alignment with the Sustainable Development Goals (SDGs) through ten principles covering Human Rights, Labor Relations, Environment, and Anti-Corruption.. Since the focus of Global Compact Chile on climate change, specifically SDG 13 (Climate Action), aligns with our own climate commitments, we have not sought to influence their position.

Funding figure your organization provided to this organization or individual in the reporting year (currency)

24762

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Global Compact is a United Nations initiative aimed at promoting private sector adherence to the Sustainable Development Goals (SDGs) through ten principles focused on Human Rights, Labor Relations, Environment, and Anti-corruption. At Falabella, we, including Falabella S.A., Falabella Retail, Sodimac, Tottus, Mallplaza, and Banco Falabella, actively participate in the local network and make an annual contribution. Climate Action, a key SDG, is central to the Global Compact’ s activities. By engaging with the local Global Compact network, we reaffirm our commitment to this goal through collaborative efforts within the local business ecosystem.

Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Yes, we have evaluated, and it is aligned

Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Paris Agreement

Q4.12 Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Yes

Q4.12.1 Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Response 1: Row 1

Publication

In mainstream reports, in line with environmental disclosure standards or frameworks

Standard or framework the report is in line with

- TCFD
- GRI

Environmental issues covered in publication

Climate change

Status of the publication

Complete

Content elements

- Risks & Opportunities
- Emissions figures
- Emission targets
- Other: Water accounting figures
- Content of environmental policies
- Strategy
- Governance
- Dependencies & Impacts
- Value chain engagement

Page/section reference

Please refer to page 165 of our Annual Report for information on environmental impacts and commitments, pages 166-176 for TCFD/IFRS disclosures and climate-related KPIs, and pages 177-180 for other environmental initiatives.

Attach the relevant publication

Falabella_Annual_Report_2023_ENG.pdf

Comment

Please refer to page 165 of our Annual Report for information on environmental impacts and commitments. Pages 166-176 cover TCFD/IFRS disclosures and climate-related KPIs, while pages 177-180 provide details on other environmental initiatives.

Response 2: Row 2

Publication

In voluntary sustainability reports

Environmental issues covered in publication

Climate change

Status of the publication

Complete

Content elements

- Risks & Opportunities
- Public policy engagement
- Emissions figures
- Emission targets
- Strategy
- Value chain engagement
- Governance

Page/section reference

Please refer to the entire 2023 Climate Report for detailed information on our climate change commitments and progress, governance, strategy, alliances, and awards.

Attach the relevant publication

Climate-Report-2023-Falabella.pdf

Comment

Please refer to the entire 2023 Climate Report for detailed information on our climate change commitments and progress, governance, strategy, alliances, and awards.

Q5.1 Does your organization use scenario analysis to identify environmental outcomes?

Response 1: Climate change

Use of scenario analysis

Yes

Frequency of analysis

Not defined

Q5.1.1 Provide details of the scenarios used in your organization's scenario analysis.

Response 1: Climate change

Scenario used

Climate transition scenarios: IEA APS

Approach to scenario

Qualitative and quantitative

Scenario coverage

Organization-wide

Risk types considered in scenario

- Market
- Policy

Temperature alignment of scenario

1.6°C - 1.9°C

Reference year

2022

Timeframes covered

2050

Driving forces in scenario

- Regulators, legal and policy regimes : Global targets
- Regulators, legal and policy regimes : Global regulation

Assumptions, uncertainties and constraints in scenario

This scenario assumes that governments will fully and timely meet all announced climate-related commitments. This includes long-term net zero emissions targets as well as commitments in related areas such as access to energy.

Rationale for choice of scenario

At Falabella S.A., we have conducted both qualitative and quantitative scenario analyses, considering a range of plausible climate futures with varying levels of physical and transition risk. These projections were part of our risk and opportunity identification and assessment process. We also selected a set of transition scenarios for the quantitative analysis of the potential financial impact of carbon pricing on costs within our value chain. We modeled the impact of carbon pricing on the costs of our purchased goods and services for the period 2023-2050, considering six different scenarios, including two from the International Energy Agency (IEA): the Announced Pledges Scenario (APS) and the Stated Policies Scenario (STEPS). The APS assumes that all climate commitments made by governments worldwide, including Nationally Determined Contributions (NDCs) and long-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time. In contrast, STEPS reflects current policy settings based on a sector-by-sector and country-by-country assessment of existing and announced policies by governments around the world.

Response 2: Climate change

Scenario used

Physical climate scenarios: RCP 8.5

Scenario used SSPs used in conjunction with scenario

No SSP used

Approach to scenario

Qualitative and quantitative

Scenario coverage

Organization-wide

Risk types considered in scenario

- Acute physical
- Chronic physical

Temperature alignment of scenario

4.0ºC and above

Reference year

2022

Timeframes covered

2050

Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts : Climate change (one of five drivers of nature change)

Assumptions, uncertainties and constraints in scenario

The RCP 8.5 scenario assumes a rapid increase in emissions in the early to mid-2000s, with atmospheric CO2 levels reaching 950 ppm by 2100. It also assumes no new decarbonization technologies or regulations to manage greenhouse gas emissions, and a global population reaching 12 billion by 2100.

Rationale for choice of scenario

At Falabella S.A., we have also conducted qualitative and quantitative scenario analyses, considering a range of plausible climate futures with varying levels of physical and transition risk. These projections were part of our risk and opportunity identification and assessment process. We undertook a quantitative analysis of the potential impact of projected temperature rises on energy consumption and the costs of heating and cooling. These projections consider the RCP 8.5 scenario, the most pessimistic of the RCP pathways defined by the IPCC, where emissions continue to rise throughout the 21st century, leading to high levels of warming.

Response 3: Climate change

Scenario used

Climate transition scenarios: IEA STEPS (previously IEA NPS)

Approach to scenario

Qualitative and quantitative

Scenario coverage

Organization-wide

Risk types considered in scenario

- Market
- Policy

Temperature alignment of scenario

2.0ºC - 2.4ºC

Reference year

2022

Timeframes covered

2050

Driving forces in scenario

- Regulators, legal and policy regimes : Global targets
- Regulators, legal and policy regimes : Global regulation

Assumptions, uncertainties and constraints in scenario

This scenario is based on a sector-by-sector review of the policies and measures that are currently in place or under development in various areas. It covers relevant regulatory, market, infrastructure, and financial constraints, exploring the current policy landscape and providing insights into potential advancements in the energy system.

Rationale for choice of scenario

At Falabella S.A., we have conducted both qualitative and quantitative scenario analyses, considering a range of plausible climate futures with varying levels of physical and transition risk. These projections were part of our risk and opportunity identification and assessment process. We also selected a set of transition scenarios for the quantitative analysis of the potential financial impact of carbon pricing on costs within our value chain. We modeled the impact of carbon pricing on the costs of our purchased goods and services for the period 2023-2050, considering six different scenarios, including two from the International Energy Agency (IEA): the Announced Pledges Scenario (APS) and the Stated Policies Scenario (STEPS). The APS assumes that all climate commitments made by governments worldwide, including Nationally Determined Contributions (NDCs) and long-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time. In contrast, STEPS reflects current policy settings based on a sector-by-sector and country-by-country assessment of existing and announced policies by governments around the world.

Response 4: Climate change

Scenario used

Climate transition scenarios: Customized publicly available climate transition scenario: Long-Term Energy Planning of the Ministry of Energy in Chile (PELP)

Approach to scenario

Qualitative and quantitative

Scenario coverage

Organization-wide

Risk types considered in scenario

- Policy
- Market

Temperature alignment of scenario

1.6ºC - 1.9ºC

Reference year

2022

Timeframes covered

2050

Driving forces in scenario

- Regulators, legal and policy regimes : Global targets
- Regulators, legal and policy regimes : Global regulation

Assumptions, uncertainties and constraints in scenario

The scenarios from the Long-Term Energy Planning (“PELP” for its initials in Spanish) of the Ministry of Energy in Chile take into consideration the energy system and policy reality of the country, including existing carbon price regulation and commitments. Three scenarios have been defined, with different levels of carbon price: Recovery (low price), Carbon neutrality (medium), and Accelerated Transition (high). The Accelerated Transition scenario achieves the Chilean NDC emissions reduction commitment and brings forward the achievement of carbon neutrality before 2050. It is an ambitious scenario with policy interventions across a range of sectors and which is aligned with a below 2ºC warming pathway.

Rationale for choice of scenario

At Falabella S.A., we have conducted both qualitative and quantitative scenario analyses, considering a range of plausible climate futures with varying levels of physical and transition risk. These projections were part of our risk and opportunity identification and assessment process. We also selected a set of transition scenarios for the quantitative analysis of the potential financial impact of carbon pricing on costs within our value chain. We modeled the impact of carbon pricing on the costs of our purchased goods and services for the period 2023-2050, considering six different scenarios, including two from the International Energy Agency (IEA): the Announced Pledges Scenario (APS) and the Stated Policies Scenario (STEPS). The APS assumes that all climate commitments made by governments worldwide, including Nationally Determined Contributions (NDCs) and long-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time. In contrast, STEPS reflects current policy settings based on a sector-by-sector and country-by-country assessment of existing and announced policies by governments around the world. The impact of carbon pricing on the costs of our purchased goods and services was also modelled for the period 2023-2050 considering three scenarios from the Long-Term Energy Planning (“PELP” for its initials in Spanish) of the Ministry of Energy in Chile.

Q5.1.2 Provide details of the outcomes of your organization’s scenario analysis.

Response 1: Climate change

Business processes influenced by your analysis of the reported scenarios

- Resilience of business model and strategy
- Strategy and financial planning
- Risk and opportunities identification, assessment and management
- Target setting and transition planning
- Capacity building

Coverage of analysis

Organization-wide

Summarize the outcomes of the scenario analysis and any implications for other environmental issues

The use of scenario analysis has influenced our overall climate strategy. We have committed to achieving net-zero emissions by 2035 for our Scope 1 and 2 emissions, with an interim target of a 65% reduction in these emissions by 2030, compared to 2021 levels. Meeting these targets requires targeted actions and investments across our business units to enhance efficiency, increase the use of renewable energy, and reduce fugitive emissions from refrigeration and HVAC systems. These actions have impacted our financial planning, necessitating the acceleration and alignment of equipment replacement and renewal programs, focusing on the most emission-intensive assets, such as cold food storage centers, lighting in retail spaces, and HVAC systems. Additionally, we have integrated climate considerations into our energy supply management, increasing our use of Power Purchase Agreements (PPAs) for certified renewable energy from Enel in Chile and Statkraft in Peru. Decarbonization also plays a role in preparing for potential carbon pricing on direct emissions, which we have identified as a climate-related risk.

The scenario analysis has also helped us prepare for various mitigation scenarios and assess the impact of physical risks by exploring ways to enhance the resilience of our infrastructure. As the scenario analysis was preliminary, its results have guided us in integrating adaptation strategies into our overall climate plan. This has underscored the need for further analysis within our climate risk assessment methodology to encompass a broader range of operations and assets.

