ESG Supplement 2025

Index

Introduction

FALABELLA

Introduction

This Supplement is intended to enhance the ESG disclosures presented in Grupo Falabella's 2025 Annual Report by offering additional, relevant, and reliable information on the Company's best practices, aligned with both local and internationally recognized standards. Among the key frameworks considered are S&P's Corporate Sustainability Assessment (CSA), MSCI's sustainability criteria, GRI and WRI reporting standards, as well as the Sustainable Tax Reporting guidelines issued by the SII, among others.

The present Supplement is intended to enhance the ESG disclosures presented in Grupo Falabella's 2025 Annual Report by offering additional, relevant, reliable information on company best practices, aligned with both local and internationally recognized standards. Among the key frameworks considered are the S&P Corporate Sustainability Assessment (CSA); the MSCI sustainability criteria; GRI and WRI reporting standards; and the Sustainable Tax Reporting guidelines issued by the SII (Chile's Internal Revenue Service), among others.

By means of this document, we seek to further strengthen our commitment to transparency while showcasing the exemplary practices implemented by the different teams that make up our organization, thereby ensuring that the information provided effectively meets the data expectations and requirements of our financial and institutional stakeholders.

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Scope of Reporting

Indicators common to all business units are consolidated and reported at the corporate level. These include metrics such as staffing, occupational health and safety, and supplier evaluation against ESG criteria, among others. Additionally, given the particular characteristics of each topic, specific measures and indicators are presented for each business, prioritizing those that are material for each segment. For example, the prevention of food loss and waste is a priority in the Supermarkets sector, while footwear and clothing management is key for the Retail segment. Similarly, each segment — Home Improvement, Banking & Insurance, and Real Estate — reports specific initiatives based on its specific characteristics.

This approach allows us to offer comprehensive and transparent insight, combining corporate metrics with relevant indicators for each business, ensuring accountability and alignment with international sustainability standards. The main sustainability indicators verified by independent third parties will be disclosed in the Annex of this document

Country*	Revenue Contribution	Workforce Contribution
Chile	50%	41%
Peru	27%	34%
Colombia	18%	18%
Mexico	2%	3%
Brazil	2%	3%
Argentina	1%	1%
Uruguay	<1%	0%

Business Segment*	Revenue Contribution	Workforce Contribution
Home Improvement	38%	41%
Falabella Retail	27%	28%
Supermarket	17%	20%
Real Estate	4%	1%
Banking & Insurance	14%	10%

* 2025 Business and Geographic Mix. The Colombia and Home Improvement segments include Sodimac Colombia and Sodimac Mexico. Financial Services includes Mexican operations (non-consolidated). Revenue Contribution excludes other businesses, eliminations, and cancellations. The country list omits other countries. Workforce contribution excludes other businesses and corporate structures.

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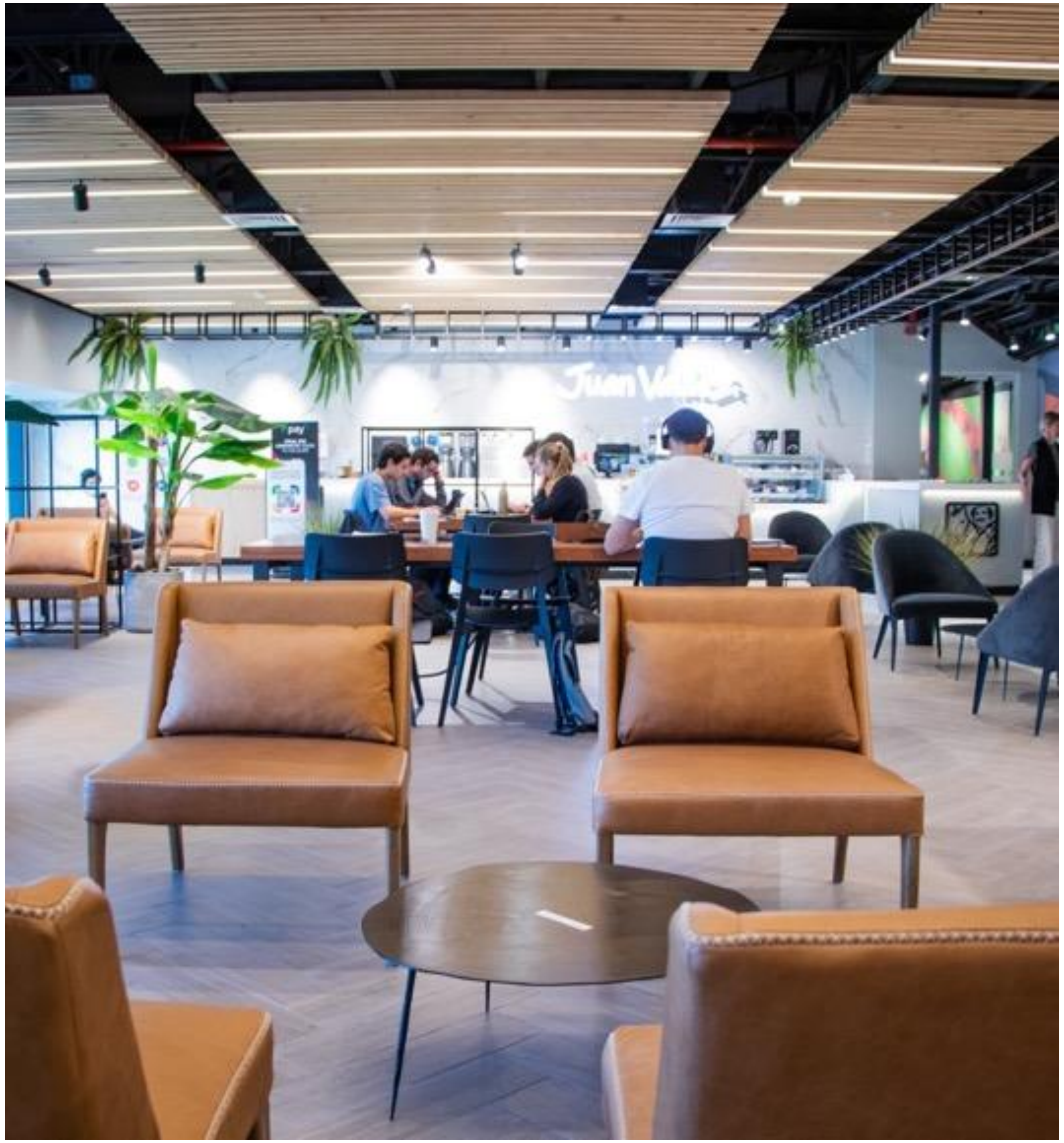
1. Corporate Governance



1.2.6

Board Accountability

Corporate Governance Framework

Falabella S.A. has a corporate governance framework that clearly defines the responsibilities and fiduciary duties of its directors, who are expected to act with due care, diligence, and in the best interests of the Company and its shareholders. Directors remain individually and legally accountable for the performance of their duties, and their liability cannot be waived or limited through shareholder resolutions, as set forth in the applicable legislation and in the Company bylaws*.

Directors are required to perform their duties with the care and diligence that people usually use in their own affairs and will be jointly liable for the damages caused to the Company and shareholders by their intentional or negligent actions, since the shareholders cannot release or limit the liability of the directors referred to in the previous section, even through changes in bylaws or any form of agreement.

In addition, Falabella S.A maintains formal governance mechanisms under which shareholders are ultimately responsible for approving significant corporate matters, including amendments to the Company's bylaws, corporate reorganizations in which the Company may directly participate, merger, division, transformation or dissolution of the Company, and other strategic decisions. This is required by law and the Company's bylaws, where -matters that merit an extraordinary shareholder meeting- are established.

Company bylaws also establish the governance framework for Board administration, share capital, and the scope of its business activities, providing clear oversight and decision-making structures. This framework promotes accountability, transparency, and effective oversight by both the Board of Directors and shareholders.

* Company bylaws are publicly available and may be consulted on the website.

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1.2.9

CEO remuneration – Success Metrics

Our compensation strategy is guided by the principles of internal equity and external competitiveness. Compensation levels are determined based on the scope of the role, organizational level, individual responsibilities, and performance.

Total annual compensation comprises both fixed and variable remuneration. Variable remuneration includes an annual performance bonus under the Company's Short-Term Incentive Plan (STIP), which is reviewed periodically and, when necessary, adjusted to ensure continued alignment with the Group's strategy and business objectives.

The annual performance bonus is determined through a balanced assessment of financial and non-financial performance indicators, including Annual Profit (Net Income) and Total Revenues.

Furthermore, to guarantee that the compensation model remains competitive, Falabella S.A. hires external consultancy from world class firms to assist in the maintenance of said competitiveness of the compensation model on an annual basis.

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1.2.10

CEO remuneration – Long-Term Performance Alignment

The executive team of Falabella S.A. participates in a long-term incentive plan (LTIP) linked to the value of the parent company's shares. Under this plan, each eligible executive invests in Falabella shares through a loan granted by the company exclusively for this purpose. The loan must be repaid in installments over a four-year period, during which executives receive a gross bonus equivalent to two-thirds of each installment, provided that they repay their portion of the loan on time.

Executive contracts include mechanisms that allow Falabella to retain or require the repayment of granted benefits if the employee fails to meet certain conditions, especially those related to the continuity of the employment relationship. If the employment relationship ends without being immediately succeeded by another within the Falabella Group:

- The employee forfeits the right to any unearned LTIP tranches.
- The employee is obligated to repay the entire loan plus interest, including any contractual penalty.

Likewise, the right to receive payments for each LTIP tranche is conditioned on the simultaneous compliance with the following requirements:

- Maintaining ownership of the shares acquired with the loan.
- Not revoking the mandate granted to Falabella S.A.
- Wholly fulfilling all contractual obligations in a timely manner.
- Maintaining an uninterrupted employment relationship with the Company or any of its subsidiaries.

Failure to comply with any of these conditions will result in the forfeiture of the corresponding bonus, which in practice operates as a mechanism for the recovery or loss of the benefit, comparable to a clawback provision

Time-based vesting

When it comes to the time-based payout structures in place for the CEO's variable compensation, Falabella S.A. has established a maximum vesting period of four years, with partial vesting occurring on an annual basis.

1.2.16

ESG Governance Oversight

Board Oversight

In Falabella S.A., the Board of Directors fulfills a strategic and oversight-oriented role which includes, among other duties, the following:

1. Defining and approving the sustainability and climate change strategy, ensuring its alignment with the business strategy.
2. Overseeing ESG risks and opportunities, particularly those related to climate change.
3. Monitoring performance through indicators and objectives, such as emissions, energy efficiency and net-zero commitments
4. Ensuring the integration of sustainability into the Company's decision-making
5. Delegating certain detailed analysis to specific committees. These committees later report back to the Board of Directors
6. Overseeing sustainability-related matters through periodic and detailed reporting from the Sustainability Department at least once a year
7. Analyzing the Sustainability Department reports as received (periodically, at least once a year).

In addition to Compensation and Strategy committees, the Board has a specific committee known as the Committee of Directors, composed of three members and presided by an independent Director. It works as an audit committee, as well as adopting functions related to the company's risks and sustainability oversight.

During 2025, the Risks and Internal Control Department met twice with the Committee of Directors, while the Sustainability Department met with them once. Beginning in 2026, however, the Sustainability Department will report to the Committee of Directors twice a year.

In addition to Compensation and Strategy committees, the Board has a specific committee known as the Committee of Directors, composed of three members and presided by an independent Director. It works as an audit committee, as well as adopting functions related to the company's risks and sustainability oversight.

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Executive Oversight

Falabella S.A.'s executive team is also directly involved in defining and overseeing the company's broader sustainability plans. This happens through the executive-level Corporate Risk Committee, where key sustainability-related risks are discussed, including those arising from climate change, labor management and conflict with the community, which is complemented by the Governance, Ethics and Compliance Committee, where the status of internal regulations related to compliance issues such as crime prevention, free competition, conflicts of interests and personal data privacy issues are reviewed and discussed by members of the executive team, together with aspects related to ESG and ethical issues, such as diversity and inclusion, and the prevention of workplace harassment.

a.
Board of Directors

Board Independence

According to CSA definitions, A director is considered independent when he/she meets at least 4 of the 9 criteria listed below, including at least 2 of the first 3. Under this definition, as of July 2026, 9 Directors are considered to be independent.

Director	Fernando de Peña Iver	Juan Carlos Cortés Solari	Carlo Solari Donaggio	María Cecilia Karlezi Solari	Paola Cúneo Queirolo	Juan Pablo del Río Goudie	Alfredo Moreno Charme	Carolina Schmidt	Tomás Muller
The director must not have been employed by the company in an executive capacity within the last year.	✗	✓	✓	✓	✓	✓	✓	✓	✓
The director must not accept or have a "Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of $60,000 during the current fiscal year", other than those permitted by SEC Rule 4200 Definitions.	✓	✓	✓	✓	✓	✗	✓	✓	✓
The director must not be a "Family Member of an individual who is or was during the past three years was employed by the company or by any parent or subsidiary of the company as an executive officer.	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Board Independence

Director	Fernando de Peña Iver	Juan Carlos Cortés Solari	Carlo Solari Donaggio	María Cecilia Karlezi Solari	Paola Cúneo Queirolo	Juan Pablo del Río Goudie	Alfredo Moreno Charme	Carolina Schmidt	Tomás Muller
The director must not be a member of the company's senior management, an adviser or consultant to the company, nor affiliated with a company that provides it such counsel.	✗	✓	✓	✓	✓	✓	✓	✓	✓
The director must not be affiliated with a significant client or supplier of the company.	✓	✓	✓	✓	✓	✓	✓	✓	✓
The director must not have personal service contract(s) with the company or be a member of the company's senior management.	✓	✓	✓	✓	✓	✓	✓	✓	✓
The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.	✓	✓	✓	✓	✓	✓	✓	✓	✓
The director must not have been a partner or employee of the company's external auditor during the past year.	✓	✓	✓	✓	✓	✓	✓	✓	✓
The director must not have any other conflict of interest that the board itself determines as detrimental to his/her independence.	✓	✓	✓	✓	✓	✓	✓	✓	✓

Board Industry Experience

Director	Fernando de Peña Iver	Juan Carlos Cortés Solari	Carlo Solari Donaggio	María Cecilia Karlezi Solari	Paola Cúneo Queirolo	Juan Pablo del Río Goudie	Alfredo Moreno Charme	Carolina Schmidt	Tomás Muller
Experience in Risk Management	NO	YES	YES	NO	YES	NO	NO	YES	NO
Experience in Climate management	YES	NO	NO	NO	NO	NO	NO	YES	NO
Experience in cybersecurity	NO	NO	NO	NO	NO	NO	NO	NO	NO
Operational and/or management experience in the Retail sector, other than Falabella	YES	YES	YES	NO	NO	YES	NO	YES	YES
Current participation on the boards of other publicly listed companies	0	0	1	0	0	2	0	3	0

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b.
Ethics


EXCLUSIVO VEHÍCULOS ELÉCTRICOS
EXCLUSIVO VEHÍCULOS ELÉCTRICOS
SODIMAC
CUIDEMOS la Casa de Todos
SODIMAC.COM
Descarga la App
100% Eléctrico
No contamina
No emite ruido

Integrity Framework and Reporting Mechanisms

Grupo Falabella manages the risks associated with Chilean Law No. 20,393, which establishes the criminal liability of legal entities, through its Crime Prevention Model. This model is a compliance program designed by the Company to prevent conduct that may constitute criminal offenses and may result in criminal liability, through the establishment of internal policies, procedures, and mechanisms such as:

1. The Integrity Channel for reporting internal cases of non-compliance; the provision of training for employees on anti-bribery and anti-corruption practices; and the establishment of procedures for handling breaches, including investigations conducted in accordance with internal protocols.

2. The implementation of periodic testing activities carried out by independent third parties to evaluate the effectiveness and responsiveness of processes, together with formal mechanisms for documenting, implementing, and monitoring corrective actions and continuous improvement measures arising from the results of such testing. The foregoing measures apply to every company of Grupo Falabella, each of which is responsible for ensuring the implementation and enforcement of those measures within its operations.

Each aspect of this policy is supported by the explicit endorsement of the Board of Directors.

Grupo Falabella's Integrity Channel is a single, centralized platform for all its businesses and is confidential, allows for anonymous reporting, and is non-retaliatory. Confidentiality is required from everyone involved in an internal investigation or inquiry, and any form of retaliation against those who use the channel in good faith is strictly prohibited. Reports and inquiries can also be made anonymously. Once a report is submitted through the Integrity Channel, and in accordance with our General Investigation Policy and Procedure, an investigation is initiated and assigned by the Ethics Department to specially trained investigators, who subsequently submit an investigation report, based on which, and in coordination with each company, the measures deemed necessary are adopted. These measures may result in disciplinary actions, including the termination of employment.

The Integrity Channel is provided by *Fundación Generación Empresarial (FGE),* an independent external non-profit entity that specializes in the administration of ethical reporting systems. FGE ensures confidentiality, impartiality, and transparency in the process, allowing employees and third parties to safely report misconduct or violations of internal regulations, anonymously or by name.

1.5.5

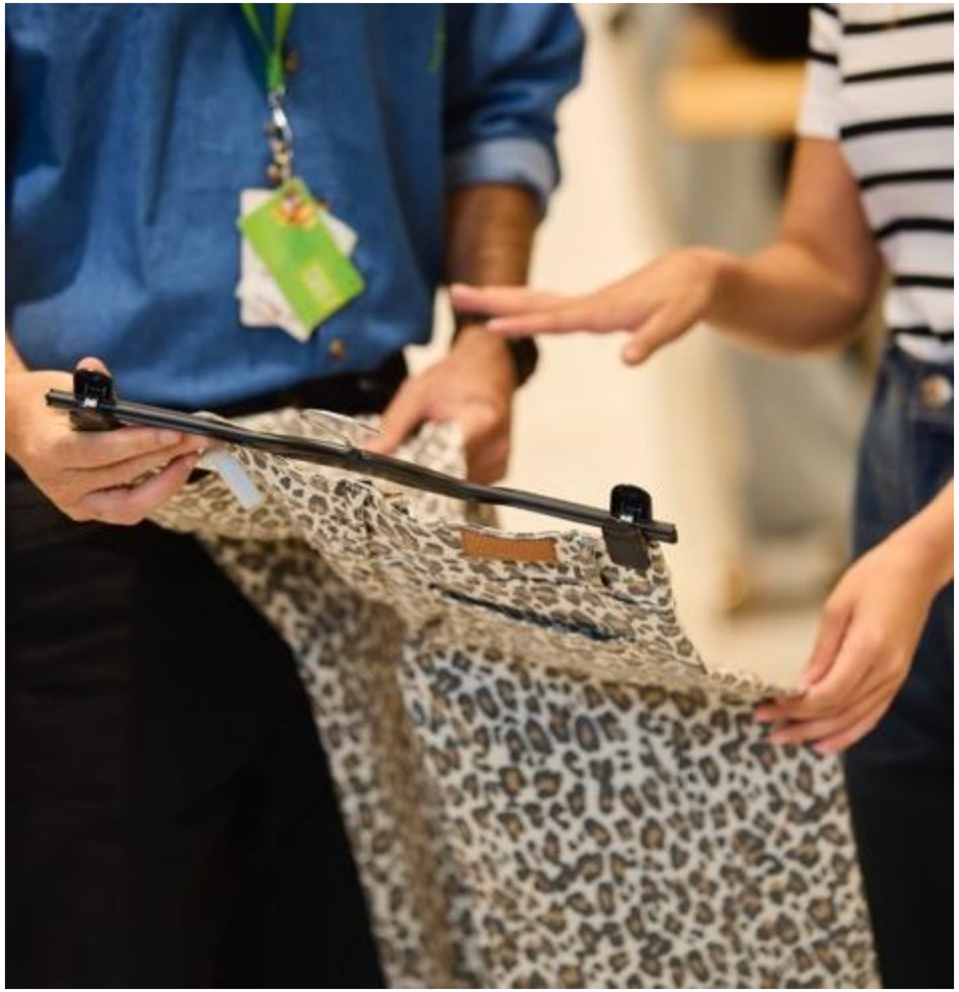
Breaches of Codes of Ethics and Policies

Additional disclosure on ethical breaches

In its Annual Report, Grupo Falabella discloses breaches to internal policies according local and international standards. In the report for the 2025 fiscal year, it reported that no sanctions were imposed, as there were no substantiated cases warranting such measures in matters that could have resulted in criminal liability for the Company. Additionally, no breaches were reported in connection with violations of fair competition laws, nor were there any cases of customer personal data breaches. Grupo Falabella also reports cases of discrimination submitted through its Integrity Channel (54, of which 10 were confirmed), as well as complaints related to sexual harassment (121), workplace harassment (363, plus 153 reported through external channels), and workplace violence* (21, plus 2 reported through external channels). Corrective measures or sanctions were adopted in 100% of substantiated cases.

Issues	2025
Corruption or bribery	0
Discrimination or harassment	714
Customer personal data	0
Money laundering or insider trading	0

Additional Metrics	2025
Amount paid in fines related to corruption and bribery cases	$ 0
Number of convictions related to corruption and bribery cases	0



* For the purposes of this report, workplace violence includes conduct by third parties outside the employment relationship that affects Employees during the provision of services.

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c.
Policy Influence

1.6.1

Policy Influence Contributions

Grupo Falabella is committed to transparency regarding its interactions with public policy and the use of financial resources for such purposes. In line with international best practices, the Company discloses information on its contributions related to lobbying, political activity, and trade associations or tax-exempt organizations. The table below details the amounts reported from 2022 and 2025, showing that contributions are exclusively limited to trade associations and think tanks, with no expenditures recorded for lobbying or political campaigns.

Type of contributions	2022	2023	2024	2025
Lobbying, Interest Representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt organizations (e.g., think tanks)	944,854,147	1,161,956,508	1,360,740,088	1,451,883,411
Other (e.g., related expenses with electoral measures or referendums)	0	0	0	0
Total	944,854,147	1,161,956,508	1,360,740,088	1,451,883,411
Data coverage	100%	100%	100%	100%

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1.6.2

Largest Contributions and Expenditures

In line with its commitment to transparency, Grupo Falabella discloses information on its largest contributions and expenditures related to trade and business associations. These contributions reflect the Company's objective of fostering collaboration, promoting responsible growth, and engaging in dialogue with industry peers to address shared challenges and exchange best practices.

Type of Association	Position of the company	Reasons to support the association	Total contributed in 2025 (CLP)
Trade associations and chambers of commerce	Support	Our contributions to chambers of commerce support national economic development through collaboration and trust. First, we foster open to collaborate on higher standards and responsible growth. In addition, participation in, shopping center chambers and shopping center associations is driven by the strategic objective of aligning with the market, sharing best practices for the benefit of the sector, and addressing industry-wide challenges.	$628,757,634
NGOs and Foundations	Support	These contributions support social, environmental, and educational initiatives that improve access to services and quality of life in communities near our operations—services that might otherwise be limited or unavailable.	$100,110,165

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1.6.2

Largest Contributions and Expenditures

Organization name, description, and purpose of the contribution	Total contributed in 2025 (CLP)
The organization that receives the most funding from Grupo Falabella is "Programa Haciendo Escuela". This entity is an independent, non-profit initiative funded through a joint effort by Falabella, together with other companies and foundations. Its main objective is to support children from vulnerable educational institutions by offering study sessions related to mathematics, socio-emotional skills and reading and writing skills. It has benefited over 100 institutions since its creation in Chile, Colombia and Peru.	$271,012,455
The second largest contribution made as a Group in 2025 was to the Chilean Chamber of Shopping Centers, an independent, non-profit association that brings together individuals and legal entities that own or manage shopping centers. Its objective is to actively contribute to the overall development of the shopping center sector and to provide Chilean consumers with world-class standards.	$146,758,766
The third-largest contribution was made to the Shopping Centers Association, which is another independent and non-profit organization present in Peru and Colombia that provides entities that own or manage shopping centers a space to come together. It has the same objective as the Chilean Chamber of Shopping Centers: to contribute to the development of the shopping center sector and allow its members to stay up to date on industry standards.	$49,393,530

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1.6.3

Lobbying and Trade Associations – Climate Alignment

Beyond Grupo Falabella's own efforts to address climate change, the Company actively engages with peers, NGOs, and local authorities to contribute to sustainability goals.

Namely, we participate in several initiatives and partnerships involving coordinated efforts to reduce and remediate environmental impacts. The most important initiative is the coordinated response across the different jurisdictions where the Company operates, pursuant to the Paris Agreement, whose positions the company supports and considers its position aligned with.

Chile's and Peru's Ministries of the Environment, through the *HuellaChile* and the *Huella de Carbono Peru* programs, respectively, lead voluntary efforts as individual agencies, just as its subsidiaries do, in addition to collaborating with trade associations and others to meet the goals established in the Paris Agreement's Nationally Determined Contributions (NDC). In addition to our direct engagement, Grupo Falabella is part of Chilean and Peruvian business partnerships that are also committed to these programs.

Furthermore, our subsidiaries Falabella Retail, Sodimac, Banco Falabella and Mallplaza are members of *Acción Empresas*, the local chapter of the World Business Council for Sustainable Development (WBCSD), which, in addition to being recognized by and registered with HuellaChile, has established a public-private partnership with the Ministry of the Environment and Corfo (the Chilean Economic Development Agency, which reports to the Ministry of Economy) to promote climate change mitigation and adaptation initiatives through the *Transforma Cambio Climático* program.

Grupo Falabella and its subsidiaries Tottus, Falabella Retail, Mallplaza, Seguros Falabella and Sodimac, form part of the Santiago Chamber of Commerce. The Chamber is registered with the Ministry of the Environment's HuellaChile program and has been distinguished by its annual contributions.

Finally, the Chilean Chamber of Construction, where Sodimac and our infrastructure supplies subsidiary participate, has formally expressed its commitments to supporting the objectives of the Paris Agreement, which is materialized through its environmental sustainability pillar and its contribution to the National Carbon Footprint Strategy.

d.
Value Chain Management

1.7.2

Supplier ESG programs

To ensure ethical and responsible relations with our suppliers, Grupo Falabella has put in place a comprehensive set of controls. Starting at the corporate level, all new suppliers must pass a compliance and labor assessment (a comprehensive summary of the system and its coverage is provided in the audited annex). Furthermore, each business unit tailors its controls to the specific risks and characteristics of its activities.

Retail

Due to the extensive and geographically dispersed supply chain behind our products, particular emphasis is placed on ensuring responsible manufacturing practices in countries of origin. Sodimac and Falabella Retail conduct and/or require second- or third-party labor and human rights audits and certifications.

Supermarket

Tottus centers its controls on local suppliers and customer safety. Quality controls extend to ensuring appropriate manufacturing practices and the safe and hygienic handling of products, including on-site technical support

Real Estate

Mallplaza ensures ESG compliance through supplier policies, evaluation processes, and training programs, integrating sustainability criteria into procurement decision-making.

1.7.2

Supplier ESG programs

Tottus

In Chile, Tottus has implemented a comprehensive quality assurance model for its store brand products, based on management systems certified under ISO 9001, as well as preventive controls, and continuous monitoring of its suppliers' performance, for the development of such products, along with formal programs for supplier development and control, monthly evaluations, audits (including International Featured Standards (IFS)), and product verification programs.

Suppliers are evaluated using indicators such as complaints, rejections and recalls, and those without certifications must implement corrective action plans within defined timelines. In addition, annual training sessions and webinars are conducted to strengthen suppliers' technical and management capabilities, promoting continuous improvement. This approach aims to ensure safe and reliable products, aligned with current regulations, with a special focus on safety, product quality, and consumer protection, while managing risks associated with complaints, product recalls, and health-related deviations at an early stage.

In Peru, Tottus also uses ISO 9001 as a basis for the evaluation, approval, and monitoring of private label suppliers, ensuring reliable processes in product development and labeling for both food and non-food items. This system is complemented by the Reliable Suppliers Program, hygienic and sanitary inspections, periodic evaluations, and the integration of ESG and ethical trade criteria through self-assessments, self-declarations, and SMETA audits.

Suppliers are classified according to their risk level and may be excluded if they do not meet defined standards, especially when product safety is compromised. Across both countries, Tottus promotes collaborative work with its suppliers, combining control with technical support. This includes on-site visits, support for addressing observations, follow-up on improvement plans, and awareness-raising initiatives, strengthening long-term relationships focused on quality, sustainability, and compliance with technical, ethical, and ESG standards throughout the supply chain.

Mallplaza

To ensure compliance with its ESG commitments in its supply chain, Mallplaza has implemented a Supplier Engagement Policy, which establishes the principles and standards that must be followed in purchasing processes to ensure the sustainable management of supplier-related activities. All Mallplaza procurement operations, including the procurement of goods and services, as well as supplier relationships, must comply with the principles of: compliance with applicable laws and transparency, confidentiality, impartiality, responsible contracting, accountability and auditing. In addition, Mallplaza has implemented a Complete Supplier Assessment that includes ESG variables, as well as a supplier development process to implement improvements in work procedures when risks are identified. The company also provides information and training on ESG processes and requirements, with access to benchmarks for peer-to-peer comparison and technical support, such as its external staffing program to support the development of suppliers' sustainability capabilities and performance.

1.7.2

Supplier **ESG programs**

Falabella Retail

Falabella Retail uses SMETA audits to ensure compliance with its supply chain standards and commitments: the results of these audits are presented to the Compliance Committee and the company's CEO on a quarterly basis. Additionally, the company relies on third-party certification, such as AMFORI of BSCI.

Sodimac

Our subsidiary Sodimac, in addition to Sedex SMETA assessments and support, has developed a guide known as the Sustainable Product System, through which it communicates the Company’s standards on this matter to its suppliers, complemented by informational webinars.

Failure to comply

Suppliers that fail to comply with the company's standards, or that do not resolve critical non-compliance issues* are removed from the supply chain. Mallplaza, for example, explicitly states that suppliers unable to meet requirements within the designated timeframe are excluded from future participation in Requests for Proposal. Sustained compliance can lead to qualification as a “reliable supplier” (Tottus) while Mallplaza assigns a sustainability score, which directly impacts bid evaluations (3% of the total score). This reflects that suppliers with better ESG performance are favored in selection and contract awarding processes.

* Considering potential cases of child labor, forced labor, unsafe practices, or poor quality standards, among others

1.7.3

Supplier Screening

Supplier ESG screening and assessment

At the **Group level,** standard validation assessments incorporate ESG criteria, including compliance with ethical and labor standards. Each subsidiary conducts evaluations covering a broad range of topics. The most common risks identified in audits across Latin America and Asia relate to health and safety, wages, benefits, and working hours. In addition, our home improvement and multi-line subsidiaries recognize or perform assessments under the SMETA methodology and other recognized industry certificates.

Falabella Retail has a structured approach to monitoring social compliance in its supply chain. Its Supplier Agreement, signed between Falabella Retail and each supplier, establishes mandatory audit requirements that comply with local laws and internationally recognized audit protocols such as SMETA, BSCI (Business Social Compliance Initiative), and WRAP (Worldwide Responsible Accredited Production). Factories that fail to meet our standards within the established timeframe are removed from our supplier network.

Tottus, in addition to conducting evaluations of legal and labor compliance and social audits, also carries out quality assessments covering food safety and environmental aspects. Through audits based on recognized standards such as HACCP (Hazard Analysis and Critical Control Points), Global GAP (Good Agricultural Practices), and IFS Food (International Featured Standards for Food), Tottus ensures the proper use of agrochemicals, the correct management of liquid and solid industrial waste and quality and the safety of the products sold. Suppliers that do not meet these quality, hygiene, and safety standards are excluded from the supply of private-label products.

Mallplaza evaluates variables such as environmental management certifications and policies related to waste management, use of materials, ethics, gender diversity, disability inclusion, and supplier relationships. It also reviews programs such as employee benefits and training initiatives, as well as financial variables, including balance sheets and income statements. Other variables include regulatory compliance, occupational health and safety, and credit risk assessments.

Lastly, since 2015, **Sodimac** has worked with the international platform Sedex to rigorously and objectively evaluate the ethical and socially responsible practices of the supply chain, including occupational risk prevention and regulations, environmental management, and business ethics.

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1.7.3
Supplier Screening

Risks considered in the screening process

In addition to corporate validation, each of Grupo Falabella's various business units has its own supplier screening and evaluation measures, tailored to the specific characteristics of its business line, geographic location, and the origin of its products and raw materials.

As part of the retail industry, Falabella Retail incorporates both sector-specific and commodity-specific risks into its supplier screening, which analyzes its suppliers not only on the basis of ESG performance, but also taking into account the inherent risks of certain products and the industry sectors in which they operate, thereby reducing Falabella Retail's exposure to risks arising from the nature of its operations.

Tottus is also present in the retail industry, but its focus is mainly on consumer staples (foods, beverages and other essential goods). This requires the incorporation of commodity-specific risks into the supplier screening process, considering the risks posed by specific raw materials. The process also contemplates country-specific risks, recognizing those exposures associated with the international nature of the suppliers with whom Tottus works on a daily basis.

Mallplaza also integrates country-specific risks to its supplier screening process given their international presence. As a real estate developer with operations in Chile, Colombia and Peru, it works with international suppliers that operate under their own local standards and regulations, exposing the company to specific risks across regional clusters. The nature of its business requires the integration of country-specific risks into supplier assessment.

Lastly, Sodimac identifies critical suppliers based on the company's assets, the manufacturing risks associated with the product, and country risk assessments under the Sedex methodology, excluding strategic suppliers with established compliance records.

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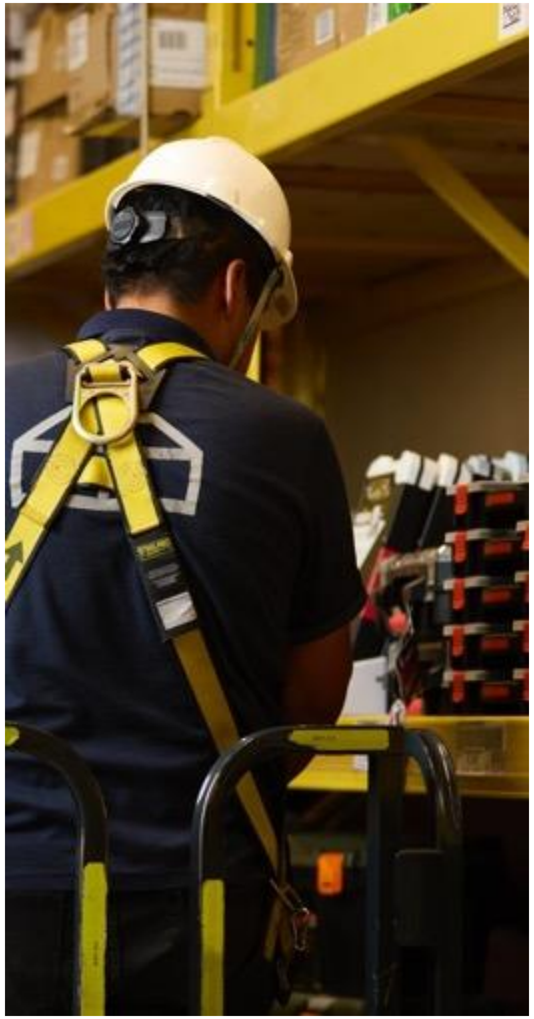
1.7.4

Supplier assessment and development

Supplier assessment

Each of Grupo Falabella’s subsidiaries has implemented its own set of assessment processes for supplier evaluation. This includes desk evaluations (mainly consisting of the review of documents), as well as on-site assessments by company personnel. These two types of evaluations are present in Falabella Retail, Sodimac, Tottus and Mallplaza's supplier assessment processes according to industry standards, such as SMETA in the case of Sodimac, in addition to BSCI, WRAP, SA8000, EICC, ICTI, and WCA, among others in the case of Falabella Retail.

In any case where an assessment detects a deviation from what is expected of suppliers, a corrective plan is implemented and subsequently monitored by a team of specialists, alongside suppliers.



Supplier development

Grupo Falabella's business units also offer suppliers a wide range of development programs focused on enhancing their ESG performance. Specifically, Falabella Retail, Tottus and Mallplaza offer training programs for suppliers regarding specific environmental, social and/or governance requirements, assistance in the implementation of corrective actions and technical support programs. The structure that these initiatives provide to the program allows every subsidiary to supervise and assist suppliers on their journey to improving their ESG-related performance.

1.7.5

KPIs for supplier assessment and development

Scope of supplier assessments

Every business unit in Grupo Falabella has programs focused on supplier assessment, as well as the support and development of supplier sustainability performance. These programs are focused on Tier-1 suppliers, of which Grupo Falabella reports a total of 7,655.

Regarding goals and objectives for supplier training and development, Sodimac had the goal of assessing 287 suppliers by 2025. By the end of last year, this business unit reached 278 suppliers.

KPIs – Grupo Falabella	2025	Percentage
1.1 Total number of unique suppliers	7.655	-
1.2 Number of unique significant suppliers	1.472	-
1.3 Number of unique significant suppliers supported with development measures (as a subset of 1.2)	294	19,97%
1.4 Number of unique significant suppliers assessed via desk assessments/on-site assessments (as a subset of 1.2)	382	25,95%
1.5 Number of unique significant suppliers assessed with substantial actual/potential negative impacts (as a subset of 1.4)	94	24,61%
1.6 Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (as a subset of 1.5)	94	100%
1.7 Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated (as a subset 1.5)	0	0%

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1.7.5

KPI's for supplier assessment and development

KPIs – Sodimac	2025	Percentage
1.1 Total number of unique suppliers	5.303	-
1.2 Number of unique significant suppliers	1,276	-
1.3 Number of unique significant suppliers supported with development measures (as a subset of 1.2)	278	21,7%
1.4 Number of unique significant suppliers assessed via desk assessments/on-site assessments (as a subset of 1.2)	278	21,7%
1.5 Number of unique significant suppliers assessed with substantial actual/potential negative impacts (as a subset of 1.4)	78	28%
1.6 Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (as a subset of 1.5)	78	100%
1.7 Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated (as a subset 1.5)	0	0%

KPIs – Mallplaza	2025	Percentage
1.1 Total number of unique suppliers	2.352	-
1.2 Number of unique significant suppliers	136	-
1.3 Number of unique significant suppliers supported with development measures (as a subset of 1.2)	16	11,7%
1.4 Number of unique significant suppliers assessed via desk assessments/on-site assessments (as a subset of 1.2)	104	76,5%
1.5 Number of unique significant suppliers assessed with substantial actual/potential negative impacts (as a subset of 1.4)	16	15,4%
1.6 Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (as a subset of 1.5)	16	100%
1.7 Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated (as a subset of 1.5)	0	0%

e.
Tax Strategy

1.4.3

Tax Policy

Grupo Falabella's Tax Policy requires that each of the companies within its groups comply in good faith, in both spirit and letter, with the applicable tax laws. Furthermore, the Group undertakes not to transfer value to low-tax or secrecy jurisdictions in order to reduce or optimize imposed taxes, and it prohibits opaque practices for this purpose, such as misrepresenting the commercial substance or the economic purpose of tax structures (related to transactions and operations) to reduce the tax burden.

Additionally, under the Transfer Pricing Policy, Group companies are required to apply the arm's length principle when conducting transactions with related parties, and it establishes procedures to ensure its proper implementation, based on recognized standards such as the OECD Transfer Pricing Guidelines.

For more information, please refer to this Supplement's annex, where the Company's GRI 207 verified reporting may be found. Additionally, please visit:

Tax Policy

Transfer Pricing Policy

Effective Tax Rate

	Business Segment	2024 (Th CLP)	2025 (Th CLP)
Earnings before taxes	Non-Banking	631.405.478	2.217.358.314
	Banking	261.838.832	404.106.504
	Total	**893.244.310**	**2.621.464.818**
Declared taxes	Non-Banking	200.897.069	535.651.529
	Banking	56.942.852	101.498.275
	Total	**257.839.921**	**637.149.804**
Effective Tax Rate	Non-Banking	122.517.566	164.312.238
	Banking	24.795.292	73.882.910
	Total	**147.312.858**	**238.195.148**

This document is intended to serve as an explanation of Grupo Falabella's effective tax rate for 2024-2025.

f.
Risk Management

Risk Management Processes

Our risk management process is guided by a structured methodology aligned with international standards such as COSO ERM and ISO 31000, ensuring consistency, rigor, and integration across the organization. Through a dual assessment of inherent and residual risks, we evaluate both the potential magnitude and the effectiveness of existing controls, thereby identifying our true exposure. This systematic approach enables us to safeguard financial stability, strengthen adaptability, and integrate sustainability principles into strategic decision-making.

A central element of this methodology is the determination of risk appetite, defined through assessment scales that combine probability and impact across financial, legal, reputational, people-related, and environmental dimensions. Risk appetite is graphically represented through a heat map that categorizes risks into critical quadrants, establishes action plans, and sets escalation criteria. Strategic risks are monitored using specific indicators with defined thresholds, regularly reviewed by risk committees at both the business and corporate levels. When risks exceed the defined appetite, an escalation process involving the relevant Risk Committee and, if necessary, the Board of Directors ensures traceability, accountability, and timely response.

During 2024, the Company engaged an independent third party from the professional services sector to evaluate its risk management framework and its implementation. This work included a review of the methodology, processes, governance, and risk culture, as well as the identification of improvement opportunities.

The review of our methodology, including the process for defining risk appetite, provided valuable recommendations that now serve as inputs to strengthen the overall risk management strategy of Grupo Falabella and enhance its level of maturity. Together, these practices ensure that risk management is not only a compliance requirement but a cornerstone of our governance model and long-term resilience.

To reinforce the integration of risk culture throughout the organization, certain Group companies have incorporated risk management into their performance recognition models. At Banco Falabella Peru, specific risk-related KPIs represent 5% of the bonus for managers and coordinators, covering aspects such as loss event reporting, action plans, business continuity indicators, and phishing exercises. Similarly, at Banco Falabella Chile and CMR Mexico FCL, a portion of executive bonuses is linked to the achievement of risk management objectives. These mechanisms ensure that accountability for risk management is embedded at all levels, further aligning individual performance with the company's strategic resilience.

Risk Management Processes

Integrating risk management in products and services:

Multiline discretionary

Falabella Retail Chile, given its range of store brand products — including appliances, cosmetics, and clothing — is subject to a series of regulations that pose a compliance risk if products are not reviewed and approved before being sold. To mitigate these risks, a quality-control process is carried out to review, inspect and approve each product. This process is aimed at certifying products through accredited laboratories. It involves asking suppliers to meet various requirements and standards, as well as to send product samples (depending on the type and testing requirements) to validate compliance with legally required regulatory specifications. This validation is carried out in said laboratories.

In case of non-compliance, suppliers are asked to make the necessary improvements and send new samples for analysis. If the product meets the requirements, an inspection is requested in the country of origin. Once the process is completed and all requirements are met, the product is approved for shipping and sale to customers. For products that cannot be certified, a similar process is followed, with the difference that functional tests are carried out from the user's perspective. If defects are found, improvements and new samples are requested. Finally, the inspection and approval process is carried out before the product is available for sale. Additionally, as part of the compliance evaluation process, in-store reviews are conducted to confirm that these products meet the safety criteria and the standards required by the country.

Commercial banking

In Banco Falabella, before developing and/or launching any new product, various analyses are carried out, including risk identification. This involves reviewing the processes associated with the new product to identify operational risks, implementing mitigation measures if the risks exceed acceptable thresholds, and defining indicators to evaluate performance. Additionally, the process includes identifying sensitive information and determining necessary security measures, among other considerations.