Finally, we established a Capacity Building process through the formation of the Corporate Sustainability Department at the end of 2022, to strengthen and accelerate progress on sustainability issues. Its primary mission is to develop and implement an agenda focused on the highest standards and corporate best practices, while monitoring progress on both short-term and long-term business challenges.

Q5.2 Does your organization’s strategy include a climate transition plan?

Response 1:

Transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

No, and we do not plan to add an explicit commitment within the next two years

Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

At Falabella, our Environmental and Climate Change Policy outlines the principles that guide our company and its Associates. This policy, with its corporate scope, applies to Falabella as a whole and mandates compliance and implementation from all entities. It includes a specific commitment to climate change, requiring each company within the group to develop and execute a strategy to reduce its carbon footprint and to anticipate, prepare for, and adapt to climate-related risks and opportunities. Each company will undertake concrete projects and actions to fulfill its voluntary commitments. Additionally, we pledge not to invest directly in the expansion of the fossil fuel industry. Currently, we are implementing a dynamic strategy focused on decarbonization and climate change risk management, which involves a gradual shift from fossil fuels to renewable energy. This phased approach reflects our recognition that a full transition away from fossil fuels necessitates careful planning and incremental implementation to ensure operational continuity, coherence with our diverse revenue generating sources, long-term sustainability, and resilience.

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Our sustainability strategy, including its pillars and goals, is reviewed and approved annually by our Board, which represents the interests of our shareholders. During this process, the Board evaluates the results and approves the strategic vision, commitments, investment budget, and performance indicators. We maintain multiple communication channels for engaging with various stakeholder groups, while continuously receiving input, incorporating feedback, and addressing inquiries from our ESG investors throughout the year. Stakeholders identified within our value chain encompass customers and visitors, financial institutions, civil society and non-governmental organizations, shareholders and

Frequency of feedback collection

More frequently than annually

Description of key assumptions and dependencies on which the transition plan relies

Our transition plan to achieve net-zero emissions by 2035 for Scope 1 and 2 emissions, and a 65% reduction by 2030, is built on several key assumptions and dependencies. First, the plan relies on the availability of renewable energy through direct supply contracts, which is crucial for reducing our Scope 2 emissions. Second, it depends on favorable energy pricing conditions, including the comparison between free market rates and regulated rates, which can affect the cost-effectiveness of our renewable energy procurement. Third, the plan assumes a reduction in national emission factors in the regions where we operate, which is essential for meeting our greenhouse gas reduction targets. Finally, it depends on the availability and cost of low-emission climate control and refrigeration equipment in the region, which is vital for lowering our Scope 1 emissions related to HVAC and cold storage systems. These factors are critical to the successful implementation of our transition plan.

Description of progress against transition plan disclosed in current or previous reporting period

At Falabella S.A., we have committed to achieving net zero emissions by 2035 for our Scope 1 and 2 emissions, with an interim GHG reduction target to achieve a 65% reduction in Scope 1 and 2 emissions by 2030, compared to our 2021 base year. Regarding progress towards this target, our Scope 1 and 2 emissions have decreased by 20% compared to 2021, and 73% of our electricity consumption was sourced from renewable sources in 2023.

Attach any relevant documents which detail your climate transition plan (optional)

- Climate-Report-2023-Falabella.pdf
- Falabella_Annual_Report_2023_ENG.pdf

Other environmental issues that your climate transition plan considers

No other environmental issue considered

Q5.3 Have environmental risks and opportunities affected your strategy and/or financial planning?

Response 1:

Environmental risks and/or opportunities have affected your strategy and/or financial planning

Yes, both strategy and financial planning

Business areas where environmental risks and/or opportunities have affected your strategy

- Upstream/downstream value chain
- Operations
- Products and services

Q5.3.1 Describe where and how environmental risks and opportunities have affected your strategy.

Response 1: Products and services

Effect type

Risks

Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Climate change

Describe how environmental risks and/or opportunities have affected your strategy in this area

As retailing accounts for the majority of our consolidated revenue, the production, transportation, use, and disposal of our sold products represent a significant portion of our value chain carbon footprint. Consequently, we are actively integrating climate-related risks and opportunities into our product strategy.

One of the transition risks we identified is ’Changes in demand and loss of revenue due to shifts in customer behavior.’ Our current response to this risk is reflected in the development of a sustainable product catalog in our home improvement business strategy (Productos ECO) and in our +Verde strategy across our department stores, which has a regional scope.

In our +Verde strategy, one of the three pillars consists of offering conscious brands that meet transparent and credible sustainability criteria, considering relevant certifications for the raw materials. In 2023, 20% of our clothing sales came from our conscious brands catalog, and we have set a goal to reach 30% of sold units having sustainability certifications for their materials by 2030.

By proactively addressing our carbon footprint, identifying risks, and developing sustainable product strategies, we are positioning ourselves to meet evolving customer demands while reducing our environmental impact. These efforts demonstrate our commitment to integrating sustainability throughout our business operations.

Response 2: Upstream/downstream value chain

Effect type

Risks

Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Climate change

Describe how environmental risks and/or opportunities have affected your strategy in this area

Our supply and value chain play a crucial role in decarbonizing our business model. Supplying our stores and delivering products to customers relies on a fleet of both owned and outsourced vehicles, which have traditionally been powered by fossil fuels. Since 2019, Sodimac has been committed to reducing climate impact through its carbon-neutral dispatch initiative, which offsets the greenhouse gas emissions associated with e-commerce sales in Chile by purchasing carbon credits.

Sodimac is also advancing its electromobility efforts by integrating electric vehicles into its delivery and supply operations. The company supports contractors in adopting this technology and operates a fully electric fleet at its main distribution center. Currently, Sodimac has 15 electric vehicles dedicated to last-mile and in-store supply deliveries, with plans to expand this fleet.

Response 3: Operations

Effect type

Risks

Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Climate change

Describe how environmental risks and/or opportunities have affected your strategy in this area

Our climate change scenario analysis indicates that both physical and transition risks may generate additional costs for our operations. These factors have supported the business case for developing our climate transition plan and setting greenhouse gas (GHG) reduction targets focused on mitigation. Our commitment to climate action requires us to concentrate on decarbonizing our most emission-intensive activities.
In recent years, we have made progress in our renewable energy supply by establishing Power Purchase Agreements (PPAs) in Chile and Peru. We have also undertaken efficient electricity consumption initiatives, such as using LED lighting and implementing ISO 50001-certified energy management systems. Additionally, we have replaced emission-intensive refrigeration equipment at our facilities with more efficient and lower-impact alternatives.
Regarding adaptation, implementing climate change prevention and response measures is crucial to ensure the safety and satisfaction of our workers, customers, and communities, as well as the continuity of our operations. To prevent climate change impacts, we focus on preventative infrastructure maintenance, emergency drills, weather monitoring, and coordination with local stakeholders. In response to extreme events, we prioritize effective coordination with authorities, timely communication with affected customers, support for impacted workers and communities, and the use of our facilities for local aid initiatives. These measures collectively enhance resilience and mitigate operational disruptions.
By assessing climate risks, investing in renewable energy and energy efficiency, and implementing adaptation strategies, we are positioning our company to thrive in a low-carbon future while supporting the well-being of our stakeholders and the communities we serve.

Q5.3.2 Describe where and how environmental risks and opportunities have affected your financial planning.

Response 1: Row 1

Financial planning elements that have been affected

- Capital expenditures
- Indirect costs

Effect type

Risks

Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Climate change

Describe how environmental risks and/or opportunities have affected these financial planning elements

Climate-related risks have influenced our capital expenditures and indirect costs, since we have identified physical and transition risks that affect our asset management, such as increased costs due to energy use in air conditioning and refrigeration, staff and customer dissatisfaction due to thermal environment and obsolescence of emission-intensive equipment. In response, Falabella S.A. has implemented several actions to mitigate these risks. We are committed to achieving net zero emissions by 2035 for our Scope 1 and 2 emissions. As part of this commitment, we have set an interim target to reduce these emissions by 65% by 2030, using 2021 as the baseline.
Achieving these goals requires coordinated actions across our Business Units. We are focusing on improving efficiency, increasing the use of renewable energy, reducing fugitive emissions from refrigeration systems, and adopting sustainable transport for distribution. These measures directly impact our financial planning, requiring investments in the renewal and replacement of emissions-intensive assets such as cold food storage centers, retail lighting, and HVAC systems.
We have also incorporated climate considerations into our energy supply contracts, increasing our reliance on Power Purchase Agreements (PPAs) to source certified renewable energy, including contracts with Enel in Chile and Statkraft in Peru. The associated electricity costs are reflected in our operational expenditure (OPEX) forecasts.

Q5.4 In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

Response 1:

Identification of spending/revenue that is aligned with your organization’s climate transition

No, but we plan to in the next two years

Q5.10 Does your organization use an internal price on environmental externalities?

Response 1:

Use of internal pricing of environmental externalities

No, and we do not plan to in the next two years

Primary reason for not pricing environmental externalities

Not an immediate strategic priority

Explain why your organization does not price environmental externalities

Using an internal price on environmental externalities, such as a carbon price, has not been identified as an immediate strategic priority, as we are already committed to achieving net zero emissions by 2035 for our Scope 1 and 2 emissions, with an interim GHG reduction target to achieve a 65% reduction in Scope 1 and 2 emissions by 2030, compared to a 2021 base year. We are currently implementing an evolving strategy focused on decarbonization initiatives and climate change risk management; however, the use of an internal carbon price has not been implemented yet.

Q5.11 Do you engage with your value chain on environmental issues?

Response 1: Suppliers

Engaging with this stakeholder on environmental issues

No, but we plan to within the next two years

Primary reason for not engaging with this stakeholder on environmental issues

No standardized procedure

Explain why you do not engage with this stakeholder on environmental issues

While our business units extensively engage with their respective suppliers, we have yet to fully implement a standardized process for addressing climate change across all operations. However, at Falabella, we apply tailored strategies at the business unit level to integrate sustainable practices throughout our value chain. Each business unit employs customized pre-screening processes for supplier vetting, adapted to their specific business context and needs.

We conduct thorough risk assessments and screenings of our suppliers, which include document reviews, evidence-based verifications, and on-site inspections. These evaluations often lead to specific actions, such as the development of corrective action plans to resolve identified issues. For instance, Sodimac works closely with suppliers to address negative social impacts identified in their Sedex’ SMETA program. Additionally, we provide suppliers with information and training on Falabella’ s Compliance programs, through our Practical Guide to Compliance for Suppliers, clearly outlining our processes, requirements, and expectations for their business conduct which covers environmental, social and governance issues.