Home improvement

Sodimac has a new product lab which, during development, evaluates items against the functional criteria and the attributes declared by the supplier. Regulations and market studies focused on direct competitors are also considered. The main objective is to protect the store brand, so if a product needs to be created, the lab provides technical evaluations or supporting documentation.
Regarding product incorporation evaluations, various tests are carried out, ranging from technical, regulatory, functional, and safety aspects. All evaluations check the product the way a customer would use it, ensuring that any risks that might arise during its use are considered.

Digital market

In the case of Falabella.com, there is a consumer protection risk matrix in Chile that evaluates, by commercial category, product compliance regulations, risk, and product approval. Currently, this is a defective-type task for the LINIO catalog. For Falabella.com, the Seller Compliance team conducts a product compliance assessment with local legislation before the products are posted on the Falabella.com website. This is a preventive check before publishing.

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1.4.3

Emerging Risks

Inadequate collection and processing of personal data:

This risk is associated with deficient practices in the processing of personal data within the organization, including the improper handling of customers' confidential information. Potential impacts include non-compliance with local and international regulations, deterioration of trust, reputational damage, costs related to litigation and compensation, as well as fines and regulatory sanctions imposed by the corresponding authorities. In Chile, this risk has become more relevant due to the publication of Law No. 21,719, the increase in cyber threats, and the acceleration of digital transformation in retail.

This is compounded by growing social and regulatory sensitivity regarding privacy and the use of personal data, which makes it a source of material impact on the strategic objectives and the sustainability of the business. Its dynamic nature and the speed of technological change, position it as an emerging risk that requires continuous monitoring and adaptation. To mitigate this risk, during 2025 we carried out a comprehensive diagnostic with an external advisor regarding privacy governance, processing and consent, data subject rights, and data security and protection controls.

Based on this diagnostic, we defined a master plan to close the identified gaps, whose implementation will continue in 2026. Additionally, training sessions on data protection regulations have been delivered to key teams. Finally, this risk has been integrated into the comprehensive risk management model, with monitoring by the second line and periodic reporting to the corresponding committees.

Inadequate Use of Artificial Intelligence

Artificial Intelligence constitutes an emerging risk that has either newly surfaced in recent years or undergone significant transformation. In 2024, Falabella updated its high-level strategic risks, and as a result of this process, Artificial Intelligence was identified as an emerging risk for the Group.

While it represents a strategic opportunity for innovation and operational improvement, it also introduces new challenges that require rigorous and proactive risk management.

The main risks identified include:

- Leakage of confidential information due to the input of sensitive data or extraction of confidential content
- Generation of inaccurate or biased content that could affect business decision-making
- Intellectual property issues due to content generation that may infringe copyright
- Regulatory non-compliance regarding personal data protection and privacy
- Proliferation of shadow IT due to the use of GenAI applications without security evaluation or corporate monitoring
- Operational risk due to technological dependency, stemming from increasing integration of AI into critical processes

1.4.3

Emerging Risks

Why is this risk considered to have increased in importance recently?

The accelerated adoption of artificial intelligence is profoundly transforming the global business landscape. Its importance has grown due to several converging factors: rapid technological advancements, the disruptive nature of AI solutions, their widespread integration across business processes, and the significant impact they have on Grupo Falabella's operations and activities.

Internal monitoring has also revealed a sharp increase in the use of generative AI tools by employees, further reinforcing the need to manage this risk comprehensively and proactively.

Why is the magnitude of impact expected to increase in the future?

The impact of this risk has the potential to grow exponentially due to the accelerated use of generative AI across the organization. Industry trends project exponential growth in the adoption of these technologies over the coming years. At Falabella, we have identified multiple GenAI initiatives in development across our various business units. This growth could lead to exposure of confidential information, loss of operational control, and non-compliance with regulatory frameworks, affecting business continuity and stakeholder trust.

The impact of this risk is significant and multidimensional, stemming from external sources such as accelerated technological evolution, regulatory changes, and new cyber threats.
The identified impacts include:

- **Financial Impact:** Exposure to regulatory penalties for non-compliance with data protection laws, losses due to disruption of critical services, and remediation costs for security incidents.
- **Operational Impact:** Compromised continuity of operations if AI-based systems do not adequately strengthen operational resilience.
- Reputational Impact: Loss of customer and stakeholder trust due to exposure of confidential information or business decisions based on incorrectly generated data.
- **Legal Impact:** Risk of non-compliance with current regulatory frameworks regarding data protection, intellectual property, and ethical use of technology.
- **Opportunities:** conversely, correctly handling the implementation of AI, may yield a competitive edge and new business opportunities.

Mitigation Actions

Falabella has implemented a comprehensive program that balances technological innovation with prudent risk management, based on the following pillars:

- Governance and Strategic Framework
- Tools and Resources
- Training and Talent
- Knowledge Management
- Technical Infrastructure

The program was gradually executed throughout 2025, with clearly defined phases ranging from the implementation of regulatory foundations to optimization based on metrics and continuous evolution.

1.4.3
Emerging Risks

Inability of the organization to innovate in products, services, and processes

The inability to develop, adopt, or implement innovations in products, services, business models, or operational processes represents a critical risk for the Group. This risk may originate from limitations in resources, organizational culture, technological capabilities, business vision, or strategic decision-making, affecting the organization's ability to adapt to changes in consumer preferences, emerging technologies, or competitive pressures. The lack of innovation may result in loss of competitiveness, a decrease in market share, and an impact on profitability in the medium or long term. To manage this risk, Grupo Falabella has implemented the following key actions:

- **Continuous updating of training processes:** A permanent program of training and development for employees is maintained, aimed at strengthening their digital, technological, and innovation competencies, ensuring that internal talent is aligned with market trends and developments.
- **Clear and dynamic innovation strategy:** Each business unit has a portfolio of technological and innovation initiatives that support the execution of projects with tangible impact on the value proposition and the operational efficiency of the Group.
- **Organizational culture oriented toward innovation:** An environment is fostered that promotes experimentation, cross-functional collaboration, and agility in decision-making, facilitating the rapid adoption of new technologies and business models.
- **Strategic investment in technology:** Resources are prioritized for the incorporation of emerging technologies, such as Artificial Intelligence, automation, and digital platforms, which enhance the customer experience and optimize internal processes.
- Governance and monitoring: Innovation management is integrated into the Corporate Governance structure, with periodic monitoring of progress, results, and associated risks, ensuring alignment with the strategic objectives and the sustainability of the business

FALABELLA

g. Information Security

1.9.1

Information Security Governance

The executive-level responsibility for overseeing information security related matters falls on the company's Chief Information Security Officer (CISO), Rodrigo Martins.

Our CISO is in charge of managing the company's information security initiatives and strategies, as well as informing Board members on matters of information security.

1.9.2

Cybersecurity and information security policies

Falabella has two internal policies that regulate the conduct of employees and contractors regarding information protection and cybersecurity.

The General Information Security Policy establishes that all employees across Grupo Falabella's businesses are responsible for safeguarding and protecting the information they handle in performing their duties. It also states that contractors and external companies providing services and having access to company information assets must comply with this policy. Additionally, the policy defines the role of the Chief Information Security Officer (CISO), who is responsible for overseeing the periodic review of the policy. The objective of the Information Security Policy is to define general guidelines that ensure the proper use and protection of all information assets within Grupo Falabella's subsidiaries, as well as guaranteeing the continuous improvement of the company's information security systems.

The Cybersecurity Policy aims to define strategic and technical aspects for protecting Grupo Falabella's infrastructure. It establishes that security reviews must be conducted to ensure the protection of operating systems, as well as to permanently monitor and respond to threats and attacks. The document also states that best practices for managing information security risks must be monitored in order to foster continuous improvement in the company's information security systems.

1.9.3

Information Security Management Programs

To ensure proper Information Security management, Falabella holds an external ISO 27001 certification obtained through an audit that covers the declared scope. This is complemented by the existence of business continuity plans related to information security, which are tested at least once a year.

Falabella also has an **immediate reporting and escalation mechanism** that allows employees or suppliers to report suspicious activity or threats **related to information security**. The Cybersecurity Incident Management Procedure outlines the **roles and responsibilities** for addressing threats to information security.

Additionally, **Ethical Hacking** activities are carried out to **identify vulnerabilities** within the information security management system. In 2025, various exercises were conducted to evaluate vulnerabilities and improvement opportunities, as well as decision-making flows during cyberattacks. These exercises include a subsequent training module to prepare employees for potential threats.

Falabella has implemented comprehensive information security programs designed to anticipate, prevent, and respond to evolving cyber threats. These programs combine technical safeguards with a strong culture of Information Security Awareness Training, ensuring that employees across the organization adopt secure behaviors as part of their daily activities. Through the 2023–2026 Awareness Plan and the annual Information Security Week, the company has delivered targeted campaigns and workshops on secure browsing, digital footprint, access control, phishing, malware, artificial intelligence, and social media, complemented by surveys to assess employee engagement and understanding. In addition, Falabella conducts regular internal audits and ethical hacking exercises that simulate real attack scenarios to test systems, applications, and processes, proactively identifying vulnerabilities and strengthening defenses.

Responsible Use of AI

1.10.1

Policies for the responsible use of AI

Falabella S.A. has developed a series of internal norms and standards, including two internal documents titled Standards for the Acceptable Use of Generative AI, and Security Standards, both endorsed by the Board of Directors and the executive team. These internal documents provide guidelines for the safe, ethical, and responsible use of Artificial Intelligence (AI) by company employees.

These norms are also in place to guarantee the highest quality of outcomes through various controls and mechanisms. One of these is focused on preventing biases; the company has specific assessments in place to mitigate possible discriminatory behavior by AI due to learned biases, especially observable variables such as gender, ethnicity and/or age. Deploying or generating code using AI without the previous reviews and approval by the human in charge of the project is also forbidden.

The explainability and transparency of outcomes generated with AI is also established by the policies in question, specifically, the use of a centralized registry of all interactions (logs), including prompts and outputs, in order to document and explain any action, decision and result.

Another important point established by the norms and standards are clear roles with specific accountability for the impacts that AI may have, effectively requiring each collaborator to review, correct and validate any results generated with AI before their eventual use, being themselves responsible for any impacts these outcomes may have. The use of AI tools is also exclusively restricted to a defined set of corporate authorized uses, with any personal or external non-validated uses being expressly forbidden, as well as the training, or use, of any AI model for the identification (without prior legal consent) of individuals and the use of AI generated images without the person(s)'s depicted explicit consent.

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1.10.2

Programs for the responsible use of AI

In addition to the definitions that seek to govern the use of AI in the company, Falabella S.A. has also implemented a wide range of practical **initiatives focused on promoting responsible and transparent AI use**. All of the following initiatives are formal procedures established by the Standards for the Acceptable Use of Generative AI, and the Security Standards:

1. **1- Requiring explicit consent in cases that involve biometric facial recognition, otherwise it is forbidden to use this type of information.**

2. **In order to ensure transparency, it is mandatory to label AI generated content as such. This applies to both images and any other content generated with the help of AI tools.**

3. **3- There are mechanisms in place designed to monitor and identify anomalies or behavioral patterns in that differ from what's expected from the model.**

4. **In accordance with the company's AI standards, Falabella S.A. offers instances and channels to request feedback and/or express grievances to the AI governance body. These channels and instances are open to both users of AI tools and any affected stakeholder.**

5. **Finally, the company also has an e-learning platform in which each and every employee can learn about the safe and ethical use of approved AI tools.**

   Along with the previously mentioned initiatives, the company periodically audits its processes and mechanisms related to its responsible use of AI, internally and externally, to guarantee a proper, effective and impartial implementation of these programs.

All of these practical initiatives are designed by Falabella S.A. to instill the spirit of the standards and norms discussed in the previous page, preparing both the company's governance structure and our employees for the responsible and ethical use of AI.

FALABELLA

i.
Product Quality

1.11.1

Product Quality Programs

To ensure the quality of the products sold, several subsidiaries of the Group have **processes in place to prevent or address products that do not meet quality standards** prior to delivery to customers, such as:

Sodimac

Sodimac has a structured quality assurance system designed to prevent the sale of non-conforming products before they reach customers. This approach is implemented throughout the supply chain by defining mandatory technical requirements for each category, pre-evaluating prior to their inclusion in inventory, and conducting quality tests and trials where appropriate.

Furthermore, all products must have validated technical specifications, and any modifications must be approved in advance, ensuring consistent compliance with defined standards. For regulated categories, mandatory certification processes are required in accordance with applicable regulations, and suppliers must provide the corresponding documentation to support their marketing. This model allows for the proactive management of quality risks, ensuring that products meet legal, regulatory, and safety requirements before being placed on the market, and reducing the likelihood of returns, claims, or post-sales incidents.

1.11.1

Product Quality Programs

Emerging technologies are being integrated to enhance product quality:

Sodimac integrates information management tools and systems to strengthen the control and traceability of technical quality requirements throughout the product lifecycle. This includes the structured definition of technical specifications, modification control, and document management related to certifications, testing, and regulatory requirements.

This approach allows for improved consistency in the application of quality standards, facilitates product validation before marketing, and strengthens the capacity to monitor and control supplier compliance with requirements.

Regarding **quantitative objectives for improving product quality performance**, Sodimac monitors product quality indicators such as return rates, customer complaints, and quality control results, establishing continuous improvement objectives aimed at reducing nonconformities and strengthening supplier performance.

Sodimac also promotes training for internal stakeholders on their roles in the quality management system, through initiatives focused on the correct implementation of its quality assurance system by defining roles, responsibilities, and processes associated with product quality management. These guidelines are integrated into internal operations through the management of teams responsible for evaluating, controlling, and monitoring compliance with technical, regulatory, and safety requirements.

This approach ensures that the areas involved in quality management understand and fulfill their responsibilities within the system, strengthening consistency in the application of standards and contributing to the prevention of nonconformities throughout the product lifecycle.

Sodimac has formal procedures for customers and other external stakeholders to report complaints about products that do not meet quality, safety, or performance standards. These mechanisms include customer service and after-sales channels, through which complaints are received, recorded, and managed.

Claims are managed through structured processes that allow for their analysis, monitoring, and resolution, including—where appropriate— , actions such as repair, replacement, or refund of the product, as well as the identification of root causes and the implementation of improvements in the supply chain.

Finally, Sodimac also establishes formal and mandatory requirements for suppliers to adhere to the quality, safety, and regulatory compliance standards applicable to the products and services they sell. These requirements are defined as part of the procurement framework and include specific obligations related to product quality, compliance with legal regulations, the availability of certifications, and the delivery of technical documentation necessary for marketing.

Suppliers are responsible for ensuring that products meet defined safety, quality, and performance requirements, as well as providing the required certifications, manuals, and technical information. Additionally, they must comply with validated technical specifications, packaging standards, labeling requirements, and other established conditions, and are responsible for any deviations or non-compliance.

1.11.1

Product Quality Programs

This approach ensures the standardization of requirements across the supply chain, reinforces the supplier's responsibility for product quality, and allows for effective control over compliance with the standards defined by the company. In addition to the aforementioned quality control programs, several subsidiaries also employ external verifications in accordance with industry standards:

Mallplaza implemented an external verification of its quality management system and updated its ISO 9001 certification in 2024. Moreover, Mallplaza's teams are trained continuously for correct quality management in its processes, and several mechanisms are established for external stakeholders to report complaints, such as customer modules in shopping malls and formal channels for stores themselves to raise complaints.

On this topic, Falabella Retail has in place Customer Services and Technical Service in stores for customers to raise complaints on faulty products. Falabella Retail has Customer Service and Technical Service points in stores for customers to file complaints on faulty products.

Sodimac has implemented internal quality controls and audits for imported products to be sold in its stores, consisting of inspections to guarantee the quality of products in supplier factories. Once inspection criteria are met, shipping approval is sent to the supplier. Sodimac also trains its Procurement and Quality areas on its Quality Management System to raise awareness about the roles of employees in this system. Moreover, the Client Experience area of the company is in charge of receiving and handling customer complaints, directly in stores and through social media.

1.11.2

Products Recall

Sodimac also documents the exact number of products recalled by customers, both in Chile and in its international stores, so as to support monitoring efforts by each business unit regarding the quality of its products, as well as to help identify opportunities for improvement.

The following table shows the amount of recalls issued by the company due to quality concerns of products:

Grupo Falabella	2022	2023	2024	2025
Number of recalls issued	-	49	55	27
Number of products effectively recalled	-	161,746	191,831	48,121

The data presented in the table above comes from the following business units:

Sodimac	2022	2023	2024	2025
Number of recalls issued	-	1	0	2
Number of products effectively recalled	-	801	0	1,042

Tottus	2022	2023	2024	2025
Number of recalls issued	-	48	55	25
Number of products effectively recalled	-	160,945	191,831	47,079

2. Environmental Dimension

a.
Environmental Management

2.1.2

Environmental Management System Verification

EMS: Certification/ Audit / Verification

Our Environmental Management Systems are certified under the ISO 14001 international standard. In Mallplaza, 26 of its 37 urban centers are certified[1], covering 86% of its GLA in Chile, Peru and Colombia. Likewise, Sodimac Colombia[2] has ISO 14001 certification in all its facilities, covering 42 stores and 3 distribution centers. These operations represent 8.5% of Grupo Falabella's consolidated revenues in 2025.
Mallplaza's ISO 14001 certifications can be found here: https://corporativo.mallplaza.com/en/governance/governance-documents/

Most of our business units have implemented our Environmental Program, which integrates comparable management components and is subject to internal audit processes. Together, these units represented 78% of our consolidated 2025 revenues.


AENOR

Certificado del Sistema de Gestión Ambiental

AENOR GESTIÓN AMBIENTAL ISO 14001

GA-2011/0577

AENOR certifica que la organización

PLAZA S.A.

dispone de un sistema de gestión ambiental conforme con la Norma ISO 14001:2015

para las actividades: La prestación de servicios de soporte de locales comerciales y el mantenimiento de infraestructuras de centros comerciales.

que se realiza/n en: Direcciones indicadas en el Anexo

Primera emisión: 2011-11-10 Modificación: 2025-01-02

Última emisión: 2023-11-17 Expiración: 2026-11-10


Certificado CO19/8735

SGS

SODIMAC COLOMBIA S.A.

ISO 14001:2015

1. Eleven assets acquired at the end of 2024 have yet to be certified.
2. Sodimac Colombia was not financially consolidated within Grupo Falabella in 2025, since Falabella maintains a 49% stake and not majority control of the company.

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2.3.1

Packaging Commitments (1)

Regarding the commitments established and programs implemented to manage packing-related impacts, Falabella has taken the following steps:

Measurable group-wide commitment to reducing the volume and/or weight of packaging

In January 2024, Falabella Retail and Falabella.com entered into a Clean Production Agreement (CPA) with the Santiago Chamber of Commerce and the Sustainability Corfo's Sustainability and Climate Change Agency. This two-year public-private partnership aims to identify opportunities to reduce the environmental footprint of packaging throughout the lifecycle of e-commerce and to carry out collaborative actions that enhance circularity. The agreement included a commitment to reduce e-commerce packaging weight by 5% by the end of 2025.

Companies adhering to the CPA must comply with the following differentiated obligations based on their company type:

- Reduce the weight of their e-commerce packaging by at least 5%.
- Incorporate materials with lower environmental impact into e-commerce packaging, in line with applicable environmental regulations.
- Adopt circular economy strategies for e-commerce packaging.

Programs to increase the use of recyclable packaging

Tottus was awarded a certificate from Corfo's Sustainability and Clinate Change Agency, confirming the achievement of 100% compliance with the objectives and goals of the Eco-labeling Clean Production Agreement (CPA), which was coordinated by SOFOFA.

The goals for participating companies included publishing 12 reports about the eco-label and certifying 25 SKUs with the recyclability seal. Tottus successfully met the publication requirement and certified 81 SKUs with the recyclability seal.

2.3.1

Packaging Commitments (2)

Regarding the commitments established and programs implemented to manage packing-related impacts, Falabella has taken the following steps:

Programs to phase out single-use plastic packaging

Mallplaza has launched its “Plaza 0” program, becoming the first mall in Chile to take action against single-use plastic tableware and packaging in food courts. This initiative aligns with Chile's Single Use Plastics Law, which mandates that within a determined timeline, no restaurant or store serving food may offer single-use items.

Programs to ensure that recyclable packaging is effectively recycled

Sodimac has gradually established a nationwide network of recycling points in Chile, thus encouraging access to recycling facilities and ensuring the recycling of packaging materials such as cardboard, glass, and plastics. The company tracks the weight of recovered paper and cardboard, plastics, metals, and glass on an internal digital platform, and offers products made from plastic waste collected at its recycling points. Furthermore, Sodimac’s waste recovery for cardboard, plastic wrap, and wood is managed by specialized, certified companies, guaranteeing effective recycling.

Sodimac, Falabella and Tottus are partners of ReSimple, which is responsible for collecting recyclable packaging waste directly from households, as well as for operating Clean Points and Green Points. It offers a home pickup and recycling service for furniture and large appliances.

Customers can drop off used car batteries at Sodimac and Car Center stores free of charge. Sodimac is also part of the Chilean Plastics Pact, an initiative led by Fundación Chile that aims to implement actions to advance toward a circular economy for plastics.

2.3.1

Packaging Commitments (3)

Regarding the commitments established and programs implemented to manage packing-related impacts, Falabella has taken the following steps:

Investment in innovation or R&D applied to Ecommerce packaging

Since January 2024, Falabella Retail has adheres to a Clean Production Agreement (CPA) promoted by the Santiago Chamber of Commerce and Corfo's Sustainability and Climate Change Agency. The objective is to detect opportunities to minimize the environmental impact of packaging used throughout the life cycle of online commerce and to implement collaborative actions that promote greater circularity.