Response 2: Customers

Engaging with this stakeholder on environmental issues

Yes

Environmental issues covered

Climate change

Response 3: Investors and shareholders

Engaging with this stakeholder on environmental issues

Yes

Environmental issues covered

Climate change

Response 4: Other value chain stakeholders

Engaging with this stakeholder on environmental issues

No, and we do not plan to within the next two years

Primary reason for not engaging with this stakeholder on environmental issues

Not an immediate strategic priority

Explain why you do not engage with this stakeholder on environmental issues

At the moment, we do not carry out engagement regarding climate issues with other actors on our value chain besides customers and investors. For climate-related issues, this is due to the fact that these impacts are relevant mainly for our suppliers, our own operations, and our customers. Therefore, engaging with other stakeholders on climate-related issues is not considered to be an immediate strategic priority.

Q5.11.9 Provide details of any environmental engagement activity with other stakeholders in the value chain.

Response 1: Climate change

Type of stakeholder

Customers

Type and details of engagement

- Education/Information sharing: Share information on environmental initiatives, progress and achievements
- Education/Information sharing: Share information about your products and relevant certification schemes

% of stakeholder type engaged

Unknown

% stakeholder-associated scope 3 emissions

Unknown

Rationale for engaging these stakeholders and scope of engagement

Falabella Retail and Sodimac are committed to extensive consumer education, information-sharing, and activities that promote sustainable, circular, and lower climate-impact consumption choices. These efforts target a broad audience, engaging all customers through various channels. Falabella Retail’s +Verde strategy, part of its Conscious Brands initiative, includes consumer-facing labels and an information campaign that highlights product sustainability, encouraging more environmentally responsible choices. This approach is grounded in established standards and certifications for recycled, organic, and responsibly sourced raw materials.

The initiative aims to provide transparent, credible information to help customers make informed decisions based on sustainability criteria, fostering more conscious and environmentally friendly choices. Additionally, Falabella Retail promotes sustainable behaviors through programs like "Give a Second Life to Your Clothing," which encourages circular economy habits and environmental care among stakeholders.

Sodimac also raises awareness and drives behavioral change through a variety of proprietary platforms (catalogs, website, advertising campaigns, in-store displays, and \' Do It Yourself\' content), all aimed at combating climate change. The company has integrated sustainable attributes—such as energy and water efficiency, and circularity—into its product and service offerings.

Furthermore, Sodimac offers several recycling and circularity programs for customers, including vehicle battery recycling services at all Car Center branches, and home appliance recycling. In partnership with Enel X Way, Sodimac has also promoted electromobility by installing electric vehicle charging points at its stores in Chile. Since 2019, the company has enabled clients to reduce their climate impact through its carbon-neutral dispatch initiative, offsetting the GHG emissions associated with e-commerce sales in Chile by purchasing carbon credits.

Effect of engagement and measures of success

In 2023, Falabella Retail achieved 20% of its sales from sustainability-labeled "Conscious Brands" across its clothing, shoes, furniture, and accessories segments. Additionally, our clothing recycling initiatives collected and recycled 14 tons of textiles over the year. By 2023, Sodimac had integrated 6,700 sustainable products and services into its commercial offerings, highlighting the success of its strategy to embed sustainability into its retail operations. To further support client electromobility, Sodimac installed 26 electric vehicle charging points. Additionally, the carbon-neutral dispatch program for 2023 offset 4,356 tCO2e, covering 100% of shipments—totaling 317,950 individual dispatches generated in 2022.

Response 2: Climate change

Type of stakeholder

Investors and shareholders

Type and details of engagement

Education/Information sharing: Share information on environmental initiatives, progress and achievements

% of stakeholder type engaged

Unknown

% stakeholder-associated scope 3 emissions

Unknown

Rationale for engaging these stakeholders and scope of engagement

We engage in discussions on climate change issues with our investors and shareholders mainly through the provision of information on our decarbonization initiatives. For example, our commitment to reach net zero emissions (for Scope 1 and 2) by 2035 was communicated to stakeholders through a press release, and further developed in our 2023 Integrated Report and 2023 Climate Report. Through these different communication channels, we seek to engage all investors and shareholders in our climate efforts and initiatives.

Effect of engagement and measures of success

We assess the effectiveness of this engagement through the feedback given by shareholders and investors, primarily via communications with our investor relations teams and feedback demonstrated at annual shareholder meetings.

Q6.1 Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Response 1: Climate change

Consolidation approach used

Operational control

Provide the rationale for the choice of consolidation approach

At Falabella S.A., we have applied an operational control approach to measure our Scope 1, 2, and 3 emissions across our subsidiaries, which include department stores, home improvement stores, supermarkets, shopping centers, logistics centers, bank branches, and offices in Chile, Peru, and Colombia, covering 95% of our revenue in 2023.

Q7.1 Is this your first year of reporting emissions data to CDP?

No

Q7.1.1 Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

No

Q7.1.2 Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Response 1:

Change(s) in methodology, boundary, and/or reporting year definition?

Yes, a change in methodology

Details of methodology, boundary, and/or reporting year definition change(s)

Recalculation has been made for the years 2021-
2022, in accordance with the GHG Protocol criteria. The main adjustments are as follows:

i. Operational Adjustment: We adjusted the methodology for estimating refrigerant gas leakage in department stores, home improvement stores, and supermarkets in Peru using actual refrigerant gas replenishment data. The
financial services vertical prioritizes banking operations, excluding insurance and other regional transactions.

ii. Emission Factor and Global Warming Potential
Updates: Shifted from AR5 to AR6 for Global Warming Potentials and updated the emission factors.

iii. Updated emission factors.

Thanks to these adjustments, Scope 1 and 2 emissions baseline (market-based, 2021) increased by 12%.

Q7.1.3 Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

Response 1:

Base year recalculation

Yes

Scope(s) recalculated

- Scope 1
- Scope 2, location-based
- Scope 3
- Scope 2, market-based

Base year emissions recalculation policy, including significance threshold

Aligned with the Corporate Accounting and Reporting of the Greenhouse Gas Protocol (GHG Protocol), and aiming for continuous improvement in our Carbon Footprint measurement, we have defined an internal criteria to activate a recalculation, with a significance threshold of 5%, whenever:
• \tUpdated and retroactive information exists on emission factors or global warming potentials from sources relevant to the measurement.
• \tBetter sources of information for baseline data have been identified, emission calculation models have been changed, or errors have been detected.
• \tThe organization has undergone structural changes (acquisitions or divestments).
Additionally, it is determined as optional to recalculate if one of the criteria is met, but the impact of the change is less than 5%.

Past years’ recalculation

Yes

Q7.2 Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- IPCC Guidelines for National Greenhouse Gas Inventories, 2006
- ISO 14064-1
- The Greenhouse Gas Protocol: Scope 2 Guidance
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

Q7.3 Describe your organization’s approach to reporting Scope 2 emissions.

Response 1:

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We disclose both location-based and market-based figures.

Q7.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

Q7.4.1 Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Response 1: Row 1

Source of excluded emissions

At Falabella S.A., we have applied an operational control approach to measure our Scope 1, 2, and 3 emissions across our subsidiaries, which include department stores, home improvement stores, supermarkets, shopping centers, logistics centers, bank branches, and offices in Chile, Peru, and Colombia, covering 95% of our revenue in 2023. This means that emissions from operations in Brazil, Uruguay, and Argentina, which are controlled by our company and are consolidated in our financial disclosures, are not included in the Scope 1, 2, and 3 emissions reported in this CDP disclosure. Emissions from operations in Brazil, Uruguay, and Argentina account for 5% of our revenues in 2023. Our operations in Mexico are not included in our financial consolidation and, therefore, are also not included in this CDP disclosure.

Scope(s) or Scope 3 category(ies)

- Scope 1
- Scope 2 (market-based)
- Scope 2 (location-based)
- Scope 3: Purchased goods and services

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of Scope 3 emissions from this source

Emissions are not relevant

Estimated percentage of total Scope 1+2 emissions this excluded source represents

5

Estimated percentage of total Scope 3 emissions this excluded source represents

5

Explain why this source is excluded

Representing less than 5% of emissions, they have not been consolidated in the footprint calculation.

Explain how you estimated the percentage of emissions this excluded source represents

It was estimated based on the proportion of the group' s income that represent these subsidiaries.

Q7.5 Provide your base year and base year emissions.

Response 1: Scope 1

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

148378

Methodological details

Combustion in stationary sources: : Consumption of diesel from generators, liquefied gas for heating and cooking, and natural gas used in kitchen and employee dressing rooms is considered, as applicable to each business unit. GHG emissions are calculated using IPCC 2006 emission factors (AR6). Annual fuel consumption of generators is reported. GHG emissions are calculated using IPCC 2006 emission factors (AR6).
Combustion in mobile sources: Fuel consumption (liquefied gas and diesel) in forklifts is considered. In addition, Imperial and Sodimac Chile include fuel for their own vehicles. GHG emissions are calculated using IPCC 2006 emission factors (AR6).
Fugitive emissions: For fugitive emissions, it is assumed that the total leakage corresponds to the replacement of refrigerant gases during equipment maintenance in 2023: R-134a, R-22, R-290, R-404a, R-407c, R-410a, R-507a, R-744(CO2). GHG emissions are calculated with IPCC 2006 emission factors (AR6), according to the type of refrigerant.

Response 2: Scope 2 (location-based)

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

192721

Methodological details

GHG emissions from electricity purchased and consumed. Considers the annual record of electricity consumption of the total facilities. For periods without information, consumption was estimated using the average monthly consumption of the periods with available data. GHG emissions are calculated using emission factors reported by the National Interconnected Electricity System (SEIN) of each country.

Response 3: Scope 2 (market-based)

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

101493

Methodological details

GHG emissions from electricity purchased and consumed. Considers the annual record of electricity consumption of the total facilities. For periods without information, consumption was estimated using the average monthly consumption of the periods with available data. GHG emissions are calculated using emission factors reported by the National Interconnected Electricity System (SEIN) of each country.

Response 4: Scope 3 category 1: Purchased goods and services

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

5033192

Methodological details

Retail: The main inputs for retail operations are office paper, cardboard, plastic film, plastic and paper bags, commercial catalogs, and water. GHG emissions associated with the manufacture of inputs are calculated using DEFRA 2023 emission factors, and for the supply of drinking water from the public network, DEFRA 2023 factors (Peru and Colombia) and those of the Aguas Andinas sanitation company (Chile) are used.
E-Commerce: The main inputs for e-commerce operations are office paper, cardboard, plastic film, wooden pallets and water. GHG emissions associated with the manufacture of these inputs are calculated based on DEFRA 2023 industry average emission factors.
For Retail/E-Commerce: GHG emissions associated with the manufacture of products sold are estimated based on purchase cost excluding taxes and DEFRA 2014 and 2017 inflation-adjusted expenditure emission factors are used.
Real Estate: The main inputs for the operation of the shopping centers correspond to tissue paper, office paper, plastic bags, soap, alcohol gel and water. GHG emissions associated with the manufacture of these inputs are calculated based on industry average emission factors from DEFRA 2023, Winnipeg and Ecoinvent.
Financial: The main inputs of the banks’ operations correspond to office paper, bank cards, and electricity consumption in external data centers. GHG emissions associated with the manufacture of inputs and electricity consumption of datacenters are calculated using emission factors from DEFRA 2023 and SEIN of each country.\’

Response 5: Scope 3 category 2: Capital goods

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

Falabella S.A. has not yet evaluated the emissions associated with the production of capital goods purchased or acquired by our Business Units. This would include the emissions associated with the construction of new commercial centers and other buildings for our real estate subsidiaries, Mallplaza and Falabella Inmobiliario. This should also include the purchase of machinery for our logistics facilities.

Response 6: Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

2233

Methodological details

For fuel manufacturing, the data reported in Scope 1 is used and GHG emissions are calculated with DEFRA 2023 emission factors according to fuel type.

Response 7: Scope 3 category 4: Upstream transportation and distribution

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

541799

Methodological details

\’ Retail: For air and sea transportation of imports, the distance traveled to the distribution center is considered, estimating the distances using the Sea Rates platform and Google Maps, and the tons of products transported. For land transportation of imports, if information on average vehicle performance is available, the fuel used is estimated; otherwise, the distance traveled is used. GHG emissions are calculated using DEFRA 2023 and IPCC 2006 emission factors (AR6). In the transportation of domestic suppliers, from the distribution center to the stores and last mile, annual fuel consumption is estimated based on vehicle performance and kilometers traveled. In addition, the electricity consumption of Sodimac Chile’ s electric vehicle charging is considered. GHG emissions are calculated using IPCC 2006 emission factors (AR6) according to the type of fuel and SEIN of Chile.
E-commerce: For air transport of imports, the distance traveled to the distribution center is considered, estimating the distances using the Sea Rates platform, and the tons of products transported. GHG emissions are calculated using DEFRA 2023 emission factors. For trunk transports and last mile dispatch, fuel consumption is estimated based on vehicle performance and kilometers traveled. Likewise, the electricity consumption of F.com Chile’ s electric vehicle charging is also considered. GHG emissions are calculated using IPCC 2006 emission factors (AR6) according to the type of fuel and SEIN of Chile.
Real Estate: Considers the transportation of purchased inputs (except for water) to the shopping centers. It is assumed that the average travel distance is 25 km in total and that the material is transported in a standard rigid truck. GHG emissions are calculated using DEFRA 2023 emission factors.
Bank: Considers the transport of valuables and courier. The cost of the service is reported and, based on expert judgment, the annual fuel use is determined. GHG emissions are calculated using IPCC 2006 (AR6) and DEFRA 2023 (fuel manufacturing) emission factors.\’

Response 8: Scope 3 category 5: Waste generated in operations

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

40405

Methodological details

It considers the total record of waste received by the company from its waste managers. GHG emissions are calculated using DEFRA 2023 emission factors according to the type of waste and final disposal (landfill, recycling, among others).

Response 9: Scope 3 category 6: Business travel

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

2334

Methodological details

Considers the total record of domestic and international air travel during the year. GHG emissions are calculated using DEFRA 2023 emission factors according to type of travel.
Retail/Banking: Taxi trips are also included. The transportation service provider reports kilometers traveled on a monthly basis. GHG emissions are calculated from pkm or liters of fuel used (if average vehicle performance information is available) with DEFRA 2023 and IPCC 2006 emission factors (AR6).\’

Response 10: Scope 3 category 7: Employee commuting

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

53089

Methodological details

To determine the means of transportation and travel times of employees, a mobility survey was conducted in 2023. The results were analyzed and an average distribution of means of transportation and kilometers traveled was determined. GHG emissions are calculated with DEFRA 2023 emission factors according to the means of transportation. In addition, remote work by employees is included. GHG emissions are calculated based on the days of remote work in the year reported by each BU and an estimated emission factor considering the electricity consumed by the use of the computer for 8 hours, 4 hours of light and 4 hours of heating for the winter period (3 months) and the electricity emission factors reported by the SEIN of each country.

Response 11: Scope 3 category 8: Upstream leased assets

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

There are no leased assets (buildings, vehicles) with associated emissions activity that are not accounted for within our Scope 1 and 2 consolidation approach. Therefore this category is not relevant, since the associated emissions are in effect zero. We do not anticipate that this will change in future.

Response 12: Scope 3 category 9: Downstream transportation and distribution

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

988665

Methodological details

Retail: Mobility surveys were conducted to determine the transportation means and travel times of customers to stores, alongside records of in-person transactions and transaction frequency per visit. Greenhouse gas (GHG) emissions were calculated using DEFRA 2023 emission factors tailored for transportation modes and specific factors for public transport in Chile (Santiago subway and Transantiago) and Peru (MINAM).
Additionally, annual electricity consumption and GHG emissions associated with e-commerce were estimated based on website and mobile app visits, average transaction time, and equipment power, using electricity emission factors reported by SEIN in each country.
E-commerce: To assess transportation means and travel times for Click & Collect customers, a mobility survey was performed along with records of annual visits and product pickups. GHG emissions were calculated using DEFRA 2023 emission factors based on the transportation modes used.
Real Estate: Mobility surveys were used to determine transportation means and travel times of customers to shopping centers. Vehicle entry records and annual visits per shopping center were also tracked. To estimate vehicle-related GHG emissions, average performance (DEFRA) and fuel emission factors from IPCC 2006 (AR6) and DEFRA 2023 (fuel manufacturing) were utilized. For other visits, average transportation distribution and travel distances were determined using survey data. GHG emissions were calculated using DEFRA 2023 emission factors adapted for public transport in Chile and Peru.
Bank: Mobility surveys differentiated between exclusive and multipurpose travel to the bank and recorded annual in-person visits. Average distribution of transportation modes and travel distances was determined from survey data. GHG emissions were calculated with DEFRA 2023 emission factors. Access to ATMs (both proprietary and third-party) and digital access were also included.\’

Response 13: Scope 3 category 10: Processing of sold products

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

While several of the Bussines Units of Falabella S.A. operate in retail, these are consumer-facing department stores, supermarkets and home improvement stores, offering final products. We do not sell primary matierals or intermediate products that require additional downstream processing. As a result, this category is not relevant, since the activity and associated emissions are non-existent or not significant.

Response 14: Scope 3 category 11: Use of sold products

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

4143476

Methodological details

Emissions from electricity consumption during the use of products sold over the useful life of the product are considered, estimated based on the typical useful life, power and frequency of use of a similar product. The electricity emission factors reported by the SEIN of each country are used. Additionally, Sodimac Chile includes emissions from gas consumption during the use of the products sold (gas stove, gas oven, generators and lawn mowers). DEFRA 2023 emission factors are used.

Response 15: Scope 3 category 12: End of life treatment of sold products

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

443779

Methodological details

Considers the total weight of products sold weighted by the average final disposal in landfills and recycled by country. In Chile 98% of products are sent to landfills, in Peru 99% of products are sent to landfills, while in Colombia 84% of products are sent to landfills. GHG emissions are calculated using DEFRA 2023 emission factors.

Response 16: Scope 3 category 13: Downstream leased assets

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

6080

Methodological details

Considers the electricity re-invoiced by the shopping centers to the tenants, differentiating between Falabella Group tenants and other tenants. It also includes the consumption of liquefied gas and natural gas consumed directly by tenants reported to the shopping center. GHG emissions are calculated with electricity emission factors reported by SEIN of each country and for IPCC 2006 (AR6) and DEFRA 2023 (fuel manufacturing) fuels.

Response 17: Scope 3 category 14: Franchises

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

Falabella S.A. does not operate with a franchise model. Therefore this activity category is not relevant, since there are no associated activities and emissions. This is not anticipated to change in the future.

Response 18: Scope 3 category 15: Investments

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

Falabella S.A. has not yet evaluated the potential emissions associated with the financing activities of FIF, our financial business unit that includes Banco Falabella (Bank) and Falabella Seguros (insurance). We have assessed and quantified but do not disclose the Scope 1, 2 and 3 emissions of Sodimac Colombia, an associated subsidiary that does not consolidate within our financial statements and carbon footprint consolidation boundary.

Response 19: Scope 3: Other (upstream)

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

N.A

Response 20: Scope 3: Other (downstream)

Base year end

2021-12-31

Base year emissions (metric tons CO2e)

0

Methodological details

N.A

Q7.6 What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Response 1: Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

145950

Methodological details

Combustion in stationary sources: : Consumption of diesel from generators, liquefied gas for heating and cooking, and natural gas used in kitchen and employee dressing rooms is considered, as applicable to each business unit. GHG emissions are calculated using IPCC 2006 emission factors (AR6). Annual fuel consumption of generators is reported. GHG emissions are calculated using IPCC 2006 emission factors (AR6).
Combustion in mobile sources: Fuel consumption (liquefied gas and diesel) in forklifts is considered. In addition, Imperial and Sodimac Chile include fuel for their own vehicles. GHG emissions are calculated using IPCC 2006 emission factors (AR6).
Fugitive emissions: For fugitive emissions, it is assumed that the total leakage corresponds to the replacement of refrigerant gases during equipment maintenance in 2023: R-134a, R-22, R-290, R-404a, R-407c, R-410a, R-507a, R-744(CO2). GHG emissions are calculated with IPCC 2006 emission factors (AR6), according to the type of refrigerant.\t\t

Response 2: Past year 1

Q7.7 What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Response 1: Reporting year

Gross global Scope 2, location-based emissions (metric tons CO2e)

165080

Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

53219

Methodological details

GHG emissions from electricity purchased and consumed. Considers the annual record of electricity consumption of the total facilities. For periods without information, consumption was estimated using the average monthly consumption of the periods with available data. GHG emissions are calculated using emission factors reported by the National Interconnected Electricity System (SEIN) of each country.\t\t\t

Q7.8 Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Response 1: Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

3782345

Emissions calculation methodology

- Spend-based method
- Supplier-specific method
- Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0.01

Please explain

Retail: The main inputs for retail operations are office paper, cardboard, plastic film, plastic and paper bags, commercial catalogs, and water. GHG emissions associated with the manufacture of inputs are calculated using DEFRA 2023 emission factors, and for the supply of drinking water from the public network, DEFRA 2023 factors (Peru and Colombia) and those of the Aguas Andinas sanitation company (Chile) are used.
E-Commerce: The main inputs for e-commerce operations are office paper, cardboard, plastic film, wooden pallets and water. GHG emissions associated with the manufacture of these inputs are calculated based on DEFRA 2023 industry average emission factors.
For Retail/E-Commerce: GHG emissions associated with the manufacture of products sold are estimated based on purchase cost excluding taxes and DEFRA 2014 and 2017 inflation-adjusted expenditure emission factors are used.
Real Estate: The main inputs for the operation of the shopping centers correspond to tissue paper, office paper, plastic bags, soap, alcohol gel and water. GHG emissions associated with the manufacture of these inputs are calculated based on industry average emission factors from DEFRA 2023, Winnipeg and Ecoinvent.
Financial: The main inputs of the banks' operations correspond to office paper, bank cards, and electricity consumption in external data centers. GHG emissions associated with the manufacture of inputs and electricity consumption of datacenters are calculated using emission factors from DEFRA 2023 and SEIN of each country.