To meet the objectives of reduction and operational efficiency, we conducted a study which included investing in specialized software to facilitate the life cycle analysis of our packaging. This allowed us to quantify their impact and identify reduction opportunities through eco-design initiatives.

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2.3.2
Packaging Materials

Packaging material	Total weight (metric tons)	Share of recycled materials
Wood / Paper	12,204.38	5%
Metal	764.01	
Glass	408.06	

2.3.3
Plastic Packaging

Plastic Packaging	FY2025	Coverage as a percentage of cost of goods sold
Total weight (tonnes) of all plastic packaging	6,443	24%
Percentage of recyclable plastic packaging (% total weight of all plastic packaging)	37,76%	
Percentage of compostable plastic packaging (% total weight of all plastic packaging)	0.97%	

These figures include the packaging and containers associated with products subject to the Extended Producer Responsibility (REP) law, consolidated throughout our retail businesses in Chile: Sodimac, Tottus, and Falabella Retail.

2.4.1

Waste Management Programs (1)

Tottus Waste Management

Waste Training Programs

As part of its waste management and food waste reduction strategy, Tottus trains its employees to promote responsible waste management and the reduction of food waste. This training allows them to identify, sort and properly manage products suitable for consumption that are channeled through the Food Bank, helping to prevent food in good condition from becoming waste. Thus, the company promotes the recovery of food surpluses, generates a positive social impact and strengthens the principles of the circular economy.

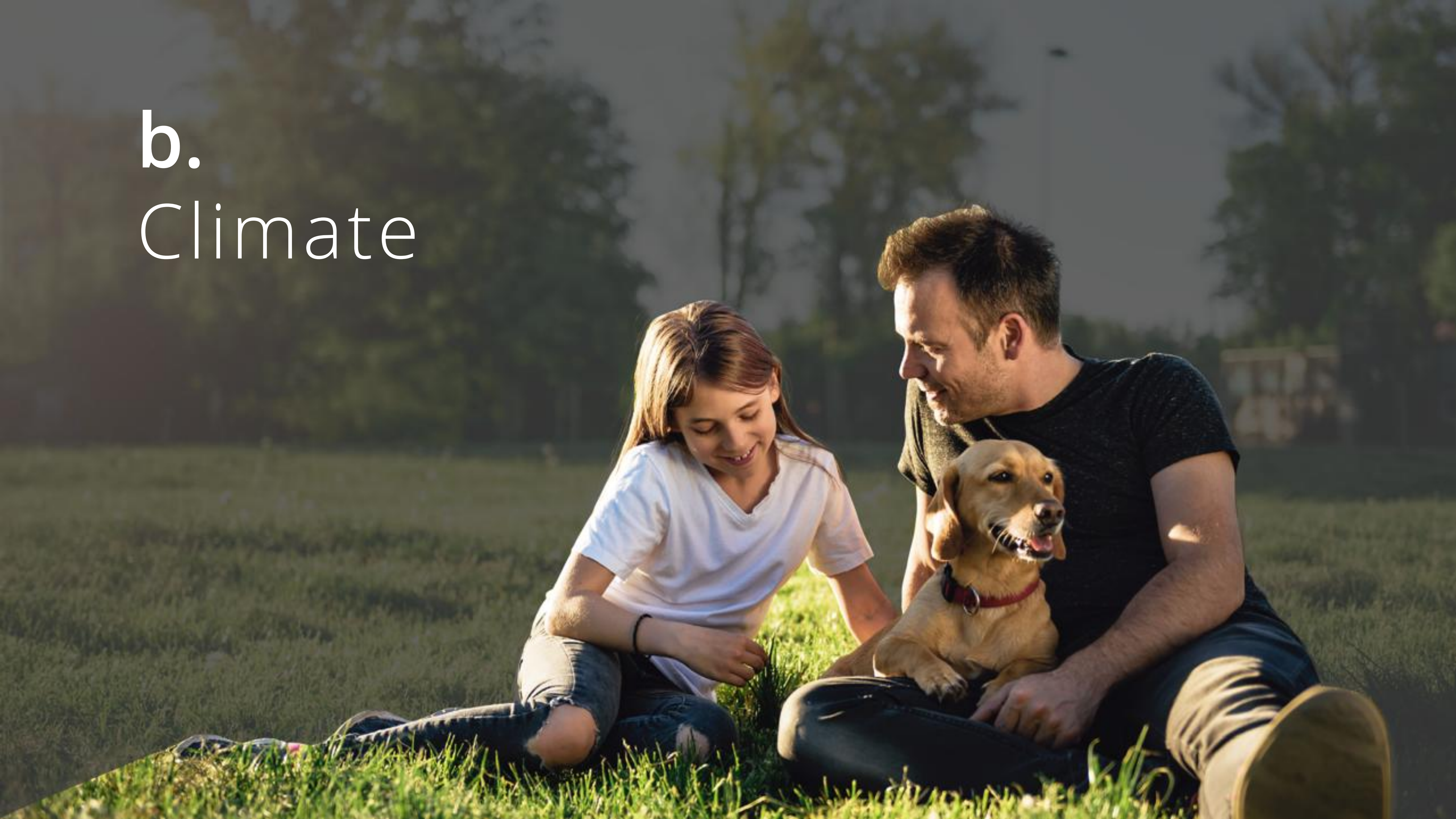
Falabella Retail's Waste Management

Zero Waste Certification

Falabella Retail's operation in Colombia has the Zero Waste certification, granted under the international Global Zero Waste standard and audited locally by ICONTEC. This certification recognizes the implementation of a management system aimed at promoting a circular economy and minimizing the disposal of waste in landfills. The scope of the certification includes the stores and the distribution center, which accounts for the highest waste generation in the operation.

This certification evaluates organizations' performance through requirements related to waste prevention, reduction, reuse, repair, remanufacturing, and recycling. In this context, Falabella Retail stood out thanks to initiatives such as the elimination of single-use plastics, the recirculation of alarms and hangers, post-consumer programs for electrical and electronic equipment, and projects for the reuse and recovery of materials. Thanks to these efforts, the company has maintained the Gold category for three consecutive years, the highest level of recognition during that period, subsequently advancing to the Platinum category, the highest level of performance within the certification system.

b. Climate



2.6.4

Climate Governance

Governance

The Board of Directors of Falabella S.A. oversees the implementation of the corporate sustainability strategy, approving each year's budget for decarbonization initiatives and requesting adjustments from management when necessary. The performance, annual work plan and update of the Climate Action Strategy and its commitments are reported annually to the Board of Directors, and twice a year to the Committee of Directors.

The role with the greatest responsibility for issues related to climate change is the Corporate Manager of Strategy, Transformation and Sustainability (CSO). This position works in coordination with each business units' Corporate Manager to ensure the integration of climate objectives into the Company's strategic and financial planning, in addition to aligning incentives for key roles responsible for executing decarbonization and climate risk management initiatives.

The Climate Change Risk Specialist, who reports to the Strategy, Transformation and Sustainability department, provides updates on the carbon footprint, climate risk monitoring and progress in decarbonization plans. These updates are reviewed quarterly by the Corporate General Manager, the executive team and the Corporate Risk Committee, in addition to specific follow-up carried out by each business unit in their respective committees. In addition, the Board receives a quarterly report on the performance of the carbon footprint and progress in decarbonization.

Climate-related incentives

At Grupo Falabella, we include sustainability and climate change indicators in the annual goal fulfillment matrices for key roles and executives. In 2025, the goal of reducing the carbon footprint in Scopes 1 and 2 was incorporated as part of the monetary incentive system, linking the objectives of these indicators with medium- and long-term climate commitments.

With the aim of continuing to advance the efficient management of climate change in our operations, Mallplaza defined climate-related incentives for the CEO, senior executives and operations management teams. The KPI associated with these incentives is compliance with the regional goal of reducing the scope 1 and 2 carbon footprint, which has a weighting of 10% for the CEO and 15% for Corporate Affairs and Sustainability Management and Operations Management in their ESG[1] incentives. It is important to note that this KPI is linked to the annual monetary bonus, in addition to generating a relevant impact and forming a key part of our climate change management strategy. Mallplaza's KPI methodology includes the cascade of objectives from management, which implies that non-executive employees of Corporate Affairs and Operations Management include the carbon footprint KPI in their performance evaluations. Finally, within Operations Management, employees (non-executives) have compliance with regional water consumption included in their KPIs.

1. ESG: Environmental, Social and Governance.

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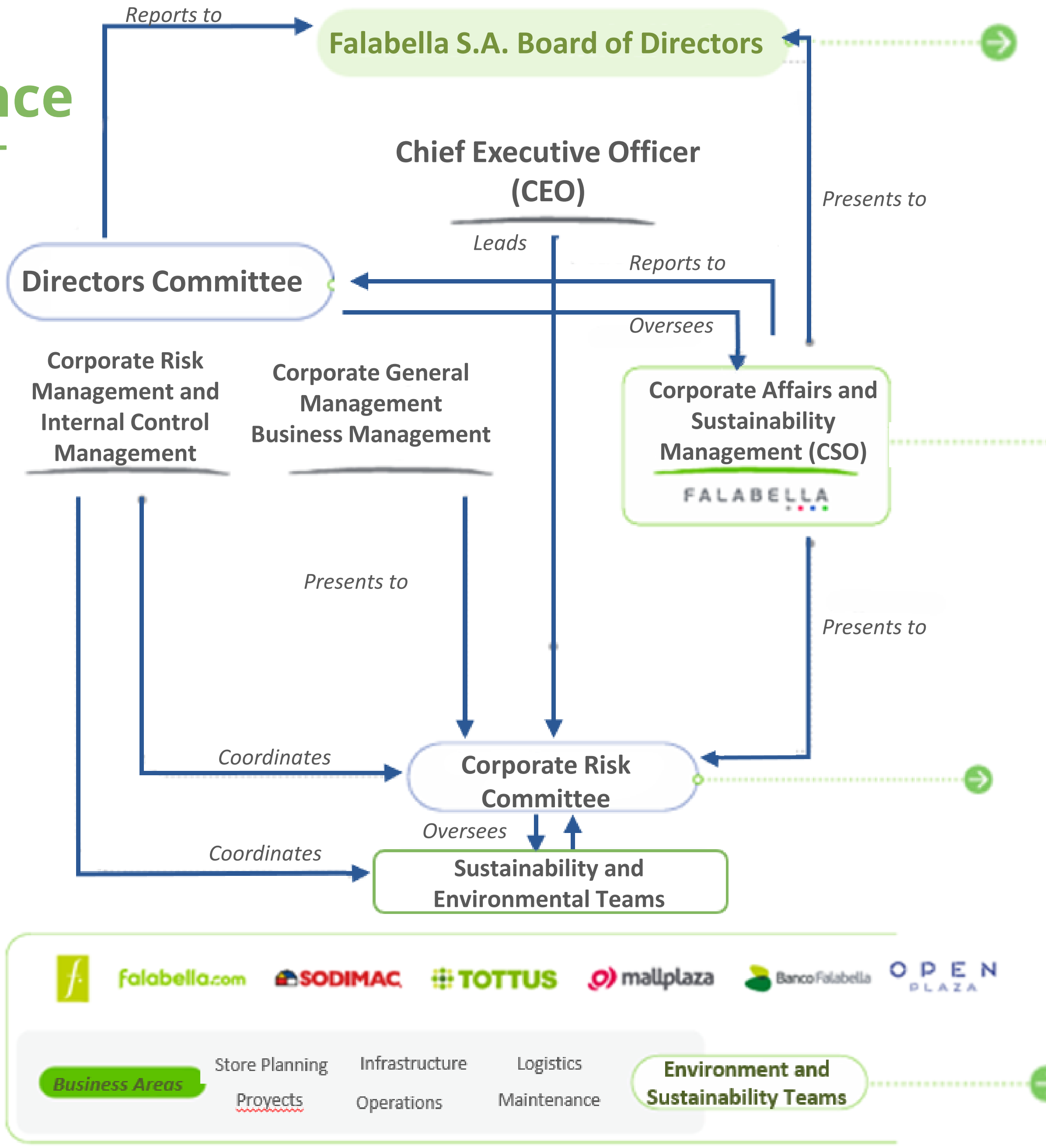
2.6.4 Climate Governance

The Board oversees the progress of public and legislative commitments, the updating of the annual work plan and the corporate management of the risks and opportunities associated with climate change.

It approves the Group's strategy and commitments, including the Climate Action Strategy and the decarbonization plan, and receives reports on its sustainability progress every six months.



It annually supervises the corporate management of the risks and opportunities arising from climate change and approves the strategy, commitments, budgets and investments associated with sustainability plans, including the Grupo Falabella's Climate Action Strategy and the decarbonization plan.

It is the highest level management role responsible for with responsibility dedicated to issues related to climate change. It proposes, leads and supervises the Climate Action Strategy and its focuses, goals, methodologies and work plans with the business areas.

It monitors, reports and provides guidelines on the evolution of risks and opportunities arising from climate change. It defines accepted and tolerable thresholds for managing the physical risks of climate change.

It collects information about the management and status of all types of risks, including climate change risks and decarbonization plans.

They each execute the work plans associated with the Climate Action Strategy, in coordination with the CSC.

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Adaptation:
Climate Risk Management

At Grupo Falabella we recognize that climate change not only implies risks, but also opportunities to strengthen the resilience of our assets and value chain.

Adaptation is essential to ensure operational continuity and business sustainability in a context of increasing climate variability. Since 2021, we have made progress in incorporating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), now integrated into the S2 standard of the International Financial Reporting Standards (IFRS), which allows us to manage climate risks with greater knowledge and transparency.
During 2025, our focus was on updating specific climate risks and estimating the inherent risk for each business, incorporating information from scientifically validated climate models. This approach allows us to anticipate potential impacts, reduce vulnerabilities and, at the same time, identify opportunities in an ever-evolving climate and regulatory environment.
For the climate change risk analysis, both physical and transition risks were considered. Within these types of risks, the analysis included:

Chronic and Acute Physical Risks: Associated with extreme weather events and long-term changes in weather patterns, which can affect infrastructure, logistics, and resource availability.

Transition risks: linked to adaptation to a low-carbon economy, including risk aspects such as current and emerging regulations, regulatory changes, potential litigation, operation of technological systems, impacts on the company's reputation and market conditions.

To do this, we carry out a comprehensive analysis of physical and transition risks considering our own assets and operations[1], as well as processes along the value chain. This analysis was carried out in different time horizons: Short term (0 to 5 years), medium term (6 to 15 years) and long term (16 to 25 years), and included a quantitative assessment of financial impacts under various climate scenarios. In the case of physical risks, the SSP1-1.9, SSP1-2.6, SSP2-4.5 and SSP5-8.5 scenarios were considered, while for transition risks, the Net Zero 2050 (NZ2050) and Stated Policies (STEPS) scenarios defined by the International Energy Agency (IEA) were incorporated. This exercise allowed for the identification of acute, chronic and transition impacts, considering both direct operations and upstream and downstream activities.

Risk identification was carried out through participatory processes with teams from different business units, using the Intergovernmental Panel on Climate Change's (IPCC) conceptual framework to address the components of risk.

As a result of this work, we made progress in updating our Comprehensive Matrix of Risks, in line with the Integral Risk Management Policy, deepening the analysis of identified climate risks and disaggregating them to a level that allows their effective management.
In this process, an inventory of nine physical risks was consolidated, evaluating their applicability and defining a specific set for each business. Likewise, 18 key controls were established for its management, which were integrated into the Comprehensive Risk Matrix. This tool is part of the risk management model and establishes guidelines for the periodic review and monitoring of the implementation of the defined controls.

Finally, based on the analysis carried out, priority was given to the financial quantification of two acute physical risks, one chronic physical risk, four transition risks and three climate opportunities, whose descriptions are presented in the list of climate change risks and opportunities.

Although our operations will be exposed to various climatic phenomena and regulatory changes, these are not projected to generate impacts that imply significant modifications in the business strategy in the short term. This is because multiple initiatives currently underway, such as the modernization of air conditioning and refrigeration equipment and the promotion of sustainable construction, are already contributing to the resilience of our operations, preparing us to better face the challenges of climate change.

2.6.7

Climate Risk Management

Description of climate-related risks

Classification	Subclassification	Description	Timeframe for materialization	Points in the value chain it affects
Physical	Acute	Interruption of operations due to damage to infrastructure and fall of advertising elements, caused by extreme winds and/or extreme rainfall and their consequences (floods and mass removals).	Medium term	Direct operation
	Acute	Partial or total interruption of operations as a result of the increase in temperature (which causes non-compliance with SSO regulations on thermal discomfort), caused by extreme heat.	Medium term	Direct operation
	Chronic	Increased costs in air conditioning and refrigeration due to average temperature increase.	Medium term	Direct operation
Transition	Transition – Market and Current Regulation	Obsolescence of emission-intensive air conditioning and refrigeration equipment.	Short term	Direct operation
	Transition – Emerging Regulation	Increased transportation costs due to higher taxes for greenhouse gas emissions within our value chain.	Long term	Logistics chain
	Transition – Current and Emerging Regulation	Increased infrastructure investment costs for future projects under current and emerging energy efficiency regulations.	Short term	Direct operation
	Transition – Emerging Regulation	Increased costs due to the implementation of new regulatory requirements for energy efficiency in current operations.	Medium term	Direct operation

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2.6.7

Climate Risk Management

Description of climate-related opportunities

Classification	Description	Timeframe for materialization	Points in the value chain it affects
More efficient use of resources and associated savings	Implementation of more efficient air conditioning systems through replacement of equipment.	Short term	Direct operation
	Improve the thermal insulation of the infrastructure: change from windows to insulating glass.	Medium term	Direct operation
	Improve the thermal insulation of the infrastructure: elimination of skylights, change to closed roof.	Medium term	Direct operation
Adoption and use of energy sources Low emissions	On-site solar generation	Short term	Direct operation

2.6.8

Analysis of Climate Change Scenarios

Description of climate scenarios

At Grupo Falabella, we assess climate risks under different scenarios with the aim of analyzing the resilience of our operations and value chain against plausible climate trajectories. To do this, we consider scenarios associated with both physical and transition risks, examining variable futures in terms of climate ambition, regulatory evolution and levels of global warming.

Scenarios for physical risks

For the analysis of physical risks, we considerclimate scenarios derived from the CMIP6 base, which are consistent with the IPCC Sixth Assessment Report (IPCC, 2021). The scenarios considered are:

SSP1-1.9: Very low-emissions scenario, associated with a very strict sustainability and mitigation trajectory, aimed at limiting global warming to 1.5°C with zero or low overrun. This scenario was considered as a methodological reference, but not prioritized for the detailed analysis of physical risks, since the exercise adopted a conservative approach focused on scenarios of greater warming and potential severity.

SSP1-2.6: A low-emissions scenario, associated with a strict sustainability and mitigation trajectory, consistent with limited global warming below 2°C by the end of the century. This scenario was considered as a methodological reference, but like the previous, it was not prioritized for detailed analysis, since trajectories with greater climatic exposure and potential impact on the analyzed assets were considered.

SSP2-4.5: Middle-of-the-road scenario, which represents an intermediate trajectory in which global emissions continue a similar trend to today's, without significant additional mitigation efforts. This scenario is used as a business-as-usual reference.

SSP5-8.5: High emissions scenario, characterized by intensive use of fossil fuels and higher levels of warming towards the end of the century, configuring a context of greater severity and frequency of extreme weather events.

These scenarios allow a wide range of possible future weather conditions to be captured, from an intermediate trajectory to one of greater physical stress. The climate variables projected under each scenario were used as input to estimate the frequency and intensity of relevant threats to the analyzed assets (e.g., extreme precipitation, extreme winds, and heat waves).

2.6.8

Analysis of Climate Change Scenarios

Description of climate scenarios

Scenarios for transition risks

For the transition risk analysis, the scenarios published by the International Energy Agency in the World Energy Outlook 2025 (IEA, 2025) were used:

- **Stated Policies (STEPS): A scenario that reflects the expected evolution of emissions and energy systems under climate policies currently implemented or formally announced by governments. It does not assume a substantive strengthening of existing commitments.**
- **Net Zero 2050 (NZ2050): A scenario of profound and accelerated transformation of energy, production and land use systems, aimed at achieving net-zero emissions by 2050. It involves the early, coordinated and ambitious adoption of climate policies. As this scenario seeks to limit global warming to 1.5°C by 2050, it is aligned with the Paris Agreement that seeks to limit warming to 2°C.**

The use of these two scenarios allows Grupo Falabella to assess exposure under contrasting regulatory and technological contexts: one of gradual transition and the other of accelerated and highly demanding transition. In particular, the NZ2050 scenario implies greater regulatory pressures, steeper increases in carbon prices, greater energy efficiency requirements and structural changes in the markets, which translates into greater potential impacts associated with transition risks.

Mitigation: Climate Transition Plan

In 2023 we announced our commitment to reach net zero emissions in Scopes 1 and 2 by 2035, aligned with the Greenhouse Gas (GHG) Protocol[1]. As an intermediate goal, we seek to reduce gross emissions by 65% by 2030, taking 2021 as the baseline year.

Our climate strategy includes stores, shopping centers, offices and logistics centers in Chile, Peru and Colombia, representing 94% of our revenues in 2025. Our decarbonization plan is based on a detailed analysis of our operations and the implementation of mitigation measures. Our short- and long-term goals are aligned with the Science Based Targets Initiative (SBTi)[2] criteria for Scopes 1 and 2. This standard requires an absolute linear annual reduction of 4.2% to keep the global temperature increase below 1.5°C, in line with the Paris Agreement.

Financing

Our transition plan to achieve Net Zero by 2035 in Scopes 1 and 2, along with a 65% reduction by 2030, is underpinned by a number of key assumptions and dependencies. For example, the availability of renewable energy through direct supply contracts is considered -a fundamental element for the reduction of Scope 2 emissions. Likewise, the plan is conditioned by favorable scenarios in energy prices, especially in the comparison between free and regulated market tariffs, an aspect that can directly influence the economic viability of renewable energy contracting.