Response 2: Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

Falabella S.A. has not yet evaluated the emissions associated with the production of capital goods purchased or acquired by our Business Units. This would include the emissions associated with the construction of new commercial centers and other buildings for our real estate subsidiaries, Mallplaza and Falabella Inmobiliario. This should also include the purchase of machinery for our logistics facilities.

Response 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2644

Emissions calculation methodology

- Supplier-specific method
- Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

16.7

Please explain

For fuel manufacturing, the data reported in Scope 1 is used and GHG emissions are calculated with DEFRA 2023 emission factors according to fuel type.

Response 4: Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

300681

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Retail: For air and sea transportation of imports, the distance traveled to the distribution center is considered, estimating the distances using the Sea Rates platform and Google Maps, and the tons of products transported. For land transportation of imports, if information on average vehicle performance is available, the fuel used is estimated; otherwise, the distance traveled is used. GHG emissions are calculated using DEFRA 2023, IPCC Guidelines 2006 and AR6 IPCC 2022. In the transportation of domestic suppliers, from the distribution center to the stores and last mile, annual fuel consumption is estimated based on vehicle performance and kilometers traveled. In addition, the electricity consumption of Sodimac Chile’ s electric vehicle charging is considered. GHG emissions are calculated using IPCC Guidelines 2006 and AR6 IPCC 2022 according to the type of fuel and SEIN of Chile.
E-commerce: For air transport of imports, the distance traveled to the distribution center is considered, estimating the distances using the Sea Rates platform, and the tons of products transported. GHG emissions are calculated using DEFRA 2023 emission factors. For trunk transports and last mile dispatch, fuel consumption is estimated based on vehicle performance and kilometers traveled. Likewise, the electricity consumption of F.com Chile’ s electric vehicle charging is also considered. GHG emissions are calculated using IPCC Guidelines 2006 and AR6 IPCC 2022 according to the type of fuel and SEIN of Chile.
Real Estate: Considers the transportation of purchased inputs (except for water) to the shopping centers. It is assumed that the average travel distance is 25 km in total and that the material is transported in a standard rigid truck. GHG emissions are calculated using DEFRA 2023 emission factors.
Bank: Considers the transport of valuables and courier. The cost of the service is reported and, based on expert judgment, the annual fuel use is determined. GHG emissions are calculated using IPCC Guidelines 2006, AR6 IPCC 2022 and DEFRA 2023 (fuel manufacturing) emission factors.

Response 5: Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

39386

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

It considers the total record of waste received by the company from its waste managers. GHG emissions are calculated using DEFRA 2023 emission factors according to the type of waste and final disposal (landfill, recycling, among others).

Response 6: Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

8422

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Considers the total record of domestic and international air travel during the year. GHG emissions are calculated using DEFRA 2023 emission factors according to type of travel.
Retail/Banking: Taxi trips are also included. The transportation service provider reports kilometers traveled on a monthly basis. GHG emissions are calculated from pkm or liters of fuel used (if average vehicle performance information is available) with DEFRA 2023, IPCC Guidelines 2006 and AR6 IPCC 2022.

Response 7: Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

53078

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

To determine the means of transportation and travel times of employees, a mobility survey was conducted in 2023. The results were analyzed and an average distribution of means of transportation and kilometers traveled was determined. GHG emissions are calculated with DEFRA 2023 emission factors according to the means of transportation. In addition, remote work by employees is included. GHG emissions are calculated based on the days of remote work in the year reported by each BU and an estimated emission factor considering the electricity consumed by the use of the computer for 8 hours, 4 hours of light and 4 hours of heating for the winter period (3 months) and the electricity emission factors reported by the SEIN of each country.

Response 8: Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

There are no leased assets (buildings, vehicles) with associated emissions activity that are not accounted for within our Scope 1 and 2 consolidation approach. Therefore this category is not relevant, since the associated emissions are in effect zero. We do not anticipate that this will change in future.

Response 9: Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1018323

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Retail: Mobility surveys were conducted to determine the transportation means and travel times of customers to stores, alongside records of in-person transactions and transaction frequency per visit. Greenhouse gas (GHG) emissions were calculated using DEFRA 2023 emission factors tailored for transportation modes and specific factors for public transport in Chile (Santiago subway and Transantiago) and Peru (MINAM).
Additionally, annual electricity consumption and GHG emissions associated with e-commerce were estimated based on website and mobile app visits, average transaction time, and equipment power, using electricity emission factors reported by SEIN in each country.
E-commerce: To assess transportation means and travel times for \' Click & Collect\' customers, a mobility survey was performed along with records of annual visits and product pickups. GHG emissions were calculated using DEFRA 2023 emission factors based on the transportation modes used.
Real Estate: Mobility surveys were used to determine transportation means and travel times of customers to shopping centers. Vehicle entry records and annual visits per shopping center were also tracked. To estimate vehicle-related GHG emissions, average performance (DEFRA) and fuel emission factors from IPCC Guidelines 2006, AR6 IPCC 2022 and DEFRA 2023 (fuel manufacturing) were utilized. For other visits, average transportation distribution and travel distances were determined using survey data. GHG emissions were calculated using DEFRA 2023 emission factors adapted for public transport in Chile and Peru.

Bank: Mobility surveys differentiated between exclusive and multipurpose travel to the bank and recorded annual in-person visits. Average distribution of transportation modes and travel distances was determined from survey data. GHG emissions were calculated with DEFRA 2023 emission factors. Access to ATMs (both proprietary and third-party) and digital access were also included.

Response 10: Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

While several of the Bussines Units of Falabella S.A. operate in retail, these are consumer-facing department stores, supermarkets and home improvement stores, offering final products. We do not sell primary matierals or intermediate products that require additional downstream processing. As a result, this category is not relevant, since the activity and associated emissions are non-existent or not significant.

Response 11: Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2715934

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Emissions from electricity consumption during the use of products sold over the useful life of the product are considered, estimated based on the typical useful life, power and frequency of use of a similar product. The electricity emission factors reported by the SEIN of each country are used. Additionally, Sodimac Chile includes emissions from gas consumption during the use of the products sold (gas stove, gas oven, generators and lawn mowers). DEFRA 2023 emission factors are used.

Response 12: End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

286441

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Considers the total weight of products sold weighted by the average final disposal in landfills and recycled by country. In Chile 98% of products are sent to landfills, in Peru 99% of products are sent to landfills, while in Colombia 84% of products are sent to landfills. GHG emissions are calculated using DEFRA 2023 emission factors.

Response 13: Downstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6435

Emissions calculation methodology

Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Considers the electricity invoiced by the shopping centers to the tenants, differentiating between Falabella Group tenants and other tenants. It also includes the consumption of liquefied gas and natural gas consumed directly by tenants reported to the shopping center. GHG emissions are calculated with electricity emission factors reported by SEIN of each country and for IPCC Guidelines 2006, AR6 IPCC 2022 and DEFRA 2023 (fuel manufacturing) fuels.

Response 14: Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Falabella S.A. does not operate with a franchise model. Therefore this activity category is not relevant, since there are no associated activities and emissions. This is not anticipated to change in the future.

Response 15: Investments

Evaluation status

Not relevant, explanation provided

Please explain

Falabella S.A. has not yet evaluated the potential emissions associated with the financing activities of FIF, our financial business unit that includes Banco Falabella (Bank) and Falabella Seguros (insurance).

We have assessed and quantified but do not disclose the Scope 1, 2 and 3 emissions of Sodimac Colombia, an associated subsidiary that does not consolidate within our financial statements and carbon footprint consolidation boundary.

Response 16: Other (upstream)

Evaluation status

Not evaluated

Please explain

There are no relevant emissions outside of those currently considered

Response 17: Other (downstream)

Evaluation status

Not evaluated

Please explain

There are no relevant emissions outside of those currently considered

Q7.9 Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

Q7.9.1 Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Response 1: Row 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf

Page/section reference

See in page 1 the scope 1 assured, and in page 4 the conclusion of the Assurance Letter

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Q7.9.2 Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Response 1: Row 1

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf

Page/ section reference

See in page 1 the scope 2 Market based assured, and in page 4 the conclusion of the Assurance Letter

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Response 2: Row 2

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf

Page/ section reference

See in page 1 the scope 2 Location based assured, and in page 4 the conclusion of the Assurance Letter

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Q7.9.3 Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Response 1: Row 1

Scope 3 category

- Scope 3: Processing of sold products
- Scope 3: Waste generated in operations
- Scope 3: End-of-life treatment of sold products
- Scope 3: Investments
- Scope 3: Employee commuting
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Business travel
- Scope 3: Use of sold products
- Scope 3: Purchased goods and services
- Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf

Page/section reference

See in page 1 the scope 3 assured, and in page 4 the conclusion of the Assurance Letter

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Q7.10 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

Q7.10.1 Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Response 1: Change in renewable energy consumption

Change in emissions (metric tons CO2e)

40884

Direction of change in emissions

Decreased

Emissions value (percentage)

15.8

Please explain calculation

Falabella S.A.’ s Scope 2 emissions accounted 53,219 tCO2e in 2023. Compared to 2022 (94,103 tCO2e) this is a decrease of 40,884 tCO2e, or in percentage terms (-40,884) / (259,710) = -15.8%.
During 2023, we made significant progress in implementing our decarbonization strategy, incorporating efficiency measures in our facilities and taking actions to increase the consumption of renewable energy across the Group, including PPAs, IRECs and on-site generation. We expanded our PPA to additional locations in Chile and Peru, which enabled us to increase our total electricity consumption from renewable sources to 73%, up from 46% the previous year, representing a growth of 27%

Response 2: Other emissions reduction activities

Change in emissions (metric tons CO2e)

17469

Direction of change in emissions

Decreased

Emissions value (percentage)

6.7

Please explain calculation

Falabella S.A.’ s fugitive emissions were 131,093 tCO2e in 2023. Compared to 2022 (148,561 tCO2e) this is a decrease of tCO2e, or in percentage terms (-17,469) / (259,710) = -6.7%.
During this period, we retrofitted refrigeration systems with lower global warming potential in six Tottus supermarkets in Chile and Peru. These investments are complemented by coordinated management with our maintenance teams to ensure a prompt response to leaks in stores that still operate with higher-impact refrigerant gases. Additionally, we have implemented preventive maintenance practices to further reduce the risk of leaks and improve system efficiency.

Response 3: Divestment

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 4: Acquisitions

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 5: Mergers

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 6: Change in output

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 7: Change in methodology

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 8: Change in boundary

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 9: Change in physical operating conditions

Change in emissions (metric tons CO2e)

154

Direction of change in emissions

Increased

Emissions value (percentage)

0.1

Please explain calculation

Falabella S.A.' s stationary combustion emissions were 6,552 tCO2e in 2023. Compared to 2022 (6,397 tCO2e) this is an increase of 154 tCO2e, or in percentage terms (154) / (259,710) = +0.1%.
In 2023, we increased our reliance on backup power generators powered by fossil fuels due to grid outages caused by distribution instability and storms (including the effects of the El Niño phenomenon, which brought heavy rains and flooding, and Cyclone Yaku, which further disrupted power distribution across affected regions).

Response 10: Unidentified

Change in emissions (metric tons CO2e)

0

Direction of change in emissions

No change

Emissions value (percentage)

0

Please explain calculation

No changes

Response 11: Other

Change in emissions (metric tons CO2e)

1704

Direction of change in emissions

Decreased

Emissions value (percentage)

0.7

Please explain calculation

Falabella S.A.' s mobile combustion emissions were 8,306 tCO2e in 2023. Compared to 2022 (10,010 tCO2e) this is a decrease of 1,704 tCO2e, or in percentage terms (-1,704) / (259,710) = -0.7%.

During the reporting period, we enhanced our control over fossil fuel procurement in home improvement stores by implementing stricter inventory reviews prior to the execution of purchase orders.

Q7.10.2 Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

Q7.12 Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

Q7.12.1 Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

Response 1:

CO2 emissions from biogenic carbon (metric tons CO2)

62

Comment

Processing/manufacturing

Q7.15 Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

Q7.15.1 Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

	Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
Row 1	CO2	14618	IPCC Fifth Assessment Report (AR5 - 100 year)
Row 2	CH4	203	IPCC Fifth Assessment Report (AR5 - 100 year)
Row 3	N2O	36	IPCC Fifth Assessment Report (AR5 - 100 year)
Row 4	HFCs	113550	IPCC Fifth Assessment Report (AR5 - 100 year)
Row 5	Other: Non-Kyoto Protocol gases (R-22)	17542	IPCC Fifth Assessment Report (AR5 - 100 year)

Q7.16 Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	0	0	0
Brazil	0	0	0
Chile	78183	96457	31350
Colombia	1212	9427	2085
Peru	66555	59196	19783
Uruguay	0	0	0

Q7.17 Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division
- By activity

Q7.17.1 Break down your total gross global Scope 1 emissions by business division.

Response 1: Row 1

Business division

Falabella - Chille

Scope 1 emissions (metric ton CO2e)

2284

Response 2: Row 2

Business division

Falabella - Colombia

Scope 1 emissions (metric ton CO2e)

585

Response 3: Row 3

Business division

Falabella - Perú

Scope 1 emissions (metric ton CO2e)

5204

Response 4: Row 4

Business division

Sodimac - Chile

Scope 1 emissions (metric ton CO2e)

10013

Response 5: Row 5

Business division

Sodimac - Perú

Scope 1 emissions (metric ton CO2e)

2390

Response 6: Row 6

Business division

Tottus - Chile

Scope 1 emissions (metric ton CO2e)

63381

Response 7: Row 7

Business division

Tottus - Perú

Scope 1 emissions (metric ton CO2e)

58400

Response 8: Row 8

Business division

Imperial - Chile

Scope 1 emissions (metric ton CO2e)

833

Response 9: Row 9

Business division

Banco Falabella - Chile

Scope 1 emissions (metric ton CO2e)

22

Response 10: Row 10

Business division

Banco Falabella - Colombia

Scope 1 emissions (metric ton CO2e)

337

Response 11: Row 11

Business division

Banco Falabella - Perú

Scope 1 emissions (metric ton CO2e)

245

Response 12: Row 12

Business division

Open Plaza - Chile

Scope 1 emissions (metric ton CO2e)

30

Response 13: Row 13

Business division

Open Plaza - Perú

Scope 1 emissions (metric ton CO2e)

293

Response 14: Row 14

Business division

Mallplaza - Chile

Scope 1 emissions (metric ton CO2e)

1616

Response 15: Row 15

Business division

Mallplaza - Colombia

Scope 1 emissions (metric ton CO2e)

162

Response 16: Row 16

Business division

Mallplaza - Perú

Scope 1 emissions (metric ton CO2e)

14

Response 17: Row 17

Business division

F.com - Chile

Scope 1 emissions (metric ton CO2e)

4

Response 18: Row 18

Business division

F.com - Perú

Scope 1 emissions (metric ton CO2e)

8

Response 19: Row 19

Business division

F.com - Colombia

Scope 1 emissions (metric ton CO2e)

128

Q7.17.3 Break down your total gross global Scope 1 emissions by business activity.

Response 1: Row 1

Activity

Retail

Scope 1 emissions (metric tons CO2e)

143090

Response 2: Row 2

Activity

E-commerce

Scope 1 emissions (metric tons CO2e)

139

Response 3: Row 3

Activity

Real estate

Scope 1 emissions (metric tons CO2e)

2116

Response 4: Row 4

Activity

Finance

Scope 1 emissions (metric tons CO2e)

605

Q7.20 Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By activity
- By business division

Q7.20.1 Break down your total gross global Scope 2 emissions by business division.

Response 1: Row 1

Business division

Falabella - Chile

Scope 2, location-based (metric tons CO2e)

21170

Scope 2, market-based (metric tons CO2e)

6813

Response 2: Row 2

Business division

Falabella - Colombia

Scope 2, location-based (metric tons CO2e)

6820

Scope 2, market-based (metric tons CO2e)

0

Response 3: Row 3

Business division

Falabella - Perú

Scope 2, location-based (metric tons CO2e)

14346

Scope 2, market-based (metric tons CO2e)

4969

Response 4: Row 4

Business division

Sodimac - Chile

Scope 2, location-based (metric tons CO2e)

23255

Scope 2, market-based (metric tons CO2e)

7593

Response 5: Row 5

Business division

Sodimac - Perú

Scope 2, location-based (metric tons CO2e)

10248

Scope 2, market-based (metric tons CO2e)

4887

Response 6: Row 6

Business division

Tottus - Chile

Scope 2, location-based (metric tons CO2e)

28192

Scope 2, market-based (metric tons CO2e)

13631

Response 7: Row 7

Business division

Tottus - Perú

Scope 2, location-based (metric tons CO2e)

29085

Scope 2, market-based (metric tons CO2e)

8891

Response 8: Row 8

Business division

Imperial - Chile

Scope 2, location-based (metric tons CO2e)

1547

Scope 2, market-based (metric tons CO2e)

2245

Response 9: Row 9

Business division

Banco Falabella - Chile

Scope 2, location-based (metric tons CO2e)

841

Scope 2, market-based (metric tons CO2e)

0

Response 10: Row 10

Business division

Banco Falabella - Colombia

Scope 2, location-based (metric tons CO2e)

499

Scope 2, market-based (metric tons CO2e)

499

Response 11: Row 11

Business division

Banco Falabella - Perú

Scope 2, location-based (metric tons CO2e)

332

Scope 2, market-based (metric tons CO2e)

332

Response 12: Row 12

Business division

Open Plaza - Chile

Scope 2, location-based (metric tons CO2e)

3795

Scope 2, market-based (metric tons CO2e)

156

Response 13: Row 13

Business division

Open Plaza - Perú

Scope 2, location-based (metric tons CO2e)

3354

Scope 2, market-based (metric tons CO2e)

0

Response 14: Row 14

Business division

Mallplaza - Chile

Scope 2, location-based (metric tons CO2e)

17313

Scope 2, market-based (metric tons CO2e)

416

Response 15: Row 15

Business division

Mallplaza - Colombia

Scope 2, location-based (metric tons CO2e)

2049

Scope 2, market-based (metric tons CO2e)

1527

Response 16: Row 16

Business division

Mallplaza - Perú

Scope 2, location-based (metric tons CO2e)

1739

Scope 2, market-based (metric tons CO2e)

612

Response 17: Row 17

Business division

F.com - Chile

Scope 2, location-based (metric tons CO2e)

345

Scope 2, market-based (metric tons CO2e)

496

Response 18: Row 18

Business division

F.com - Perú

Scope 2, location-based (metric tons CO2e)

92

Scope 2, market-based (metric tons CO2e)

92

Response 19: Row 19

Business division

F.com - Colombia

Scope 2, location-based (metric tons CO2e)

59

Scope 2, market-based (metric tons CO2e)

59

Q7.20.3 Break down your total gross global Scope 2 emissions by business activity.

Response 1: Row 1

Activity

Retail

Scope 2, location-based (metric tons CO2e)

134663

Scope 2, market-based (metric tons CO2e)

49028

Response 2: Row 2

Activity

E-commerce

Scope 2, location-based (metric tons CO2e)

496

Scope 2, market-based (metric tons CO2e)

647

Response 3: Row 3

Activity

Real estate

Scope 2, location-based (metric tons CO2e)

28250

Scope 2, market-based (metric tons CO2e)

2713

Response 4: Row 4

Activity

Finance

Scope 2, location-based (metric tons CO2e)

1671

Scope 2, market-based (metric tons CO2e)

831

Q7.22 Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Response 1: Consolidated accounting group

Scope 1 emissions (metric tons CO2e)

145950

Scope 2, location-based emissions (metric tons CO2e)

165080

Scope 2, market-based emissions (metric tons CO2e)

53219

Please explain

All emissions correspond to the consolidated group

Response 2: All other entities

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Please explain

No emissions reported by another entity

Q7.23 Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

Q7.23.1 Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Response 1: Row 1

Subsidiary name

Falabella

Primary activity

Department stores

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

8073

Scope 2, location-based emissions (metric tons CO2e)

42336

Scope 2, market-based emissions (metric tons CO2e)

11781

Comment

No comments

Response 2: Row 2

Subsidiary name

Sodimac

Primary activity

Construction & building materials dealing & distribution

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

12403

Scope 2, location-based emissions (metric tons CO2e)

33503

Scope 2, market-based emissions (metric tons CO2e)

12480

Comment

No comments

Response 3: Row 3

Subsidiary name

Tottus

Primary activity

Supermarkets, food & drugstores

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

121781

Scope 2, location-based emissions (metric tons CO2e)

57277

Scope 2, market-based emissions (metric tons CO2e)

22522

Comment

No comments

Response 4: Row 4

Subsidiary name

Imperial

Primary activity

Construction & building materials dealing & distribution

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

833

Scope 2, location-based emissions (metric tons CO2e)

1547

Scope 2, market-based emissions (metric tons CO2e)

2245

Comment

No comments

Response 5: Row 5

Subsidiary name

Banco Falabella

Primary activity

Banks

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

605

Scope 2, location-based emissions (metric tons CO2e)

1671

Scope 2, market-based emissions (metric tons CO2e)

831

Comment

No comments

Response 6: Row 6

Subsidiary name

Open Plaza

Primary activity

Real estate owners & developers

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

323

Scope 2, location-based emissions (metric tons CO2e)

7149

Scope 2, market-based emissions (metric tons CO2e)