In addition, it is conditioned upon a progressive reduction of emission factors at the national level in the countries where we operate, which is essential to meet the greenhouse gas reduction targets. In turn, the plan depends on the availability and costs associated with low-emission HVAC and refrigeration technologies in the region, critical components to reduce Scope 1 emissions linked to these systems. Together, these elements form the basis for the proper implementation of our transition plan.

Specifically, year by year, a review of the investments associated with the different decarbonization levers in each business and country is carried out, assessing the impact of their budgeted CAPEX on the progress of the decarbonization roadmap. These investments consider the updating and renovation of assets that have exceeded their useful life, particularly in refrigeration and air conditioning systems. In this process, priority is given to initiatives that respond to the operational needs of businesses and that, at the same time, reduce the carbon footprint, ensuring consistency between operational efficiency and environmental performance.

1. The Greenhouse Gas Protocol sets global standards for accounting and reporting greenhouse gas emissions.

2. The Science Based Targets initiative promotes emission reduction targets based on climate science.

We have implemented the following **decarbonization levers**

Scope 1

Replacement of refrigeration systems

One of the main strategies of the decarbonization plan is the modernization of refrigeration systems in Tottus supermarkets. Incorporating more efficient technologies with less climate impact is key to reducing Scope 1 emissions, mainly associated with refrigerant leaks. By 2025, systems have been replaced in 11 stores in Chile and Peru, avoiding more than 16,500 tons of CO_2 annually by switching to transcritical CO_2 technologies (R-744).

For more information see page 214 of the Annual Report.

Replacement of fossil-fuel forklift cranes with electric ones

The progressive replacement of fossil-fuel forklift with electric equipment has been implemented, contributing to the reduction of Scope 1 emissions in logistics operations. At Sodimac Chile, progress has been made in replacing propane cranes with lithium-powered electric technology, incorporating new machinery and removing combustion equipment in stores with where conditions allow. At Sodimac Peru, the adoption of electric logistics equipment as an alternative to equipment that operates with fossil fuels is being evaluated, with the aim of improving operational efficiency and optimizing logistics processes.

Scope 2

Renewable electricity supply contract

We currently have power purchase agreements (PPAs) with strategic suppliers, such as Enel in Chile and Statkraft in Peru, which allow us to supply our operations with certified and traceable electricity from 100% renewable sources. By 2025, we managed to supply renewable energy to 453 facilities[2], raising the percentage of renewable electricity in our operations to 80%.

For more information see page 212 of the Annual Report.

Solar self-generation

We have bolstered our transition to renewable energy by installing solar systems in sites where it is technically feasible. At Sodimac Chile, these initiatives have generated approximately 14 GWh per year and avoided nearly 3,000 tCO_2e. At Mallplaza, part of the portfolio includes on-site renewable self-generation projects, including solar plants in different shopping centers in the region. During 2025, new projects were developed, such as a photovoltaic system in Mallplaza Vespucio, contributing to the generation of renewable energy and reducing consumption from conventional sources. These initiatives are part of an expansion plan that considers continuing to develop solar projects in the coming years.

Scope 3

Electromobility

Logistics is fundamental in operations, but it also represents a relevant source of emissions due to the historical use of fossil fuels in transport. To meet this challenge, the company has promoted electromobility initiatives aimed at reducing its carbon footprint, incorporating solutions such as electric vehicles, (including bicycles) and more efficient transport pilots, in order to move towards more sustainable logistics with less environmental impact.

Reduction of operational waste due to food donation

We have successfully bolstered food donation as a key lever to reduce waste and emissions associated with its final disposal, contributing to the reduction of tCO_2e in the operations of Tottus. This initiative allows products suitable for consumption to be redirected to social organizations, avoiding their disposal and generating a positive impact on communities. Through alliances with food banks and foundations, the volume of donations has increased significantly, advancing through a model that combines efficiency in waste management with social benefits, in line with circular economy and food safety principles.

1. Estimate made based on the average replacement of the last 4 years at applicable stores
2. Facilities are considered renewable if they have more than 98.5% renewable electricity supply. This supply can come from direct power purchase agreements (PPAs), third-party PPAs, self-generation, or the purchase of I-REC certificates. This includes facilities in Colombia, and bank branches and offices in Chile and Peru.

Engaging with stakeholders to gather input and support the achievement of the transition plan

At Falabella, we actively engage with various associations and organizations that address climate change, collaborating with suppliers, peers, NGOs, and local authorities to advance in meeting global sustainability goals. This collaborative approach extends to participation in initiatives and alliances aimed at reducing and mitigating environmental impacts, facilitating a coordinated response to climate challenges and promoting solutions at the sectoral level.

We monitor the alignment of these engagement activities with our sustainability and climate strategy, as well as other corporate priorities, between the sustainability teams of each of our business units. We also make strategic contributions to financial trade associations and organizations to promote sustainable development in the countries where we operate, promoting collaboration and the generation of shared value. In line with our internal regulations and policies, we do not make contributions to political campaigns or lobbying organizations. Information about our memberships and alliances is transparently disclosed through our Integrated Report. For more information see page 154 of the Report.

Relationship with the Value Chain

Sodimac Suppliers for the Climate program

Sodimac promotes the Suppliers for the Climate Program, an initiative aimed at involving its supply chain in the control and reduction of greenhouse gas (GHG) emissions.
This program is especially relevant to addressing Scope 3 emissions, which account for a significant portion of the carbon footprint, by extending climate action beyond direct operations.

Through this initiative, Sodimac promotes the monitoring, reporting and establishment of reduction goals by suppliers is promoted, strengthening capacities and encouraging the adoption of more sustainable practices throughout the value chain.

For more information, please click here

Engagement with industry peers or relevant associations/initiatives

Santiago Chamber of Commerce

It is a non-profit trade association that brings together more than 2,500 companies from different sectors in Chile. Within the framework of its sustainability committee, we participate by sharing best practices with other companies, including the presentation of our progress in the implementation of the IFRS S2 standard, contributing to the strengthening of climate action and reportability in the sector.

Chilean-American Chamber of Trade (AMCHAM)

AmCham promotes the development of business ecosystems between Chile and the United States, encouraging collaboration, investment and the dissemination of best practices. In this context, we actively participate in forums and other instances , sharing our experience in the implementation of the IFRS S2 standard and contributing to the climate action and reportability in the business environment.

Relationships with Government, the Public Sector or Civil Society

Chile Footprint and Peru Carbon Footprint

Our businesses have been recognized by the HuellaChile and Huella de Carbono Peru programs, initiatives of the ministries of environment of both countries that promote and certify organizations' greenhouse gas (GHG) emissions control and monitoring.

United Nations Global Compact

This initiative promotes the private sector's commitment to sustainability. As Grupo Falabella, we actively participate in the Chilean chapter and make an annual contribution, reinforcing our commitment to climate action through collaborative initiatives within the business ecosystem.

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Evaluation of the social implications of the transition plan and corresponding actions

Reducing food loss and waste acts as a dual-impact lever, generating both social and environmental benefits.

On the one hand, food that would otherwise be discarded is recovered and redistributed to social organizations, helping to feed thousands of people in vulnerable situations and strengthen community support networks. This transforms waste into a valuable resource, improving food access and quality of life.

At the same time, preventing food from ending up in landfills significantly reduces greenhouse gas emissions (especially methane) generated during decomposition. Thus, every kilogram recovered not only feeds people but also helps lower the carbon footprint, creating a measurable environmental impact.

Overall, this lever demonstrates how efficient resource management can create shared value, aligning social impact with climate change mitigation.

Peru

395,096
Beneficiaries

~48
Provinces

2,182 (2,045 + 137)
Organizations

1,062<,137 kg
Weight of donations

Chile

593,291
Beneficiaries

~102
Municipalities

~115 (monthly reference)
Organizations

373,053 kg<
Weight of donations

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c.
Circular Fashion

2.8.1

Circular Fashion Commitment

Falabella Retail is leading a circular fashion commitment aimed at decoupling business growth from the consumption of virgin resources, promoting the extension of the useful life of textile products and fostering more sustainable consumption models. In line with its Second Life in Fashion strategy, the company seeks to cultivate a circular ecosystem that prolongs the use of garments, footwear and accessories through reuse, exchange, resale, donation and recycling initiatives.

Through this commitment, Falabella Retail seeks to consolidate a circular fashion model that contributes to reducing textile waste, optimizing the use of resources and promoting more conscious consumption habits. By increasing both the recovery and resale of used items, the company aids the transition to a more circular economy, where products hold their value for longer and materials remain in use within the value chain.

To advance this goal, Falabella Retail has defined two strategic priorities: increasing the volume of used items collected, and of used items resold, promoting mechanisms whereby products and materials are kept in use for longer and waste generation is reduced.

1. Increase the volume of used items collected

Falabella Retail actively promotes garment and textile recovery through initiatives that facilitate the participation of customers in circular economy practices. During 2025, the company continued to carry out the Barter Fair, a free initiative that allows the exchange of clothing and accessories in good condition through a scoring system based on criteria such as materiality, brand and category. Unexchanged garments are destined for donation, extending their life cycle and generating additional social value. The company also strengthened its Textile Recycling program, making containers available in its stores to accept unused clothing and textiles. These materials are managed by specialized partners who recycle the recovered fibers and transform them into new products. This effort achieved the implementation of textile recovery services in 98% of Falabella Retail stores during 2025, expanding the scope of solutions available to its customers.

2. Increase the volume of resold used items

In addition, Falabella Retail seeks to promote the reintroduction of products to the market through resale models that extend their useful life and avoid premature disposal. During 2025, the company continued to promote Second Market, an alliance that promotes the sale of second-hand items in physical spaces located within its stores. The offer includes previously selected, specialist-curated women's, men's and children's clothing, accessories and decorative items. This initiative is part of the company's strategy to facilitate access to reused products, respond to the growing demand for more responsible consumption alternatives, and cultivate new circular business models within the retail sector.

2.8.2

Circular Fashion Programs

Falabella Retail promotes various circular fashion programs aimed at extending the useful life of products, promoting responsible consumption habits and encouraging sectoral collaboration to accelerate the transition to a circular economy in the textile industry. Through these programs, Falabella Retail seeks to generate environmental and social value by extending the useful life of products, reducing textile waste and promoting more sustainable consumption and production models.

Programs for customers to repair their products

The company has different initiatives that facilitate the repair, restoration and renewal of products, allowing them to extend their useful life and reduce waste generation. Through Workshop F, customers can access services for repairing, customizing, cleaning, and renewing garments and accessories, including techniques such as embroidery, printing, applying patches and studs, cleaning leather, cleaning sneakers, and removing pilling on fabrics. In addition, through an alliance with Sneak Clean, Falabella Retail offers specialized services to extend the life of the shoes, including deep cleaning, color restoration and last recovery. The company is also promoting Atelier Falabella, a proposal that promotes the care, maintenance and renewal of products as an alternative to premature replacement.

Program to educate customers on how to use their products more sustainably and extend their shelf life

Falabella Retail develops education and awareness initiatives aimed at promoting responsible consumption practices and circularity. Through +Verde Talks, the company connects its customers with experts, entrepreneurs and influencers who share experiences and knowledge related to circular fashion, reuse, garment care and conscious consumption. These instances seek to increase knowledge about alternatives to extend the useful life of products and promote behaviors aligned with the principles of the circular economy.

Allocation of resources towards innovation and cross-sector collaboration for circular fashion

The company actively participates in collaborative initiatives aimed at promoting circularity in the textile industry. The Clean Production Agreement (CPA) Innovatextil, for example, is a public-private initiative led by the Sustainable Design Chamber and Corfo's Sustainability and Climate Change Agency, with the support of the Ministry of the Environment and the National Customs Service. This collaboration works to extend producer responsibility in the textile sector, develop management models for pre- and post-consumer textile waste, and compile information that contributes to the development of future sectoral regulations.

Additionally, Falabella Retail participated in a study developed alongside the Chamber of Sustainable Design to analyze emerging consumer trends in Chile, with a focus on incorporating second-hand clothing and opportunities to accelerate the transition to a circular economy in fashion retail. The lessons learned strengthen decision-making, identify new innovation opportunities and contribute to the development of scalable circular solutions for the industry.

2.8.3

Circular Fashion Indicators

As part of its Circular Fashion strategy, Falabella Retail monitors indicators that measure the effectiveness of its initiatives to keep products and materials in use for as long as possible. The information reported allows us to evaluate the company's progress towards more circular business models and guide decision-making, to expand the impact of its circular economy programs.

Indicator	Unit	Quantity	Where they come from
Total weight of items collected through return programs	ton	136.9	This indicator corresponds to the volume of clothing and footwear recovered through the different circularity programs implemented by Falabella Retail. This volume includes the materials received at the in-store collection points, garments repaired and reconditioned through Workshop F and Atelier Falabella, those that are reused and resold through the Barter Fairs and Vestua, footwear recovered through the Pie Único program, and items received through collection centers set up during mass events, such as the Ladera Sur Festival. The totality (100%) of the materials recovered through these initiatives are managed through recycling, repair, reuse or resale processes, helping to extend the useful life of products and reduce waste generation.
Total weight of items collected that were repaired and/or resold internally	ton	55.5	The reported figure corresponds to the volume of recovered garments that were destined for repair, reconditioning and life-extension processes through Workshop F and Atelier Falabella, as well as those that were reused and resold through the Barter Fairs and the circular fashion store Vestua, contributing to longer use and reducing textile waste generation.
Total weight of post-consumer recycled textile fibres included in new products	ton	0	The textile fibers recovered by Falabella Retail are not directly incorporated into new products marketed by the company. Instead, the materials collected through its circularity programs are managed by specialized partners, who prioritize their reuse, recycling, and recovery. Depending on their characteristics and condition, these materials can be donated to organizations and educational institutions, such as schools in the Fe y Alegría network, transformed into recycled materials for the manufacture of products such as ecobricks, or used in innovation projects that incorporate recovered textile fibers as a production input for sustainable concrete and other industrial uses.
Total weight of items	ton	17.603	Total products sold by Falabella Retail (Apparel, Footwear, Accessories) lasts FY 2025

d. Circularity Initiatives and Sustainable Revenue Social

2.8.5

Sustainable Products and Services Programs

Sustainable Products and Verification Methodology:

Sodimac has a structured program for developing and promoting sustainable products, classified as such based on a proprietary system that verifies specific environmental and social criteria and requirements, in categories such as energy efficiency, water saving, circular economy, responsible use of raw materials, environmental certifications, and other quantifiable benefits.

The classification of sustainable products is supported by technical evidence provided by suppliers and, where appropriate, by recognized third-party certifications and verifications in each product category, which allows the validation of the declared attributes and ensures the consistency of the classification system.

Sustainable Products Goal:

As part of its commercial and sustainability strategy, Sodimac maintains a public goal of increasing the supply of sustainable products. Currently, the company has more than 5,000 items that meet the criteria defined in its sustainable product guide and aims for these products to make up 30% of its total supply by the end of 2026.

Investment in sustainable products:

To support program implementation, Sodimac promotes the continuous improvement of supply chain capabilities and the design, manufacture and marketing processes of sustainable products. This includes strengthening operational and management practices to ensure compliance with the criteria defined in the guide, and the proper maintenance of product sustainability attributes.

In addition, the company develops internal training programs aimed at the teams responsible for commercial management, category development and supplier relations, ensuring that sustainability principles are consistently incorporated into the product selection, evaluation and promotion processes. Commercial teams receive regular training on the value proposition of sustainable products and the attributes that differentiate them, strengthening their ability to promote these alternatives among customers and meet the growth objectives of the sustainable portfolio.

2.8.4

Sustainable Revenue

As a retailer, the core of our impacts lies in the products we sell, and therefore, our sustainable product lines are +Verde (Falabella Retail), Eco (Sodimac) and Certified Organic (Tottus), detailed in our Annual Report. In addition to these programs, we take on initiatives classified as sustainable by the EU taxonomy.

For example, Sodimac, our Home Improvement subsidiary, has several lines of services that include sustainable activities, such as:

- Installation, maintenance and repair of energy efficiency equipment
- Collection and transport of non-hazardous and hazardous waste
- Depollution and dismantling of end-of-life products

Activity	Sales 2025 (CLP)	Detail
Non-hazardous recycling	16.114.859	Recycled furniture
Hazardous recyclying	312.42.636,8	Recycled domestic appliances
Hazardous responsible disposal	14.697.991,99	Disposal of construction and renovation-related rubble
Installation and maintenance of energy efficient equipment	614.229.528	Renewable energy or efficient heating installation and maintenance
Total	**676.285.016**	

2.9.2

Sustainable Raw Materials (1)

The company has implemented the following commitments and programs to manage raw material impacts:

Falabella Retail

Falabella Retail's +Verde program includes a responsible sourcing component. This initiative defines preferred raw materials and the minimum percentages that must be contained in the composition of a given product to be included as part of the program. For a raw material to be considered sustainable, it must be traceable through a certification of origin, which includes reducing negative environmental impacts on soil quality, biodiversity, pollution, and the use of fresh water, in addition to social aspects such as human health and fair trade.

As part of Falabella Retail's 2030 Sustainability Vision, +Verde aims for sustainably sourced raw materials to comprise 30% of units sold by 2030, having achieved 19.3% progress as of 2024. Additionally, by 2030, 30% of models are expected to have certifications related to the management of chemicals harmful to human health and the environment, and 100% of our private label factories are set to be evaluated on a three-year cycle.

We have a control system that ensures all products communicating a sustainable attribute are supported by valid certificates from the country of origin. The certifications are based on international standards that ensure traceability throughout the supply chain of raw materials and guarantee compliance with social and environmental criteria during processing, verifying that the sustainable attribute is maintained from source to final certification.

These certifications are issued and validated by third-party organizations or authorized auditing bodies. In addition, we have a protocol for suppliers that establishes our sustainability guidelines for the procurement of these products. The factories responsible for manufacturing products with sustainable attributes must source certified raw materials and provide supporting documentation, including scope and transaction certificates to verify the sustainable attribute. In 2024, training sessions were conducted to strengthen the validation of sustainable certifications among fashion purchasing teams, ensuring proper documentation and clear communication of responsible product attributes. The sessions aimed to equip these teams with the necessary knowledge to identify valid certificates and prevent the submission of fraudulent documentation.

Sustainable Raw Materials (2)

The company has implemented the following commitments and programs to manage raw material impacts:

Sodimac

Sodimac has developed the Sustainable Products System Guidebook[O15.1], designed to help customers understand each product's sustainability attributes. Our approach considers the impacts across the different stages of the product life cycle, from raw material sourcing to final disposal. By prioritizing products that minimize these impacts, we aim to make significant progress in reducing our carbon footprint. The system is structured around six criteria that allow us to identify products with superior sustainability performance. To be included, products must meet at least one criterion, defined using a life cycle approach and aligned with international standards for claims to sustainability. The evidence supporting these attributes includes third-party certifications and assessments. The guidebook can be found here: Sodimac Sustainable Product Guidebook – Spanish only.

Sodimac has an FSC certification for our store brand wood beams and sawn wood, which demonstrates our commitment to sustainable sourcing and minimizing our environmental impact.

Raw Materials

The following KPIs reflect Falabella Retail's material mix in its Conscious Brands product catalog (+Verde), which in 2025 accounted for 13% of Falabella Retail Net Sales.

2025	Amount	Standard name	Share of materials used that are certified	Share of materials used that are recycled:
Cotton	4.68 tons	Organic cotton (GOTS /OCS) Recycled cotton (GRS/GCS) Recycled cotton (GRS/RCS)	4,67%	3,58%
Wool	4 tons	-	-	-
Leather	153 tons	-	-	-
Man-made cellulosic fibers	815 tons	Sustainable Viscose (EcoVero / Tencel Lyocell/modal/FSC)	0,39%	-

2025	Amount	Percentage derived from recycled plastics
Plastic materials in products	2.929 tons	1,24%

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3. Social Dimension

a.

Human Capital & Labor Management

3.1.1 & 3.1.2

Labor Practice Commitments and Mechanisms (1/3)

At Falabella, as stipulated in our Human Rights Policy, we fully respect labor rights. Therefore, we have a series of commitments and monitoring mechanisms detailed below.

Living Wage Commitments

At Falabella we constantly work to raise our employees' living standards. That is why we ensure compliance with local regulations on wages and salaries, and work day to day to grant better conditions. To this end, we have standardized systems and practices that allow us to ensure compensation in line with the growing costs of living in each country where we operate.

Our corporate methodology aims for an annual analysis of wages and salaries to ensure that they are competitive, in accordance with the levels of responsibility and relative weight of each position within the company, and that they reflect the local reality and cost of living of the markets in which we operate. Thus, our methodology is based on a combination of studies and recognized methodologies, which include an annual assessment of market wages and the cost of living in each country.

It is conducted using both a global job evaluation tool known as IPE (International Position Evaluation) and a salary study known as TRS (Total Remuneration Survey), via the consulting firm Mercer. Additionally, we rely on various specialized studies to estimate the cost of living in each country, following the guidelines of the Anker methodology to define the standardized product and service bundle that includes food, housing, clothing, health, transportation and personal care items. Synthesizing the analysis of the aforementioned studies each year, we review the salary position of our associates, plan corrective actions and update our standards.

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Labor Practice Commitments and Mechanisms (2/3)

Working hours monitoring

Falabella has an explicit commitment to safeguard employees' work-life balance by ensuring that they do not systematically exceed their regular working hours. In line with Chile's gradual implementation of the 40-hour workweek, the company sets clear limits on maximum working hours, actively promoting compliance with these standards.