156

Comment

No comments

Response 7: Row 7

Subsidiary name

Mallplaza

Primary activity

Real estate owners & developers

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

1793

Scope 2, location-based emissions (metric tons CO2e)

21101

Scope 2, market-based emissions (metric tons CO2e)

2557

Comment

No comments

Response 8: Row 8

Subsidiary name

F.com

Primary activity

Web-based services

Select the unique identifier you are able to provide for this subsidiary

No unique identifier

Scope 1 emissions (metric tons CO2e)

139

Scope 2, location-based emissions (metric tons CO2e)

496

Scope 2, market-based emissions (metric tons CO2e)

647

Comment

No comments

Q7.29 What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

Q7.30 Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

Q7.30.1 Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	174	63732	63906
Consumption of purchased or acquired electricity	Unable to confirm heating value	553755	207415	761170
Consumption of purchased or acquired heat				
Consumption of self-generated non-fuel renewable energy	Unable to confirm heating value	15974		15974
Total energy consumption	Unable to confirm heating value	569903	271147	841050

Q7.30.6 Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

Q7.30.7 State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Response 1: Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

174

MWh fuel consumed for self-generation of electricity

174

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 2: Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 3: Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 4: Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 5: Oil

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

10675

MWh fuel consumed for self-generation of electricity

10675

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 6: Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

53057

MWh fuel consumed for self-generation of electricity

53057

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 7: Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Response 8: Total fuel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

63906

MWh fuel consumed for self-generation of electricity

63906

MWh fuel consumed for self-generation of heat

0

Comment

No comments

Q7.30.9 Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	15963	15963	15963	15963
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

Q7.30.14 Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Response 1: Row 1

Country/area

Chile

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Renewable energy mix: renewable electricity sourced from hydroelectric, solar and wind projects

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

304786

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Chile

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1973

Comment

For the business units Falabella Retail, Sodimac, Tottus, Open, and Mallplaza.

Response 2: Row 2

Country/area

Chile

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Small hydropower (<25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3750

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Chile

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1995

Comment

I-REC Certificate Acquisition: acquired for Banco Falabella Chile.

Response 3: Row 3

Country/area

Peru

Sourcing method

Physical power purchase agreement (physical PPA) with a grid-connected generator

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

234711

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Peru

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1957

Comment

Contract in Peru: for the business units Falabella Retail, Sodimac, Tottus, Open, and Mallplaza. Statkraft supplies conventional renewable electricity sourced from hydroelectric projects in its portfolio (small and large).
The reported commissioning year refers to the ’Yuapi’ hydroelectric plant (115 MW), one of the projects in Statkraft’s portfolio.

Response 4: Row 4

Country/area

Colombia

Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

Energy carrier

Electricity

Low-carbon technology type

Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

39162

Tracking instrument used

Other: Renewable Energy Certificates from the Eco Gox platform in Colombia

Country/area of origin (generation) of the low-carbon energy or energy attribute

Colombia

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1967

Comment

Other: Renewable Energy Certificates from the EcoGox platform in Colombia.

Q7.30.16 Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

	Consumption of purchased electricity (MWh)	Consumption of self-generated electricity (MWh)	Consumption of purchased heat, steam, and cooling (MWh)	Consumption of self-generated heat, steam, and cooling (MWh)	Total electricity/heat/steam/cooling energy consumption (MWh)
Argentina	0	0	0	0	0.00
Brazil	0	0	0	0	0.00
Chile	395662	14921	0	0	410583.00
Colombia	53331	1042	0	0	54373.00
Peru	312187	0	0	0	312187.00
Uruguay	0	0	0	0	0.00

Q7.45 Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Response 1: Row 1

Intensity figure

0.00001576

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

199169

Metric denominator

unit total revenue

Metric denominator: Unit total

12637647495

Scope 2 figure used

Market-based

% change from previous year

13

Direction of change

Decreased

Reasons for change

- Change in revenue
- Change in output
- Other emissions reduction activities

Please explain

There was a decrease of approximately 12.02% in revenues and 23.12% in scope 1+2.

Q7.52 Provide any additional climate-related metrics relevant to your business.

Response 1: Row 1

Description

Waste

Metric value

42

Metric numerator

Recycled non-hazardous waste

Metric denominator (intensity metric only)

All non-hazardous waste generated

% change from previous year

11

Direction of change

Increased

Please explain

We track the recycling rate of non-hazardous waste, which has incresed by 11%, from 31% in 2022 to 42% in 2023.

Response 2: Row 2

Description

Waste

Metric value

127035

Metric numerator

Non-hazardous waste

Metric denominator (intensity metric only)

Non-hazardous waste

% change from previous year

2.8

Direction of change

Increased

Please explain

We track the amount of non-hazardous waste generated, which has incresed by 2.8%, from 123,535 tons in 2022 to 127.035 tons in 2023.

Q7.53 Did you have an emissions target that was active in the reporting year?

Absolute target

Q7.53.1 Provide details of your absolute emissions targets and progress made against those targets.

Response 1: Row 1

Target reference number

Abs 1

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition

1.5°C aligned

Date target was set

2023-02-23

Target coverage

Organization-wide

Greenhouse gases covered by target

- Nitrous oxide (N2O)
- Methane (CH4)
- Carbon dioxide (CO2)
- Hydrofluorocarbons (HFCs)

Scopes

- Scope 2
- Scope 1

Scope 2 accounting method

Market-based

End date of base year

2021-12-31

Base year Scope 1 emissions covered by target (metric tons CO2e)

148378

Base year Scope 2 emissions covered by target (metric tons CO2e)

101493

Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

249871.000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

End date of target

2030-12-31

Targeted reduction from base year (%)

65

Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

87454.850

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

145950

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

53219

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

199169.000

Land-related emissions covered by target

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year

31.22

Target status in reporting year

Underway

Explain target coverage and identify any exclusions

At Falabella S.A., in 2023, we set an intermediate target to reduce Scope 1 and 2 emissions by 65% by 2030, using 2021 as the baseline year. This commitment applies an operational control approach across our subsidiaries, which include department stores, home improvement stores, supermarkets, shopping centers, logistics centers, bank branches, and offices in Chile, Peru, and Colombia, covering 95% of our revenue in 2023. This means that emissions from operations in Brazil, Uruguay, and Argentina (which represent only 5% of our revenues in 2023), although controlled by the company and consolidated in our financial disclosures, are not included in this absolute target. The same applies to our operations in Mexico and Sodimac Colombia, which are also not included within the financial consolidation.

Target objective

At Falabella S.A., our target to reduce Scope 1 and 2 emissions by 65% by 2030 is a crucial part of our climate strategy and is included within our goal to achieve net-zero emissions for Scope 1 and 2 by 2035. This target has been endorsed by our Board of Directors. Through this commitment, we aim to support efforts to mitigate the environmental impact of the retail industry in Latin America, focusing first on the emissions where we have the greatest level of control. The decision to establish these targets was based on an exhaustive analysis of our activities, the necessary mitigation actions, and the external factors and risks that influence GHG emissions in our value chain. In 2023, our efforts focused on replacing cold storage, HVAC, and lighting equipment to improve the energy efficiency of our operations; extending PPA contracts for renewable energy purchasing to cover additional areas of our business; working with suppliers to reduce the footprint associated with manufacturing and transportation of the products we sell; and adopting the TCFD recommendations to manage risks and opportunities related to our carbon footprint and climate change.

Plan for achieving target, and progress made to the end of the reporting year

To achieve our target of reducing Scope 1 and 2 emissions by 65% by 2030, we have focused on increasing our supply of renewable electricity, which reached 73% in 2023. Moreover, we have implemented several energy efficiency initiatives, such as using LED lighting, adopting ISO 50001 certified energy management systems, and replacing cold storage equipment with more energy-efficient and low-carbon technologies.

Target derived using a sectoral decarbonization approach

No

Q7.54 Did you have any other climate-related targets that were active in the reporting year?

- Net-zero targets
- Other climate-related targets
- Targets to increase or maintain low-carbon energy consumption or production

Q7.54.1 Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Response 1: Row 1

Target reference number

Low 1

Date target was set

2023-02-23

Target coverage

Organization-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

End date of base year

2021-12-31

Consumption or production of selected energy carrier in base year (MWh)

292597

% share of low-carbon or renewable energy in base year

41

End date of target

2030-12-31

% share of low-carbon or renewable energy at end date of target

65

% share of low-carbon or renewable energy in reporting year

73

% of target achieved relative to base year

133.33

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, it’ s one of the emission reduction initiatives, as part of the goal of reducing scope 1 and 2 emissions by 65% by 2030.

Is this target part of an overarching initiative?

Other: SDG 13 Climate Action

Explain target coverage and identify any exclusions

This goal applies to all of our businesses, as we have committed to a net zero target by 2035, for which increasing the use of renewable energy is crucial.

Target objective

We have a corporate goal of sourcing our supply of electricity in 65% from renewable sources as of 2030.

List the actions which contributed most to achieving this target

Renewable energy supply contracts in multiple operations.
Power generation through solar panels.

Q7.54.2 Provide details of any other climate-related targets, including methane reduction targets.

Response 1: Row 1

Target reference number

Oth 1

Date target was set

2023-02-23

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management: metric tons of waste diverted from landfill

End date of base year

2021-12-31

Figure or percentage in base year

11895

End date of target

2025-12-31

Figure or percentage at end of date of target

9516

Figure or percentage in reporting year

11062

% of target achieved relative to base year

35.0147120639

Target status in reporting year

Underway

Is this target part of an emissions target?

No, it’ s an independent target.

Is this target part of an overarching initiative?

Other: SDG 12 Responsible Consumption a and Production

Please explain target coverage and identify any exclusions

We have a goal of reducing food waste by 20% by 2025, from a 2021 baseline. This applies to our Tottus, Hiperbodega and Superbodega supermarkets. The reason for applying this goal for these businesses refers to the fact that they are the only companies that sell food and groseries.

Target objective

We have a goal of reducing food waste by 20% by 2025, from a 2021 baseline. This applies to our Tottus, Hiperbodega and Superbodega supermarkets.

Plan for achieving target, and progress made to the end of the reporting year

Our strategy to minimize food losses and waste involves a comprehensive plan that targets interventions across the entire value chain. Central to this strategy is the enhancement of data capture accuracy and coverage. We meticulously track the weight of waste that is repurposed through donation, recycling, or composting. This rigorous data management allows us to refine our processes in collaboration with our organic waste management partners and beneficiary organizations.

Food donations represent a cornerstone of our strategy to combat food waste while simultaneously fostering local empowerment and development. Through strategic redistribution initiatives, we have significantly reduced losses and made meaningful contributions to our communities. Our partnerships with organizations like the Don Bosco Foundation, the Food Bank of Peru, and the Food Network in Chile have been instrumental in this endeavor, enabling us to channel surplus food to those in need and make a positive impact on food security and social welfare.

Q7.54.3 Provide details of your net-zero target(s).

Response 1: Row 1

Target reference number

NZ1

Date target was set

2023-02-23

Target Coverage

Organization-wide

Targets linked to this net zero target

Abs1

End date of target for achieving net zero

2035-12-31

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Scopes

- Scope 1
- Scope 2

Greenhouse gases covered by target

- Nitrous oxide (N2O)
- Hydrofluorocarbons (HFCs)
- Methane (CH4)
- Carbon dioxide (CO2)

Explain target coverage and identify any exclusions

At Falabella S.A., we have set a public commitment for net zero emissions in Scope 1 and 2 by 2035. This implies reducing Scope 1 and 2 emissions by at least 90% compared to the 2021 baseline. Options for residual offsetting, such as afforestation, reforestation, direct carbon sequestration, and regenerative agriculture, are being evaluated for our remediation strategy. This target aligns with our operational control approach for measuring Scope 1, 2, and 3 emissions across our subsidiaries, which include department stores, home improvement stores, supermarkets, shopping centers, logistics centers, bank branches, and offices in Chile, Peru, and Colombia, covering 95% of our revenue in 2023. This means that emissions from operations in Brazil, Uruguay, and Argentina (which account for only 5% of revenues in 2023), while controlled by us and consolidated in our financial disclosure, are not included within our Net Zero target. This also applies to our operations in Mexico and Sodimac Colombia, which are not included in our financial consolidation.

Target objective

At Falabella S.A., our target to achieve net-zero emissions by 2035 for Scope 1 and 2 emissions is a crucial part of our efforts toward reducing greenhouse gas emissions and making our operations more resilient to climate change. This means reducing Scope 1 and 2 emissions by at least 90% compared to the 2021 baseline by 2035. These commitments are integral to our strategy to decarbonize our operations and adapt to physical risks while transitioning to a low-carbon economy. We have also implemented a governance structure that incorporates our risk management approach.

Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Yes

Do you plan to mitigate emissions beyond your value chain?

Yes, and we have already acted on this in the reporting year

Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Yes, we are currently purchasing and cancelling carbon credits for beyond value chain mitigation

Planned milestones and/or near-term investments for neutralization at the end of the target

We have set an interim reduction target of achieving 65% in these scopes by 2030, against a baseline of 2021. Through this commitment, we aim to support efforts to mitigate the environmental impact of the retail industry in Latin America, with a focus first on the emissions where we have the greatest level of control. The decision to establish these targets was based on an exhaustive analysis of our activities, the necessary mitigation actions, and the external factors and risks that influence GHG emissions in our value chain. During 2023, action has focused on the replacement of cold storage, HVAC and lighting equipment to improve the energy efficiency of our operations, the extension of PPA contracts for renewable energy purchasing to encompass additional areas of our business, working with suppliers to reduce the footprint associated with the manufacturing and transportation of the products sold, and the adoption of the TCFD recommendations to manage risks and opportunities associated with our carbon footprint and climate change.

Describe the actions to mitigate emissions beyond your value chain

In addition to our absolute emissions reduction target of 65% by 2030 compared to a 2021 base year, some of our companies have invested in supporting climate action outside of their value chain in order to compensate the emissions that they do not mitigate through their decarbonization plans. For example, Falabella Retail Colombia has acquired carbon credits to compensate emissions.

Target status in reporting year

Underway

Process for reviewing target

Our sustainability strategy, including the Net Zero target, is managed by our Strategy and Sustainability Department and monitored by our executive team through various committees that review ESG strategy progress and performance. We submit this strategy to the Board annually for review of the results and approval of the strategic vision, commitments, investment budget, and performance indicators, which are linked to incentives for our executives. The Board regularly reviews our progress with the decarbonization plan, approves climate targets, and provides guidelines and investments for each business unit to achieve these goals.

Q7.55 Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

Q7.55.1 Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	
To be implemented	1	2175
Implementation commenced	2	14331
Implemented	1	60314
Not to be implemented	0	

Q7.55.2 Provide details on the initiatives implemented in the reporting year in the table below.

Response 1: Row 1

Initiative category & Initiative type

Low-carbon energy consumption: Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

72248

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency - as specified in C0.4)

5334883798

Investment required (unit currency - as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

Across the Falabella Group, we have integrated climate considerations into the management of our energy supply contracts, increasing our reliance on Power Purchase Agreements (PPAs) for certified renewable energy from Enel in Chile. By the end of 2022, 114 facilities—including Open Plaza malls, Falabella Retail, Sodimac, and Tottus stores and distribution centers—were powered by renewable energy, with the full impact realized in 2023. Based on the average emissions factor of Chile’ s energy grid, this transition is equivalent to avoiding 72,248 tCO2e.

Q7.55.3 What methods do you use to drive investment in emissions reduction activities?

Response 1: Row 1

Method

Dedicated budget for other emissions reduction activities

Comment

At Falabella, we are committed to mitigating our impacts and addressing the urgent climate crisis by achieving net-zero emissions for scopes 1 and 2 by 2035. To support this goal, we have allocated dedicated budgets for emissions reduction actions. Specifically, we have focused on equipment replacement and renewal programs, targeting our most emissions-intensive assets, such as cold food storage centers, lighting in retail spaces, and HVAC systems. Additionally, we have increased our use of PPAs for the supply of certified renewable energy from Enel in Chile and Statkraft in Peru. We currently have renewable energy supply agreements covering a total of 265 facilities, which has allowed us to increase the share of our electricity sourced from renewable sources to 73% as of 2023.

Response 2: Row 2

Method

Internal incentives/recognition programs

Comment

At Falabella, we are committed to mitigating our impacts and addressing the urgent climate crisis by achieving net-zero emissions for scopes 1 and 2 by 2035, with an intermediate target of a 65% reduction by 2030. To drive effective management of our climate initiatives, we incorporate relevant performance indicators into the annual objective matrices for key roles. Our annual reduction targets for scopes 1 and 2 are designed to align performance with our expected reduction pathway for the medium and long term, and they are part of the monetary incentives for certain business unit executives and managers. For Mallplaza, carbon footprint reduction is an ESG indicator that, along with other metrics, constitutes approximately 33% of the performance evaluation for the General Manager, Corporate Managers, Managers, and Assistant Managers of this business unit.

Q7.74 Do you classify any of your existing goods and/or services as low-carbon products?

No

Q7.79 Has your organization canceled any project-based carbon credits within the reporting year?

Yes

Q7.79.1 Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Response 1: Row 1

Project type

Reforestation

Type of mitigation activity

Carbon removal

Project description

The "Planeta Agradecido Con el Resguardo Indigena CMARI" Project is a reforestation initiative in Colombia with a duration of 40 years ending in 2057. This Project entails a surface of 1,924,573,86 hectares and aims to remove CO2 from the atmosphere through air, subterranean and organic soil carbon.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

585

Purpose of cancelation

Voluntary offsetting

Are you able to report the vintage of the credits at cancelation?

Yes

Vintage of credits at cancelation

2018

Were these credits issued to or purchased by your organization?

Purchased

Carbon-crediting program by which the credits were issued

REDD+

Method the program uses to assess additionality for this project

- Barrier analysis
- Standardized Approaches

Approaches by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Ecological leakage

Provide details of other issues the selected program requires projects to address

The REDD+ methodology applied by the project includes a barrier analysis undertaken to assess additionality of the project under different scenarios.

Please explain

Our subsidiary, Falabella Retail Colombia, has canceled carbon credits from the "Planeta Agradecido Con el Resguardo Indigena CMARI" Project, a reforestation initiative in Colombia with a duration of 40 years, ending in 2057. This project covers an area of 1,924,573.86 hectares and aims to remove CO2 emissions through air, subterranean, and organic soil carbon.

Q11.3 Does your organization use biodiversity indicators to monitor performance across its activities?

Q13.1 Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

Yes

Q13.1.1 Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Response 1: Row 1

Environmental issue for which data has been verified and/or assured

Climate change

Disclosure module and data verified and/or assured

- Environmental performance - Climate change: Renewable Electricity/Steam/Heat/Cooling consumption
- Environmental performance - Climate change: Electricity/Steam/Heat/Cooling generation
- Environmental performance - Climate change: Fuel consumption
- Environmental performance - Climate change: Waste data
- Environmental performance - Climate change: Electricity/Steam/Heat/Cooling consumption

Verification/assurance standard

General standards: ISAE 3000

Further details of the third-party verification/assurance process

We have verified the indicators in our 2023 Annual Report related to food waste, waste diverted from disposal, waste directed to disposal, total energy consumption, non-renewable fuel consumption, renewable electricity consumption, and renewable electricity generated, in accordance with ISAE 3000 standards.

Attach verification/assurance evidence/report (optional)

- Certificado I-REC Banco Falabella Chile 2023.pdf
- DEF 2024 INFO Falabella SA Adv23 - ISAE 3000 Ingles.pdf

Response 2: Row 2

Environmental issue for which data has been verified and/or assured

Climate change

Disclosure module and data verified and/or assured

Environmental performance - Climate change: Renewable Electricity/Steam/Heat/Cooling consumption

Verification/assurance standard

Climate change-related standards: IRECS (International Renewable Energy Certificate services)

Further details of the third-party verification/assurance process

We also use IRECs to certify our renewable electricity consumption.

Attach verification/assurance evidence/report (optional)

Certificado I-REC Banco Falabella Chile 2023.pdf

Q13.3 Provide the following information for the person that has signed off (approved) your CDP response.

Response 1:

Job title

Corporate Transformation, Strategy and Sustainability Officer (CSO)

Corresponding job category

Chief Sustainability Officer (CSO)

Question Number	Question	Subquestion	Attachment
Q7.9.1	Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.	Attach the statement	CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf
Q7.9.2	Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.	Attach the statement	CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf
Q7.9.2	Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.	Attach the statement	CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf
Q4.11	In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?	Attach commitment or position statement	Climate-Report-2023-Falabella.pdf
Q13.1.1	Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?	Attach verification/assurance evidence/report (optional)	Certificado I-REC Banco Falabella Chile 2023.pdf|DEF 2024 INFO Falabella SA Adv23 - ISAE 3000 Ingles.pdf
Q13.1.1	Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?	Attach verification/assurance evidence/report (optional)	Certificado I-REC Banco Falabella Chile 2023.pdf
Q5.2	Does your organization's strategy include a climate transition plan?	Attach any relevant documents which detail your climate transition plan (optional)	Climate-Report-2023-Falabella.pdf|Falabella_Annual_Report_2023_ENG.pdf
Q4.6.1	Provide details of your environmental policies.	Attach the policy	Environmental-Policy-2024.pdf
Q7.9.3	Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.	Attach the statement	CORR DEF 2024 INFO Falabella SA Adv23 Cálculo de Huella de Carbono Firmada (1) (1).pdf
Q4.12.1	Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.	Attach the relevant publication	Falabella_Annual_Report_2023_ENG.pdf

Question Number	Question	Subquestion	Attachment
Q4.12.1	Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.	Attach the relevant publication	Climate-Report-2023-Falabella.pdf