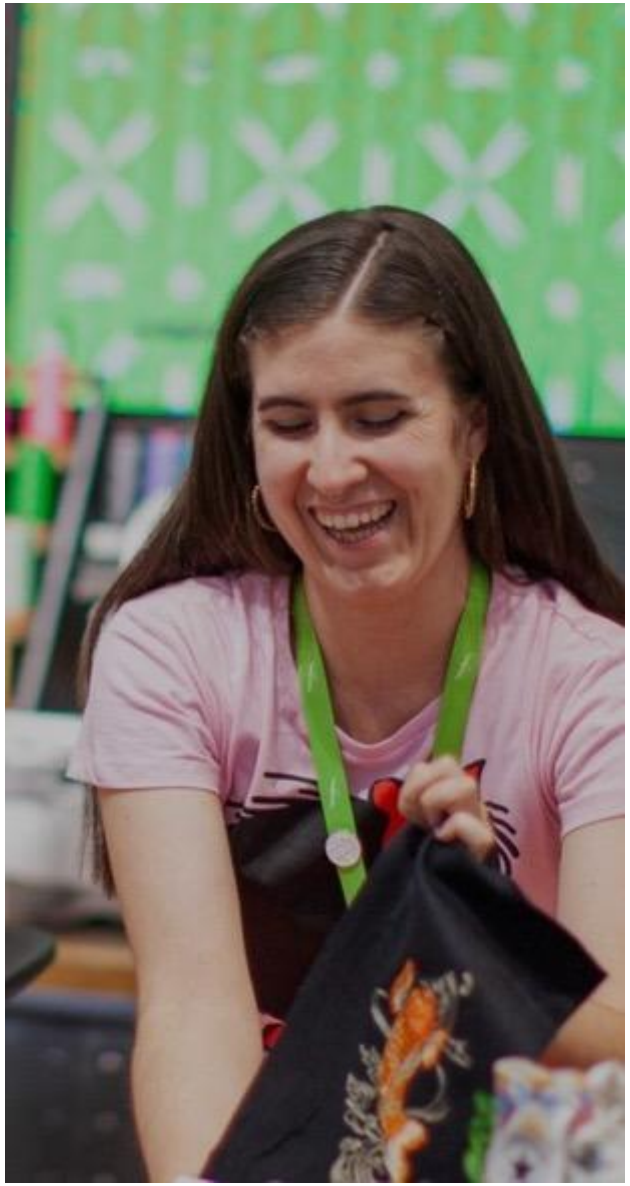
To achieve this, Falabella periodically monitors teams whose working hours surpass established thresholds and adopts corrective measures to prevent excessive or recurring overtime. The company also prioritizes avoiding or reducing overtime through workforce planning and efficiency measures.

In cases where overtime is necessary, Falabella guarantees that employees are duly compensated in accordance with current labor legislation, ensuring transparency and compliance with all applicable regulations.

Annual leave and rest periods

The company is committed to guaranteeing employees' right to paid annual leave, in full compliance with applicable labor legislation. Falabella actively promotes the proper use of vacation time as a means to safeguard employee well-being, work-life balance, and productivity.

To reinforce this commitment, the company conducts periodic reviews of unused vacation days, promotes internal awareness campaigns highlighting the importance of rest, and implements incentive mechanisms such as vacation bonuses and additional days off for employees who take their annual leave in a timely manner. These measures are designed to encourage employees not only to take the rest they are entitled to, but also to fully enjoy it, ensuring both compliance and a healthy organizational culture.



3.1.1 & 3.1.2

Labor Practice Commitments and Mechanisms (3/3)

Gender Equality

Through our Gender Equality Policy, Falabella seeks to foster an organizational culture that advances gender equality and the work-life balance of its employees. Thus, grounded in principles of internal equity and external competitiveness, we measure pay gaps according to each position's responsibility level or internal grade, ensuring fair and equitable comparisons by organizational level.

Notice periods

To mitigate the impacts of major restructuring and reorganization processes, such as store closures, we strive to inform affected unions and employees at least 30 days in advance. We also offer employment alternatives within the group or outplacement services, along with appropriate severance packages

Coverage

Falabella's commitment to labor matters encompasses both its own operations and those carried out by contractors and strategic partners. In its direct operations, the company prioritizes the well-being of its workforce through consistent standards regarding social protection, working conditions, safety, and labor dignity. Regarding its relationships with contractors and partners, it actively promotes respect for labor rights and the adoption of best practices throughout the entire value chain.

By doing so, Falabella reaffirms its commitment to building responsible, sustainable, and people-centered work environments, consolidating a management model that contributes to the development of both its employees and the communities in which it operates.

Labor Practice Commitments and Mechanisms (4/4)

Social Protection and Additional Benefits

Falabella recognizes the importance of providing comprehensive social protection to its employees, beyond the legal benefits required by current regulations. In this regard, the company has implemented additional benefits that reinforce its commitment to the physical, emotional, and financial well-being of its employees. For more information, please check our Annual Report 2025, pages 128-129.

Paid care leave for a child, spouse or partner with a physical or mental health condition

Our subsidiary Mallplaza has paid family care leave beyond parental leave, which includes care for a child, spouse, partner, dependent, parent, sibling, or other designated relationship, with a physical or mental health condition. Furthermore, Mallplaza offers childcare facilities and breastfeeding benefits.

Reskilling and transitions

Falabella recognizes the importance of supporting its employees through job changes. In certain cases, and specific situations, the company has implemented job transition support measures, considering variables such as position, seniority, performance, and the context of the departure.

In reorganization processes involving a larger number of employees, the company may define transition benefits applicable to all affected employees to facilitate their return to work. In this way, Falabella approaches these processes with a sense of responsibility and respect, adapting measures to the circumstance of each case.

3.1.5

Gender Workforce Breakdown

In 2025, 37.5% of STEM-related positions in Falabella were occupied by women, while 55.0% of management positions in revenue-generating functions were occupied by women.

FALABELLA

3.3.2

Employee Development Programs

At Falabella, we continuously invest in strengthening the capabilities of our employees as a key lever for sustainable performance. Our development approach combines targeted training initiatives with measurable business impact, adapting to the specific needs of each business unit and market.

Our subsidiary Falabella Retail Colombia has implemented the Specialist School Program, which offers three specific skill development programs for store employees to. The Personal Shopper School aims at developing styling, colorimetry and trend analysis skills, while the Beauty School looks to develop skills on fragrances, skin care and personal image, and the Service Specialization School centers on product specialization and trend analysis. Quantitative impacts are monitored for these programs, which show that for stores where these Schools were implemented, apparel sales grew 11% year-over-year and beauty sales grew 7% year-over-year.

Sodimac has implemented the Jefe de Ventas 360 program, which aims to strengthen the technical, commercial, and managerial capabilities of sales department heads, developing their knowledge of the business's key pillars and drivers, as well as skills geared towards providing expert advice and boosting project sales. Through management tools, indicator analysis, agile walkthroughs, and operational routines, the program promotes more strategic management focused on customer experience, team development, and improved sales results. Performance indicators show that stores with program graduates have a 2.2 times better year-to-year variance on omnichannel sales compared to stores without, while year-to-year variance for project sales were 1.8 times better for stores with program graduates compared to stores without. Moreover, departments that achieved a compliance of 75% or more in this training performed, on average, 10% better in the Commercial Contribution KPI than departments with less than 75% compliance.

Our employee development programs are also available for part-time employees.

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3.3.3

Human Capital Return on Investment

M$	2023	2024	2025
Revenue	11,245,359,531	12,153,619,984	13,314,331,820
Operating Expenses (OPEX)	3,315,767,720	3,441,900,787	3,599,942,930
Personnel Remuneration and Expenses (ER OPEX)	1,776,836,950	1,799,281,478	1,935,555,541
Depreciation and Amortization (D&A)	457,595,011	466,199,764	458,439,475
HC ROI	5.72	6.10	6.26

3.3.4

Employee Hiring Rate (1/ 2)

Breakdown per management level and nationality for 2025.

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Senior Management	Argentina	11
	Chile	15
	Peru	11
	Colombia	3
	Mexico	1
	India	0
	Brazil	4
	Uruguay	0
	Venezuela	1
	Others	1

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Management	Argentina	21
	Chile	118
	Peru	86
	Colombia	29
	Mexico	35
	India	1
	Brazil	18
	Uruguay	0
	China	1
	Bolivia	0
	Venezuela	9
	Others	2

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Supervisor	Argentina	0
	Chile	437
	Peru	240
	Colombia	190
	Mexico	146
	India	0
	Brazil	72
	Uruguay	1
	China	1
	Bolivia	0
	Venezuela	41
	Others	6

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Operator	Argentina	1
	Chile	1104
	Peru	2476
	Colombia	161
	Mexico	7
	India	0
	Brazil	62
	Uruguay	0
	China	1
	Bolivia	4
	Venezuela	69
	Others	20

3.3.4

Employee Hiring Rate (2/ 2)

Breakdown per management level and nationality for 2025.

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Administrative	Argentina	2
	Chile	93
	Peru	163
	Colombia	158
	Mexico	3
	India	0
	Mexico	71
	Uruguay	2
	China	0
	Bolivia	1
	Venezuela	15
	Others	0

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Salesforce	Argentina	24
	Chile	7718
	Peru	11618
	Colombia	4460
	Mexico	2054
	India	0
	Brazil	852
	Uruguay	50
	China	1
	Bolivia	72
	Venezuela	437
	Others	51

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Maintenance	Chile	2
	Peru	1
	Colombia	1
	Mexico	2
	Brazil	163
	China	1
	Bolivia	0
	Others	1

MANAGEMENT LEVEL	NATIONALITY	TOTAL HIRES
Other professionals	Argentina	33
	Chile	1870
	Peru	672
	Colombia	561
	Mexico	90
	India	39
	Brazil	171
	Uruguay	8
	China	9
	Bolivia	15
	Venezuela	114
	Others	11

3.3.5

Employee Turnover Rate (1/ 2)

Breakdown per management level and nationality for 2025.

MANAGEMENT LEVEL	NATIONALITY	RATE (%)
Senior Management	Argentina	22.6
	Chile	6.3
	Peru	25.6
	Colombia	11.8
	Mexico	7.1
	India	0.0
	Brazil	15.4
	Uruguay	33.3
	Venezuela	0.0
	Others	0.0
Management	Argentina	21.7
	Chile	13.4
	Peru	19.5
	Colombia	19.3
	Mexico	22.6
	India	18.2
	Brazil	22.0
	Uruguay	42.9
	China	10.0
	Bolivia	0.0
	Venezuela	28.6
	Others	50.0
Supervisor	Argentina	15.4
	Chile	14.3
	Peru	18.8
	Colombia	20.6
	Mexico	47.7
	India	0.0
	Brazil	35.1
	Uruguay	16.7
	China	9.5
	Bolivia	6.7
	Venezuela	18.2
	Others	33.3
Operator	Argentina	50.0
	Chile	24.8
	Peru	41.8
	Colombia	14.9
	Mexico	24.7
	Brazil	41.0
	Uruguay	33.3
	China	5.0
	Bolivia	42.9
	Venezuela	14.9
	Others	28.2

FALABELLA

3.3.5

Employee Turnover Rate (2/ 2)

Breakdown per management level and nationality for 2025.

MANAGEMENT LEVEL	NATIONALITY	RATE (%)
Administrative	Argentina	0.0
	Chile	13.1
	Peru	23.6
	Colombia	40.5
	Mexico	91.7
	India	0.0
	Brazil	19.6
	Uruguay	57.1
	China	0.0
	Bolivia	100
	Venezuela	12.7
	Others	0.0

MANAGEMENT LEVEL	NATIONALITY	RATE (%)
Salesforce	Argentina	10.2
	Chile	21.4
	Peru	30.1
	Colombia	31.3
	Mexico	84.3
	India	0.0
	Brazil	69.9
	Uruguay	15.5
	China	33.3
	Bolivia	28.0
	Venezuela	32.4
	Others	30.1

MANAGEMENT LEVEL	NATIONALITY	RATE (%)
Auxiliary	Chile	22.2
	Peru	87.5
	Colombia	9.1
	Mexico	50.0
	Brazil	45.0
	China	50.0
	Bolivia	0.0
	Others	0.0

MANAGEMENT LEVEL	NATIONALITY	RATE (%)
Other professionals	Argentina	26.5
	Chile	19.6
	Peru	28.9
	Colombia	22.8
	Mexico	40.3
	India	23.6
	Brazil	88.7
	Uruguay	8.2
	China	7.7
	Bolivia	75.0
	Venezuela	17.1
	Others	27.3

3.3.6

Long-term incentive for employees

Sponsorship Program for Master's and MBA programs abroad

The program's objective is to support the training of high-performing, high-potential employees in topics of strategic importance to Falabella. A total of 8 scholarships are awarded (4 MBAs and 4 Master's degrees) to the world's top universities. Tuition is financed in its entirety, with no cap. Upon completion of the program, the individual must remain in the program for 3 years for the MBA and 2 years for the Master's degree after their return. They can return to any business/country where Falabella operates and apply for a new position with compensation commensurate with their academic level. This benefit is available to approximately 15,000 employees below the C-Suite Level. In 2025, six individuals were selected for this program.

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3.3.9

Trend of employee wellbeing

The Culture Survey is the most important measurement instrument within this strategy. Following a common model across all Group companies, it is administered cross-functionally, annually, and simultaneously across most Grupo Falabella businesses. During 2025 it was conducted for the fifth time, and the historical results are as follows:

Through this survey, we measure key indicators that drive our People Department's strategy, including: engagement (employees' commitment and motivation toward their work and the company); eNPS (willingness to recommend Grupo Falabella as an employer); and leadership effectiveness (perceptions of leaders' support and impact).

Other attributes are also measured, such as the perception of development opportunities within the company, aspects related to well-being and fair treatment, as well as communication and alignment. Likewise, we evaluate different emotions experienced by employees, such as enthusiasm, tranquility, nervousness, or disappointment.

	2022-1S[1]	2022-2S[2]	2023[2]	2024[3]	2025[3]
Participation	75%	85%	85%	89%	**90%**
Engagement	77%	76%	74%	77%	**78%**
eNPS	46	47	49	56	**60**
Leadership	77%	77%	75%	80%	**82%**

For 2025, the corporate engagement goal for the Culture Survey was 78%.

3.4.1

Occupational Health and Safety Policy

Our corporate Occupational Health and Safety Policy outlines Falabella's commitments towards the creation and continuous improvement of work environment for our entire workforce. To achieve this, Grupo Falabella actively promotes a culture of risk prevention, compliance with applicable regulations, and adherence to best practices in occupational safety and health. At the time of publication, the company is working to include a commitment to comply with international standards on occupational health and safety, such as ISO 45001, as different operations of the Falabella Group already comply with this certification. Moreover, the company is working to include commitments towards the definition of health and safety objectives to guide actions and to measure the performance of our operations.

3.5.1

Online Strategies & Customers

Item	2024	2025
% of total customers using online service solutions/sales platform	17.4%	22.2%
% of revenue generated online	22%	23.6%

b. Customer Relations

3.5.2

Customer Relations Management

As part of our efforts to manage and improve customer relations, the company has implemented a variety of actions and initiatives. Regarding channels through which customers can send feedback and request support, Falabella has a customer service portal for the submission of queries or feedback, available on each of our subsidiaries' websites. In addition, the company has telephone and WhatsApp channels, as well as in-person service in stores, to address this issue.

As for complaint handling and resolution processes, all of Falabella's grievance channels provide users confirmation of claim reception, assigning a query number that corresponds to the registration in our CRM, which is also reinforced through a confirmation email.

In order to improve customer experience, our post-purchase team takes part in the planning of products and services as well as in the monitoring of associated requests and claims. As to improve the experience for elderly customers or persons with disabilities, Falabella has an array of channels (digital, telephone and in-person) that ensure these stakeholders are served.

3.5.3

Customer Satisfaction Measurement

Item	2024	2024	2025	2025 Goal
Net Promoter Score Grupo Falabella	57.0	60.0	50.6	49.7

3.5.4

Ethical Marketing and Advertising

Falabella has developed an ESG Communications Manual, which aims to generate common guidelines and an ecosystem perspective that allows us to communicate our sustainability actions clearly, responsibly, and reliably, mitigating the risk of greenwashing and generating value for our various stakeholders.

This document is based on the "Guidelines for Providing Product Sustainability Information" by the UN Environment Programme (UNEP), incorporating its fundamental principles:

Reliability
Claims must be based on scientific evidence, facts, and recognized testing procedures. They should be verifiable and, ideally, backed by third-party certification.

Relevance
Information must be specific to the actual product and address its most significant environmental and social impacts along the value chain. A product's poor performance must not be covered up.

Clarity
The language used must be simple, concise, and easy for the average consumer to understand. An exclusive, direct link between the claim and the product must be established.

Transparency
Companies must disclose the basis of their claims, the criteria used to evaluate the product, , state each claim's author and data provider, and indicate the traceability and origin of the claim.

Accessibility
Sustainability information should be easily available and presented to the consumer at the exact time and place it is needed—such as at the point of purchase or on product packaging.

Moreover, Falabella's Customer Rights Protection Policy establishes the Principle of Publicity, which states that: "All company advertising must comply with the provisions contained in Falabella's Policy and Procedure for the Preparation of Advertising and Promotional Material". For its part, Falabella Retail's Procedure for the Preparation of Advertising and Promotional Material, which has been approved by the businesses that interact with customers, has the objective of ensuring that the advertising material used by Falabella communicates information to customers clearly, promptly, and completely. This same Procedure establishes that only objective advertising claims may be used; that is, those that are reliably verifiable.

Regarding interaction with competitors, Falabella's Customer Rights Protection Policy establishes the Principle of Respect for Competition: "All sales activities must be conducted respecting Falabella's competitors and their products or services. The use of advertising or other resources that could denigrate or disparage a competitor is prohibited". For its part, the Company's Free Competition Policy forbids any act intended to compete unfairly in the market, such as using or disseminating false or incorrect facts about Competitors, or making statements that are incorrect or unverifiable that may discredit a Competitor's products or services.

4. Annexes

INDEX

1. Company Profile

Company Profile

Legal name of the organization

The organization's legal name is **Falabella S.A.**

Nature of the ownership and legal form

Falabella S.A. is a **publicly traded company**, incorporated under Chilean law, whose shares are publicly traded on the Santiago Stock Exchange.

The organization maintains a **majority family-owned structure**, combined with participation from institutional and stock market investors.

Headquarters location

The headquarters of Falabella S.A. is located at:

Avenida Presidente Riesco 5685, Floor 4, Municipality of Las Condes, Santiago, Metropolitan Region, Chile.

Countries in which it operates

Falabella S.A. operates in the following Latin American countries:

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

Its operations are conducted through various business formats, including department stores, home improvement, supermarkets, financial services, and shopping malls.

FALABELLA

Characteristics of the Organization

A. Entities included in the sustainability reporting:

The scope of this sustainability supplement comprises the consolidated entities of Grupo Falabella included in its consolidated financial statements as of December 31, 2025, to the extent that these entities conduct active operations and generate material environmental, social, and governance (ESG) impacts. Consistent with the 2025 Integrated Report, the current ESG report includes, among others, the following business lines and main operating subsidiaries of the Group: Falabella Retail (department stores), Sodimac (home improvement and construction), Tottus (supermarkets), Mallplaza (shopping centers), Banco Falabella and associated financial services (including CMR), and other subsidiaries and controlled companies that support or complement the Group's main activities. Full details of the consolidated legal entities are available in Grupo Falabella's consolidated financial statements for the 2025 fiscal year.

B. Differences between the entities included in financial reports and in sustainability reports:

Grupo Falabella prepares consolidated and audited financial statements, which include all entities over which the Group exercises control in accordance with applicable accounting standards. The scope of sustainability information is generally aligned with the consolidated financial perimeter. However, there may be differences in scope in the following cases: entities with no active operations during the reporting period; companies with limited activity, or exclusively financial activity, without material ESG impacts; and special-purpose entities used for administrative, investment, or financial structuring purposes. These differences reflect the Group's materiality approach, prioritizing the inclusion of entities whose operations generate relevant environmental, social, or governance impacts, without affecting the consistency and comparability of the consolidated financial information.

Characteristics of the Organization

C. Approach adopted to consolidate sustainability information:

Considering that Grupo Falabella comprises multiple entities, business formats, and geographies, the consolidation of sustainability information is carried out under the following criteria:

I. Treatment of minority shareholdings

ESG information is consolidated considering the degree of control and operational management that the Group exercises over each entity. In the case of entities in which the Group holds minority stakes, the information is incorporated proportionally or qualitatively, as appropriate, prioritizing impacts that are under the Group's direct influence.

II. Mergers, acquisitions and demergers

Regarding mergers, acquisitions, or demergers that occurred during the period: sustainability information is included from the date the Group acquires control or significant influence over the relevant entity or assets. In the case of divestments or demergers, information is reported until the entity ceases to be within the Group’s control. Where relevant, qualitative explanations are included to ensure year-on-year comparability.

III. Consistency of approach across different material topics

The consolidation approach is consistent throughout the report and across material topics. Nevertheless, it may include specific adjustments depending on:

- The availability and maturity of information by ESG topic.
- Specific methodological requirements (e.g. scope 3 emissions, human rights in the supply chain).
- The need to apply reasonable estimates or assumptions in certain geographies or business formats.

In all cases, the Group seeks to ensure that the information presented is comparable, verifiable and representative of its sustainability impacts and performance.

Characteristics of the Organization

D. Period covered by the report and frequency of sustainability reports:

This **sustainability supplement** covers the period from **January 1 to December 31, 2025.**

This supplement complements the environmental, social and governance (ESG) information contained in Grupo Falabella's **2025 Integrated Report**, and is part of the Group's annual sustainability reporting system.

Additionally, the Group publishes **periodic thematic reports**, including specific reports on **Human Rights and Climate Change**, which delve into relevant and strategic matters for the organization.

E. Period covered by the financial reports and alignment with the sustainability reports:

Grupo Falabella's **consolidated financial reports** also cover the period between **January 1 and December 31, 2025**, so the financial period **is aligned** with the period covered by this sustainability supplement.

However, the disclosure of ESG information is presented in a **format complementary** to the Integrated Report due to:

- The need to **verify and audit ESG information against specific standards**, and
- The objective to **make the collection, consolidation and validation of data more efficient**, considering the Group's diversity of operations and business formats.

F. Date of publication of the report or information presented:

- Grupo Falabella's **Integrated Report 2025** was published on **February 26, 2026**.
- The annex to the **sustainability supplement,** which expands and complements the ESG information contained in the aforementioned Report, will be published in **July 2026**.

G. Point of contact for inquiries related to the report:

The point of contact for queries related to this sustainability supplement or the ESG information presented is:

Grupo Falabella Sustainability Department, which reports to the Transformation, Strategy and Sustainability Department.

2. Materiality

Our current **dual materiality** analysis

In 2022 we carried out the first dual materiality analysis at the corporate level, following the internationally recognized GRI 3's definition of material topics.

This exercise made it possible to identify the most significant topics for the Group, either due to their broad impact or requirements of the financial market and Chilean regulations.

The process included:

1. **Understanding the context:** review of internal documents, analysis of human rights due diligence processes, benchmarking, industry analysis, external media examination and consultations with stakeholders.

2. **Impact identification:** interviews with executives and calibration of risks and impacts.

3. **Impact assessment:** definition of criteria and evaluation of real and potential impacts.

4. **Prioritization:** calculation of scores, definition of thresholds and grouping into material topics.

5. **Development of a dual materiality matrix:** To represent the material topics in the final matrix graphically, we applied a systematic approach that allows us to evaluate both impact materiality and financial materiality.

- **Scoring.** Each identified ESG topic is scored according to criteria defined in the assessment stage (Stage 3). These scores reflect the magnitude of the impact and the financial relevance, using scales comparable to those used in corporate risk management.
- **Matrix dimensions.** Vertical axis: Degree of impact on the economic, social, and environmental context, considering real and potential effects on human rights, communities, and the environment. Horizontal axis: Influence of the topic on financial value creation, business resilience, and access to capital.
- **Calculation methodology.** Weightings are applied based on objective criteria, such as severity, scope, probability, and duration of the impact. For the financial dimension, factors such as risk exposure, impact on results, and market expectations are considered.
- **Final result:** The matrix allows for an integrated view of the topics that represent the greatest risks and opportunities for the Group, prioritizing those that require active management and strategic communication.

6. **Approval, management and monitoring:** validation by Corporate Management and the Board of Directors.

List of **material topics**

SOCIAL	ID
Health and safety of associates	S1
Working conditions and occupational health and safety of external workers	S2
Customer access, health and safety	S3
Financial inclusion	S4
Customer and community education	S5
Labor practices and employee well-being	S6
Diversity, equity and inclusion	S7
Customer experience and satisfaction	S8

ENVIRONMENTAL	ID
Sustainable construction	E1
Waste	E2
Climate change	E3

CORPORATE GOVERNANCE	ID
Stakeholders	G1
Privacy and cybersecurity	G2
Risk management	G3
Supply chain	G4
Ethics and compliance	G5
Corporate governance	G6

* Through the end of 2025, the current list of material topics remained in line with the 2022 process, revalidated annually through consultation with internal stakeholders.

Dual materiality matrix

Dual materiality update process

During 2025, we updated our dual materiality analysis, a process that allows us to identify and prioritize the topics that most significantly influence long-term value creation and decision-making by our main stakeholders.

The dual materiality analysis considers both Grupo Falabella's impact on the economic, social, and environmental context, and the effects that ESG topics may have on our business's economic performance, access to capital, and resilience. By incorporating this perspective, we can strengthen the transparency and comparability of the information provided to investors, regulators, customers, associates, communities, and suppliers, among other stakeholders. These material topics include sustainability-related risks and opportunities, in accordance with the requirements of national and international regulations with which we must comply.

The materiality process was developed in accordance with CMF regulation on integrated annual reports (NCG 519), which requires disclosure of relevant information on sustainability, corporate governance, risks and business strategy; and in accordance with the financial materiality approach established by IFRS S1, which requires companies to report risks and opportunities and their effects on the company's financial situation in the short, medium and long term.

In addition to these regulations, we rely on widely recognized voluntary standards and frameworks, such as the GRI Standards for defining material topics and preparing sustainability reports. This approach facilitates alignment with the expectations of investors and other stakeholders globally, and ensures consistency between the annual report, sustainability reports, and other thematic supplements.

Financial materiality

SASB & IR

Stakeholders
Investors

Materiality of impacts

GRI

Stakeholders
Citizens, consumers, employees, partners, communities, organizations.

* The results of the 2025-2026 dual materiality update process will be released in 2027.

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Before beginning the dual materiality analysis process, meetings were held with the support of an external consulting team to understand the overall context and business landscape of the Group. These meetings provided information regarding the business model, value chain, and context in which Grupo Falabella operates, in order to identify the specific characteristics of each business unit.

Step 1: Consolidation of potential topics

To build the list of potentially material topics, a desk analysis was carried out that took into account different types of sources, both internal and external:

- Analysis of sector documents and trendsetters for Grupo Falabella consulted in SASB, MSCI, S&P – CSA.
- Context of the operation in the countries where Grupo Falabella and its companies have a presence.
- Benchmark of peers and competitors of Grupo Falabella companies.
- Document review: reports, codes, strategies, policies, commitments and matrices.

According to the document review, a list of 24 potential topics was obtained, divided into four dimensions.

Step 2: Characterization of impacts, risks and opportunities

Material topics were analyzed from a dual perspective: impact materiality and financial materiality for each company. This exercise allowed the analysis to be adapted to integrate the Impact, Risk, and Opportunity (IRO) classification as follows:

From an impact materiality perspective: any impact on people or the environment that the Group's activity generates or to which it may contribute (Grupo Falabella towards the environment). 158 negative and positive impacts were evaluated.

The characterization of the IROs was based on the consulting team's experience and the analysis of both company-supplied and publicly available information (SASB, GRI, sustainability reports, etc.), and an initial list of IROs was compiled. Once the characterization was completed, the IROs were reviewed and validated through working sessions with the Grupo Falabella team, and once approved, IRO assessment workshops were conducted by the teams responsible for their management.

Step 3: Internal Assessment

Using an ad-hoc tool, the impacts, risks and opportunities previously characterized in the list of potentially material topics were assessed.

This assessment was conducted with the participation of various internal business areas within the Group, based on their knowledge and experience regarding each potentially material topic. During the assessment process, the participating areas within Grupo Falabella were guided on the assessment scales, scenarios, and methods for evaluating IROs.

Impact assessment

The assessment scales were constructed on the basis of the GRI 3: Material Topics 2021 standard, which came into effect on January 1, 2023. The scales include the following criteria:

1. **Magnitude:** level of severity that an impact (beneficial or harmful) has, considering its scale, and its scope (how widespread).
2. **Irremediable nature:** degree of difficulty involved in counteracting or correcting the resulting damage.
3. **Probability:** likelihood that the impact will occur.

Risk and opportunity assessment

The risk and opportunity assessment scales were aligned in conjunction with the Grupo Falabella risk team and the Sustainability area, taking as a reference the internal scales used to build their risk matrices. This ensured technical consistency between corporate risk management and the company's sustainability approach. The scales include the following criteria:

1. **Impact:** degree to which the risk or opportunity may negatively affect or benefit the company financially, reputationally, or legally.
2. **Probability:** likelihood that the risk or opportunity will occur.

IRO assessment workshops

BUSINESS	NUMBER OF WORKSHOPS	NUMBER OF PARTICIPANTS IN THE EVALUATION PROCESS
Group Total	9	182

Step 4: Consultations with stakeholders

To understand the **perceptions** of **different stakeholders** on potential topics, various consultation sessions were held, both from an impact perspective and a financial one.

Taking into account the nature of each stakeholder, two consultation methods were defined:

1. **Direct consultations:** individual approach with the stakeholder, generally through online interviews or surveys.
2. **Indirect consultations:**
   a) interview with an interlocutor who has a close relationship with said stakeholder and knowledge of their interests and concerns,
   b) review of secondary information that enables the identification of topics of interest to said stakeholder.

Consultations from an **impact perspective** were carried out with the following stakeholders:

Customers	These consultations examined the interaction that Grupo Falabella must maintain with its customers.
Suppliers and business partners	These consultations examined the consideration of suppliers as strategic allies who provide the essential goods and services for the operation, and the business partners who lease and operate Grupo Falabella's commercial premises.
Civil society organizations	These consultations examined the importance of the link with civil society organizations that legitimize Grupo Falabella's role in the local development of communities.
Trade associations	These consultations examined the consideration of this stakeholder as the promoter of regulations, standards and collaborations that influence business continuity in the sectors where Grupo Falabella has a presence.
Associates	These consultations examined the importance of Grupo Falabella's associates, as they are the ones who implement the group's operation and labor standards.

Consultations from a **financial perspective** were carried out with the following stakeholders:

Shareholders, board of directors and investors	These consultations examined the relevance of shareholders, who are the main strategic decision-makers.
Senior management and risk management team	These consultations examined the relevance and level of influence that this group exerts on business policies and strategies.

Details of consultations with stakeholders

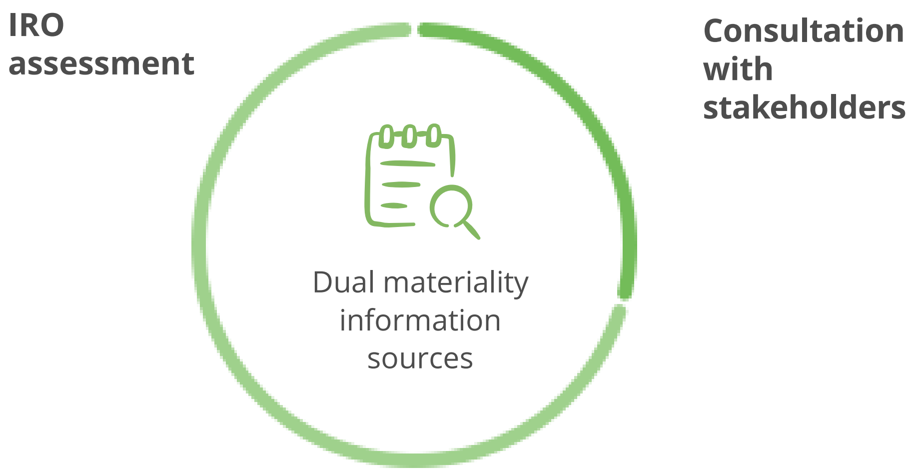
Consultations with stakeholders

STAKEHOLDER	CONSULTATION METHOD	CONSOLIDATED FIGURES
Customers	Surveys and secondary information	Total surveys: 201
Associates	Surveys, interviews, and secondary information	Total surveys: 198
Suppliers and business partners	Surveys, interviews, and secondary information	Total surveys: 39 Interviews: 3
Civil society organizations	Surveys and interviews	Total surveys: 27 Interviews: 3
Trade associations	Interview	Interview: 1
Shareholders, Board of Directors, investors	Interviews and secondary information	Total interviews: 9
Senior management and risk management team	Interviews	Total interviews: 21

Step 5: Dual materiality matrix

Dual materiality processing

The composition of the dual materiality results comes from two sources of information:



IRO assessment

This is the main source of information provided by Grupo Falabella's internal areas, which participated in the assessment of impacts, risks and opportunities for both the business and its stakeholders.

Consultation with stakeholders

This is the source of strategic information that complements the IRO assessment, through interviews with Grupo Falabella's stakeholders, where opinions and perceptions were collected that contributed to the prioritization of potential topics.

3. Tax strategy

3.1 Fiscal approach

At Falabella, we see taxation as a strategic pillar for creating sustainable value. Our commitment is based on:

- Strict compliance with regulations in all jurisdictions.
- Transparency and accountability, through reports aligned with international standards.
- Contribution to the economic and social development of the communities where we operate. We align ourselves with the GRI 207 Tax Standard, with international standards for intercompany transactions based on OECD guidelines, and with global principles of fiscal responsibility, ensuring that our decisions create value for shareholders and communities.

“We manage tax compliance responsibly and transparently.”

3.2 Fiscal policy and tax principles

Our Corporate Tax Policy, approved by Falabella S.A.'s Board of Directors and published on our website, establishes a framework for action that guarantees regulatory compliance, management efficiency and the protection of our reputation.

Specific policy objectives:

- Correct and consistent interpretation of tax regulations.
- Accurate and consistent characterization of operations and transactions.
- Homogenization of tax practices across all companies.
- Correct and timely payment of taxes in accordance with the law.
- Legitimate tax efficiency in our operations.
- Prudent and consistent management of tax risks.
- Effective coordination and communication between all responsible areas.

Corporate tax principles:

The corporate tax principles that govern the Group's companies in all the countries in which we operate, and which are reflected in their respective tax policies, procedures, practices and decisions, are as follows:

- **Legal compliance and good faith:** We apply plausible and good faith interpretations of tax regulations.
- **Accuracy:** For tax purposes, all operations are characterized as exactly what they are, avoiding artificial structures.
- **Tax transparency:** We do not conduct operations in territories or jurisdictions with zero or low taxation (also known as tax havens) for the purpose of transferring value created in other jurisdictions to optimize the tax burden. All operations must have economic substance, a legitimate business purpose, and market value.
- **Collaboration with the authorities:** We ensure a truthful, fair and transparent relationship with the tax authorities.
- **Documentation:** We maintain adequate documentation, ensuring traceability and regulatory compliance.

“We promote well-governed tax management, aligned with international standards.”

3.3 Transfer Pricing Policy

Our Transfer Pricing Policy is published on our corporate website, applies across all business units, and governs transactions with related parties.

Within the Group, we have a specialized transfer pricing team to ensure compliance with the OECD's policies and free competition principles. Our team receives ongoing training and updates, and utilizes external audits to guarantee adherence to transfer pricing regulations in each jurisdiction.

We ensure that all transactions always conform in price, terms and conditions to those prevailing in the market at the time of their approval.

3.4 Governance and fiscal risk management

The Corporate Tax Department leads the implementation of tax policy and coordinates the Group's tax management. Its responsibilities include:

- Risk management and audits.
- Coordination with the Corporate Committee for Legal Tax Advice.
- Coordination of the Tax Committees in each country.
- Statement on extraordinary operations with tax impact.
- Annual internal review and hiring of specialized external auditors.

We also have a fiscal control system that includes:

- Operational risk mapping.
- Standardized process controls.
- Committees specializing in income tax.
- Specialized transfer pricing committees.
- Internal audit and external review focused on critical processes.

3.5 Innovation and continuous improvement

We promote the continuous training of our technical talent through workshops and refresher courses, diplomas, and regional meetings regarding taxes.

3.6 Transparency and tax reports

Every year we prepare and present the Country by Country (CbC) Report in the parent company's jurisdiction, in line with OECD's BEPS Action 13. We also publish our main indicators by jurisdiction, to provide a comprehensive view of our tax contribution and global distribution of income, profits and taxes, reinforcing our commitment to transparency.

This document will be available on our corporate website, ensuring public access and traceability.

“We interact with the authorities ethically and in accordance with the current regulatory framework.”

3.7 Relationship with authorities and stakeholders

We maintain transparent and collaborative relationships with tax authorities, responding promptly to their requests and participating in instances of dialogue. Furthermore, we have formal channels for addressing inquiries and strengthening our culture of compliance.

To ensure effective communication, we have formal participation mechanisms that include: unified electronic mailboxes in Chile for contact by the regulator, participation in consultation forums and roundtables with representatives from different sectors, educational material for sellers that includes tax information, and a transparency mechanism where we communicate our tax contribution in the different jurisdictions where we operate.

Additionally, we have specialized support teams dedicated to addressing and responding to tax-related questions or concerns within defined timeframes. This allows us to gather and analyze the concerns of our stakeholders. This approach enables us to ensure that our tax practices not only comply with current regulations but also reflect our commitment to transparency, sustainability, and inclusive development.

3.8 Integrity and reporting mechanisms

We have an Integrity Channel open to collaborators, suppliers and third parties, for ethical queries and complaints related to regulatory non-compliance, reinforcing our commitment to integrity.

In addition to the above, employees receive mandatory annual training called “I Play Fair”, which addresses key compliance risks related to criminal law, antitrust, and personal data, among other topics. The training includes Grupo Falabella's controls for meetings with public officials. If an employee meets with such officials, they must inform their supervisor beforehand and complete a form detailing the meeting, its participants, and whether it was requested through the Lobbying Law Platform. This form is processed by Falabella S.A.'s Compliance Department, which maintains a record of meetings reported by employees and periodically reviews them against the public registry of meetings requested under the Lobbying Law to ensure the Company's controls are being properly implemented.

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Additional Tax Disclosure: **Tax Information by Country**

COUNTRY – TAX JURISDICTION	TOTAL REVENUE	PROFIT (LOSS) BEFORE TAX	TAX PAID	TAX DETERMINED (CURRENT YEAR)	NUMBER OF WORKERS
ar: Argentina	117,238,176	318,078	457,183	122,405	764
br: Brazil	257,025,510	395,053	326,397	322,454	2,439
cl: Chile	8,719,073,965	228,131,045	88,649,225	148,448,750	39,651
cn: China	11,548,839	200,193	183,836	148,494	152
hk: Hong Kong	-	-	38,702	-	-
co: Colombia	1,239,029,956	4,698,022	14,900,409	9,302,388	7,064
in: India	18,576,131	452,901	594,744	470,515	316
pe: Peru	4,254,839,668	62,701,942	41,628,591	89,795,082	29,051
uy: Uruguay	82,601,670	10,887,807	180,567	5,152,826	411
mx: Mexico	-	6,157	97,883	-	-
us: United States	-	-	1,352	-	-
gb: Great Britain	-	-	-	-	-
de: Germany	14,565	36,421	16,436	*51,743*	-
Total	**14,699,948,479**	**307,827,619**	**147,075,324**	**253,814,658**	**79,840**

Notes
This information has been prepared taking into account the following points:

- **General information 1:** All reported amounts are in thousands of CLP. Additionally, for companies that maintain accounting records in a currency other than CLP, the exchange rate as of December 31, 2025 has been used, except for the "Tax Paid" column. For the latter, see the definition below.
- **General information 2:** The columns in the table above have been prepared using information only from Grupo Falabella entities that is consolidated for the purposes of the 2025 Consolidated Financial Statements of Falabella S.A.
- **Total income:** corresponds to the linear sum of income with related parties and with third parties, determined by each company that makes up the reporting country.
- **Profit (loss) before tax:** corresponds to the linear sum of the profits (losses) before tax, determined by each company that makes up the reporting country.
- **Tax determined:** corresponds to the income tax expense determined per each company that makes up the country for the 2025 fiscal year.
- **Tax paid:** given the publication date of this report, this column includes the taxes reported in the 2024 fiscal year, paid in 2025. This information is the same as that presented to the Internal Revenue Service in Affidavit 1937 corresponding to the 2025 fiscal year.
- **Number of workers:** corresponds to the individual sum of the staff reported by each entity that makes up the reporting country.

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Tax Information by Country

Country	Companies Considered
Argentina	A002 - Falabella S.A.
	A009 - DP Factory S.A.
	A998 - Sodimac Argentina
Brazil	B001 - Falabella Brazil Ltda.
	B002 - Sodimac Brazil Ltda.
	B003 - Construdecor S.A.
	B004 - Construdecor Servicios Ltda.
	B005 - Construdecor Properties Ltda.
	B006 - Lille Investimentos Inmobiliario Ltda.
	B007 - Tenerife Emprendimientos e Participacoes Ltda.
Chile	C001 - Falabella S.A.
	C002 - Inversiones Falabella Limitada
	C003 - Inversiones Parmin S.p.A.
	C004 - Nueva Falabella Inversiones Internacionales S.p.A.
	C005 - Dinalsa S.p.A.
	C007 - Falabella Inversiones Financieras S.A.
	C008 - Desarrollos Inmobiliarios S.p.A.
	C010 - Confecciones Industriales S.p.A.
	C011 - Inversiones Brazil S.p.A.
	C012 - Inverfal Brazil S.p.A.
	C013 - Inversiones India S.p.A.
	C014 - Inverfal India S.p.A.

Country	Companies Considered
Chile	C015 - Inversiones Mexico S.p.A.
	C016 - Nueva Inverfal Mexico S.p.A.
	C017 - Inversiones Uruguay S.p.A.
	C018 - Inverfal Uruguay S.p.A.
	C019 - Nueva Inverfal Argentina S.p.A.
	C020 - Nueva Inverfin S.p.A.
	C022 - Inversiones Inverfal Peru S.p.A.
	C023 - Inversiones Inverfal Colombia S.p.A.
	C015 - Inversiones Mexico S.p.A.
	C024 - Invercol S.p.A.
	C025 - Inversiones y Prestaciones Venser Seis Ltda.
	C026 - Apyser S.p.A.
	C027 - Capyser S.p.A.
	C029 - Falabella Retail S.A.
	C031 - Promotora Chilena de Café Colombia S.A.
	C032 - Gift Corp S.p.A.
	C038 - Desarrollos Inmobiliarios Ñuble SpA
	C047 - Aporta Soluciones para la Administración de RRHH SpA
	C048 - Trasciende Gestión Integral de Capacitación Ltda.
	C049 - Manufacturas de Vestuario Mavesa Ltda.
	C050 - Servicios Generales Bascuñán Ltda.

Country	Companies Considered
Chile	C052 - Sodimac S.A.
	C053 - Imperial S.A.
	C054 - Traineemac S.A.
	C055 - Logística Internacional Ltda.
	C059 - Hipermercados Tottus S.A.
	C060 - Servicios Generales Cerro Colorado Limitada.
	C064 - Adm Servicios Computación y de Credito CMR Falabella Ltda.
	C065 - Servicios de Evaluaciones y Cobranzas Sevalco Ltda.
	C066 - Soluciones Crediticias CMR Falabella Ltda.
	C068 - Asesorías y Evaluación de Créditos Ltda.
	C069 - Falabella Inmobiliario S.A.
	C070 - Rentas Hoteleras S.p.A.
	C072 - Servicios de Infraestructura Falabella S.p.A.
	C094 - Seguros Falabella Corredores Ltda.
	C096 - C.F. Seguros de Vida S.A.
	C098 - Falabella Tecnología Corporativa Ltda.
	C099 - Falabella Servicios Profesionales de TI S.p.A.
	C100 - Digital Payments S.p.A.
	C101 - Inversiones MKTP S.p.A.
	C102 - Falabella.com S.p.A.

Country	Companies Considered
Chile	C103 - Servicios Falabella S.p.A.
	C105 - Inmobiliaria Rentas Dos S.p.A.
	C106 - Open Plaza Chile S.p.A.
	C107 - IKSO S.p.A.
	C109 - Falabella Trading S.p.A.
	C110 - Fazil SpA
	C111 - Digital Business Chile SpA.
	Plaza Vespucio SpA.
	Plaza Oeste SpA.
	Plaza del Trébol SpA.
	Plaza La Serena SpA.
	Plaza Antofagasta S.A.
	Plaza Valparaíso S.A.
	Desarrollos e Inversiones Internacionales SpA.
	Desarrollos e Inversiones Internacionales en Colombia SpA.
	Nuevos Desarrollos SpA.
	Plaza Cordillera SpA.
	Inmobiliaria Mall Las Américas S.A.
	Plaza S.A.
	Servicios Mallplaza SpA.
	C062 - Promotora CMR Falabella S.A.
	C090 - Banco Falabella S.A.
	C091 - Banco Falabella Corredoras de Seguros Ltda.

Tax Information by Country

Country	Companies Considered
China	H001 - Shearvan Commercial (Shanghai) Co.,Ltda
	H002 - Linio Consulting (Shenzhen) Co., Ltda.
Hong Kong	K001 - Linio Asia Limited (Hong Kong)
Colombia	Mallplaza Servicios S.A.S.
	O001 - Inversiones Falabella de Colombia S.A.
	O002 - Falabella Colombia S.A.
	O011 - Agencia de Seguros Falabella Ltda.
	O013 - ABC de Servicios S.A.S.
	O014 - Linio Colombia S.A.S.
	O019 - IKSO S.A.S.
	O020 - Falabella Servicios S.A.S.
	O021 - Digital Payments S.A.S.
	O010 - Banco Falabella S.A.
India	I001 - Shearvan Purchasing India Privated Limited
	I002 - Falabella Corporate Services India Private Limited
	I003 - Falabella Digital Labs India Private Limited

Country	Companies Considered
Peru	Salón Motorplaza Peru S.A.
	Mall Plaza Peru S.A.
	Mall Plaza Inmobiliaria S.A.
	Tierra Panie S.A.
	Open Plaza S.A.
	Open Plaza Corporativo Peru S.A.C.
	Logística y Distribución S.A.C.
	Inmobiliaria Kainos S.A.C.
	Inversiones Corporativas Beta S.A.C.
	Inversiones Corporativas Gamma S.A.
	Activo Inmobiliario Peruano S.A.A.
	P002 - Saga Falabella S.A.
	P004 - Saga Falabella Oriente S.A.C.
	P005 - IKSO S.A.C.
	P006 - Sodimac Peru Oriente S.A.C.
	P007 - Tiendas de Mejoramiento del Hogar S.A.
	P009 - Hipermercados Tottus S.A.
	P010 - Hipermercados Tottus Oriente S.A.
	P011 - Gestiones Integrales de Servicios S.A.C.
	P012 - Compañía San Juan S.A.C.
	P016 - Inmobiliaria Domel S.A.C.
	P019 - Hipermercados Tottus Iquitos S.A.C.
	P020 - Industrias Delta S.A.C.

Country	Companies Considered
Peru	P025 - Falabella Corporativo Peru S.A.C
	P027 - Corredora de Seguros Falabella S.A.C.
	P029 - Falabella Tecnología Peru S.A.C.
	P030 - Contact Center Falabella S.A.C.
	P031 - Falabella Servicios Generales S.A.C.
	P032 - Falabella.com S.A.C.
	P033 - Inversiones Falabella S.A.C.
	P035 - Inmobiliaria ISIC S.A.
	P036 - Inverfal Peru S.A.A.
	P037 - Digital Payments Peru S.A.C.
	P038 - Fazil Peru S.A.C.
	P039 - InverPeru Inmobiliaria S.A.A.
	P026 - Banco Falabella Peru S.A.
Uruguay	U001 - Inversiones Falabella Uruguay S.A.
	U002 - Tever Corp S.A.
	U003 - Inversora Falken S.A.
	U005 - Homecenter Sodimac S.A.
	U006 - Josmir S.A.
UK	R002 - Falabella Development Ltd.
	R007 - Falabella Digital Business Ltd.
	R008 - Falabella Digital Ltd.
	R009 - Falabella Delivery Ltd.
	R010 - Falabella Pay Ltd.
	R011 - Falabella Marketplace Ltd.

Country	Companies Considered
Germany	L001 - New Tin Linio I Gmbh
	L003 - Jade 1364. Gmbh
	L006 - Jade 1364 Gmbh & Co. Dritte Verwaltungs Kg
	L010 - Jade 1364 Gmbh & Co. Siebte Verwaltungs Kg
	L017 - Jade 1364 Gmbh & Co. 14. Verwaltungs Kg
	A001 - Inversiones Falabella Argentina S.A.
Mexico	M001 - Inverfal Mexico S.A. de C.V.
	M010 - Bazaya Mexico S.A. de R.L. De C.V.
USA	S002 - Falabella USA, Inc.

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4. Pay gap

Pay Gap

As part of our compensation strategy, we continue to actively address the gender pay gap across all our business units, constantly monitoring this indicator throughout the year to ensure informed decision-making. Our strategy is based on principles of internal equity and external competitiveness, and defines salaries considering both individual responsibility and contribution of each employee, with the support of a globally recognized consulting firm. The gender pay gap is measured according to the level of responsibility or internal tier assigned to each position, in order to guarantee fair and equitable salaries based on job level.

This analysis encompasses all positions within the organization, regardless of their functions, business areas, or geographic locations. Thanks to this methodology, we can implement precise actions to minimize potential salary gaps. We conduct an impartial salary review process at least once a year, based on responsibility, merit, and our principles of internal equity and external competitiveness. At the same level of responsibility, consistent compensation is assigned within the corresponding 125 salary range, ensuring that compensation is competitive in the market. We maintain salary scales that are updated annually and reward merit, granting higher increases to employees with outstanding performance. After each annual review, we ensure that comparisons between equivalent positions are consistent and fair. We pay special attention to the diagnosis and salary gap of our employees identified as top talent, which is reviewed periodically to take the necessary actions to close this gap. All these actions led us to narrow our consolidated gender pay gap to 2.7% in 2025.

Indicators

Pay gap **by position**

Pay gap - Financial Market Commission's methodology

CATEGORY	AVERAGE	MEDIAN
Senior Management	60%	74%
Management	90%	91%
Leadership	97%	102%
Operational	75%	67%
Sales Force	109%	113%
Maintenance	93%	94%
Administrative	110%	110%
Other professionals	81%	75%

*Expressed as: women's data / men's data

Wage gap - Internal methodology

Adjusted by level of responsibility or internal tier assigned to each position.

CATEGORY	AVERAGE
Senior Management	11.73%
Management	5.22%
Leadership	5.22%
Operational	12.89%
Sales Force	0.25%
Maintenance	-14.98%
Administrative	-8.50%
Other professionals	4.78%

Consolidated wage gap

Internal Methodology of Falabella S.A.: Difference between averages and medians [1- (Women's salary/Men's salary)], adjusting for level of responsibility or internal tier assigned to each position).

GENDER PAY GAP AS % ACCORDING TO	RESULT
Average bonuses paid	-8.73%
Average wages paid	1.93%
Median bonus paid	-6.24%
Median wages paid	3.85%

NCG 461 Methodology: Relative value of averages and medians (women's salary/men's salary)

GENDER PAY GAP AS % ACCORDING TO	RESULT
Average bonuses paid	83.24%
Average wages paid	81.71%
Median bonus paid	100.45%
Median wages paid	96.60%

5. Occupational Health and Safety

Protecting the health and safety of our teams

At Grupo Falabella, we work to ensure the health and safety of our teams. We have comprehensive occupational health and safety management systems that cover all Group associates and their activities, with a focus on those who perform physically demanding tasks such as operations, logistics, sales, and maintenance.

In Chile, the system is governed by Law No. 16,744, which establishes regulations regarding workplace accidents and occupational illnesses. Additionally, various business units have adopted the ISO 45001 standard for health and safety management to strengthen their prevention efforts. Our system includes a process for identifying, assessing, and minimizing workplace risks. This includes the use of a risk and hazard matrix for occupational health and safety in each operation, accident investigation, behavioral inspections and observations, process identification, a protocol for reporting and responding to workplace accidents, the use of safety equipment, and training. We conduct monthly internal reviews to monitor relevant occupational health and safety risk management indicators, evaluate their quality, and identify opportunities for improvement.

Based on the identification of risks in each process, we designed a risk matrix; a fundamental tool for evaluating and controlling occupational health and safety hazards. Using these risk matrices, each business unit within the Group defines preventive work programs that include control measures, deadlines, and responsible parties, thus forming the basis for action plans to mitigate risks.

Associates can report hazardous work situations through the Integrity Channel, through participation in joint committees, and in direct communication with their supervisors. Those who feel their work safety is at risk can refuse to perform their duties until optimal risk prevention measures are in place, without fear of retaliation. Furthermore, we facilitate access to medical and care services through supplemental health insurance, agreements with medical centers, time off for medical examinations, and preventive vaccination plans.

In situations requiring investigation, we activate a procedure that begins with taking statements from those affected and continues with a review of their workstation and a root cause analysis, culminating in the implementation of preventive measures to reduce the risk of any workplace accident or illness. We conduct monthly internal reviews to adjust and monitor relevant indicators and evaluate the quality of our incident management.

In addition, we conduct medical surveillance programs and annual reviews of work plans, in conjunction with local health and safety services. These entities are responsible for providing medical, financial, and prevention benefits to workers, as well as offering advice to organizations.

Based on the results of the reviews, we evaluate the possibility of strengthening controls and implementing new procedures.

Associates also participate in risk assessment and the development and implementation of risk prevention measures, through committees composed equally of employees and company representatives, which meet at least once a month. Their responsibilities include monitoring compliance with all risk prevention measures, developing the work plan, investigating the causes of workplace accidents, and promoting employee training and development.

We promote a culture of prevention. To this end, we conduct courses, workshops and talks throughout the year to train our teams and reduce the likelihood of accidents and illnesses. The most common topics include introduction to workplace safety and health, hazard identification workshops, commuting risk management, emergency and evacuation plans, fire extinguisher use and handling, and the proper handling of sharp-edged and pointed tools.

We facilitate access to non-occupational health and care services through supplemental health insurance, dental insurance co-financed by the employee, and partnerships with medical and dental centers. We focus on prevention, including yearly cancer prevention campaigns, such as those against breast, cervical, and prostate cancer. We also promote influenza vaccination through campaigns for employees and their families. We have an agreement in Chile with Mundo Zurich and the "Me Importas" ("I Care for You") program, which, among its benefits, includes unlimited telemedicine in various areas such as general medicine, psychology, nutrition, kinesiology, and pediatrics. All this information is detailed in the Benefits Manual and provided to associates upon joining the Company.

Additionally, outreach campaigns are conducted through digital channels such as Viva Engage.

Regarding emergency plans and drills, each business within the Group conducts these initiatives based on applicable regulations and the specific risks identified in the risk assessments described above.

Joint Committees

We encourage associates to participate in the formation of joint health and safety committees, empowering them to serve as organizational representatives and agents on matters of hygiene, occupational health and safety, and the prevention of sexual harassment, among others. These committees act as key agents in monitoring the physical and mental health of workers, in accordance with the powers granted to them by applicable regulations. The implementation of risk prevention measures within the company is carried out in coordination with the Joint Health and Safety Committees. This process includes the participation of committee representatives, who contribute to identifying opportunities for improvement and disseminating preventive initiatives.

These actions are executed through various instances, such as:

- Publications and awareness campaigns
- Risk prevention work programs
- Corrective measures resulting from accident investigations
- Periodic safety inspections
- Review and update of documents (Internal Regulations for Order, Hygiene and Safety, Safe Work Procedure, among others)

Health and safety management

Associates

Total number of accidents	2,641
Rate (%)	26.43%
Hours worked	89,291,528
LTIFR (accidents*1,000,000)/total hours worked (No.)	29.57
Total fatalities (No.)	0
Personnel (No.)	93,234
Rate (%)	0.00%
Total occupational illnesses (No.)	43
Personnel (No.)	92,471
Rate (%)	0.05%
Total days lost due to accidents (No.)	19.832
Average number of days	7.5

Contractors

Total injuries with lost time (No.)	645
Hours worked	77,667,920
LTIFR (accidents*1,000,000)/total hours worked (No.)	8.3
Total occupational illnesses (No.)	0
Total injuries with lost time (No.)	2,641
Total fatalities (No.)	0
Personnel (No.)	36,775
Rate (%)	0

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Health and safety management

Main types of injuries and accidents

- Falls resulting in fractures
- Cuts during packaging work
- Injuries associated with overexertion in operational tasks

Main types of occupational ailments and illnesses

- Musculoskeletal disorders (MSDs)
- Associated with manual handling of loads
- Forced or sustained body positions
- Repetitive movements and overexertion
- Ergonomic injuries in operational and administrative functions
- To a lesser extent, conditions derived from physical risks (e.g., noise) and psychosocial factors, according to specific assessments (WMSDs, Work Environment Assessment Questionnaire, HIRA)

Determination of occupational hazards

Grupo Falabella's occupational hazards are defined and assessed using the Hazard Identification and Risk Assessment (HIRA) matrix , considering:

- Routine and non-routine activities
- Normal and emergency conditions
- Operational changes and new tasks
- On-site inspections, safety walks, and incident analyses
- Participation of workers, Joint Committees and OSH areas

Hazards that caused or contributed to work-related illnesses and ailments in 2025

During the reported period, the hazards that caused or contributed to occupational illnesses were mainly:

- Ergonomic hazards: physical overexertion, repetitive movements or improper body positions
- Manual handling of loads
- Psychosocial factors, to a lesser extent, according to specific assessments. These hazards are directly associated with the recorded cases of musculoskeletal disorders.

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Health and safety management

Workplace hazards that have resulted in work-related injuries

- Falls on the same level or from a height
- Impacts with objects
- Manual handling of loads
- Handling of cutting tools
- Unsafe acts such as not using personal protective equipment or incorrect use of equipment

Measures taken or planned according to the hierarchy of controls

Grupo Falabella applies the hierarchy of controls to eliminate or minimize identified risks:

1. Elimination / Substitution
- Redesign of tasks and processes
- Use of mechanical aids to eliminate unnecessary manual handling

2. Engineering controls
- Ergonomic improvements in workstations
- Adaptation of furniture and operational layout

3. Administrative controls
- Safe work procedures
- Job rotation
- Active breaks
- Health surveillance programs (TMERT, ergonomics, psychosocial)

4. Personal protective equipment (PPE)
- Mandatory use according to risk assessment
- Training and monitoring of its correct use

Worker exclusion

During the information gathering process, no type of worker was excluded from the scope of this content.

- Direct employees were considered.
- Contractors under operational control were considered.
- Exclusions only apply when there are no recordable cases, which is explicitly reported and does not represent an omission of data.

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Health and safety management

Contextual information, methodology and assumptions

The reporting period corresponds to January–December 2025.

The data was collected through:

- Consolidated indicators of accident rates and occupational health for Grupo Falabella
- Survey via Microsoft Forms sent to representatives of each business and country
- Backup documentation provided by managing bodies, workplace health and safety organizations (mutuales de seguridad) or insurance companies

The indicators consider:

- Average monthly personnel
- Cases legally recognized as occupational illnesses
- The rates were calculated according to the legal and regulatory criteria in force in each country.
- No estimates or projections were used; only information that was reported and validated.

CONCLUSION

- **During the January–December 2025 period, Grupo Falabella did not record any deaths resulting from work-related illnesses or ailments, either among employees or non-employee workers under its control.**
- **The identified occupational illness cases mainly correspond to musculoskeletal disorders, associated with ergonomic factors and manual handling of loads, which is consistent with the nature of the Group's operations.**
- **The organization maintains a permanent preventive approach, based on the systematic application of the Hazard Identification and Risk Assessment (HIRA) matrix and on the implementation of measures aligned with the hierarchy of controls. These actions reflect Grupo Falabella's commitment to the continuous improvement of occupational health and safety performance, regulatory compliance in the various countries where it operates, and the comprehensive protection of its employees.**

6. Social Evaluations of Suppliers

Doing good business means establishing ethical, responsible, and valuable relationships with our suppliers. During the review process, we use a corporate platform that centralizes the supplier creation and review requirements for most of Grupo Falabella companies. Our internal teams search for suppliers who seek to do business with Grupo Falabella using a world-class external platform. This platform utilizes publicly accessible databases to verify the existence of, among other things, international sanctions, inclusion on blacklists, criminal sanctions and investigations, as well as investigations related to ESG topics, such as environmental crimes, human exploitation, human rights violations, bribery and corruption, non-compliance with antitrust regulations, and tax offenses. As a result, suppliers that appear on one of these searches, or that declare a link to PEPs (Politically Exposed Persons) or a conflict of interest, are reported to and reviewed by the teams responsible in each of our business units. This allows us to assess the risk associated with their engagement and, if necessary, request remediation measures and/or exclusion from the process.

Additionally, we conduct risk assessments of our suppliers through document reviews with evidence verification and on-site visits. The results drive concrete actions such as the creation of improvement plans. We have suppliers of products and services critical to our business. Non-compliance with the law, our internal policies or minimum standards; or the adoption of unethical, unsafe, or environmentally or locally harmful practices; can affect our operations, limit growth, and impact our reputation.

At Grupo Falabella, standard assessments include ESG topics, such as ethical and labor compliance. In 2025, 3,353 suppliers were assessed at the corporate level, adding to the assessments from previous years, representing 9% of invoices paid during the year. Of these, 6% are international suppliers and 94% are domestic. **The financial, tax, legal, and compliance assessments cover all suppliers in Chile, Peru, and Colombia**, excluding minor payments to occasional providers of basic services and employees, which are included in the total purchases for the year.

	FREQUENCIES						AMOUNTS 2025				
	Total suppliers	Not evaluated		To be evaluated	Evaluated		Total paid	Amount paid to unassessed suppliers	%	Amount paid to assessed suppliers	%
Total	20,853	17,501	83.93%	123	3,353	16%	$25,046,469,068,662	$22,793,172,544,613	91%	$2,253,296,524,049	9%
National	18,422	15,172	82.36%	120	3,250	18%	$10,639,047,192,884	$8,525,541,796,220	80%	$2,113,505,396,664	20%
Foreign	2,431	2,328	95.8%	3	103	4%	$14,407,421,875,778	$14,267,630,748,393	99%	$139,791,127,385	1%

7. Carbon footprint

Mitigation

In 2023 we announced our goal of achieving net zero emissions by 2035 in Scopes 1 and 2, approved by the Board of Directors of Falabella S.A. and aligned with the Greenhouse Gas Protocol (GHG)[1]. As an interim goal, we aim to reduce these emissions by 65% by 2030, using 2021 as the baseline.

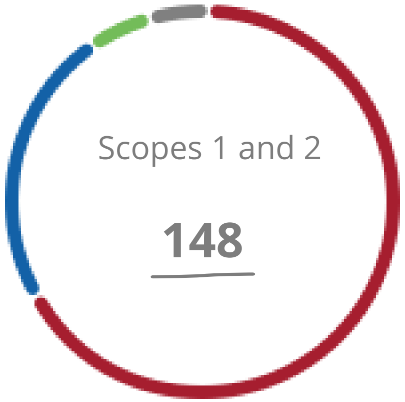
Our climate strategy encompasses stores, shopping centers, offices, and logistics centers in Chile, Peru, and Colombia, covering 94% of our revenue by 2025. Our decarbonization plan is based on a detailed analysis of our operations and the implementation of mitigation measures, aligning with the Science Based Targets Initiative[2] criteria to limit the increase in global temperature to 1.5°C for Scopes 1 and 2. Along these lines, we continue working on defining specific targets for Scope 3[3], where most of our impact is concentrated.

1. Entity that establishes the standard for accounting and corporate reporting on greenhouse gas emissions.

2. A global organization that promotes best practices, methods, and guidelines for emissions reduction and net-zero targets, in line with climate science.

3. Emissions from activities in the value chain that are outside the direct control of the Company, but which occur as a consequence of its operation.

Our **carbon footprint**



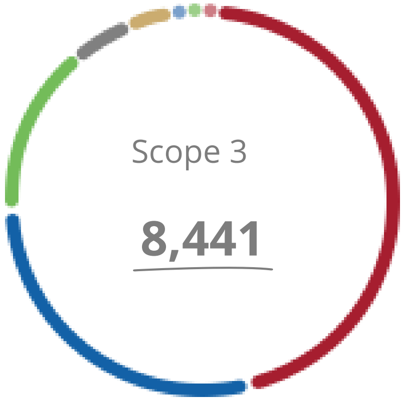
Emissions [$ktCO_2eq$]

101
Fugitive emissions

32
Electricity consumption

8
Combustion in stationary sources

7
Combustion in mobile sources



3,475
Goods and services acquired

2,660
Use of sold products

1,146
Downstream transport and distribution

534
Final disposal of sold products

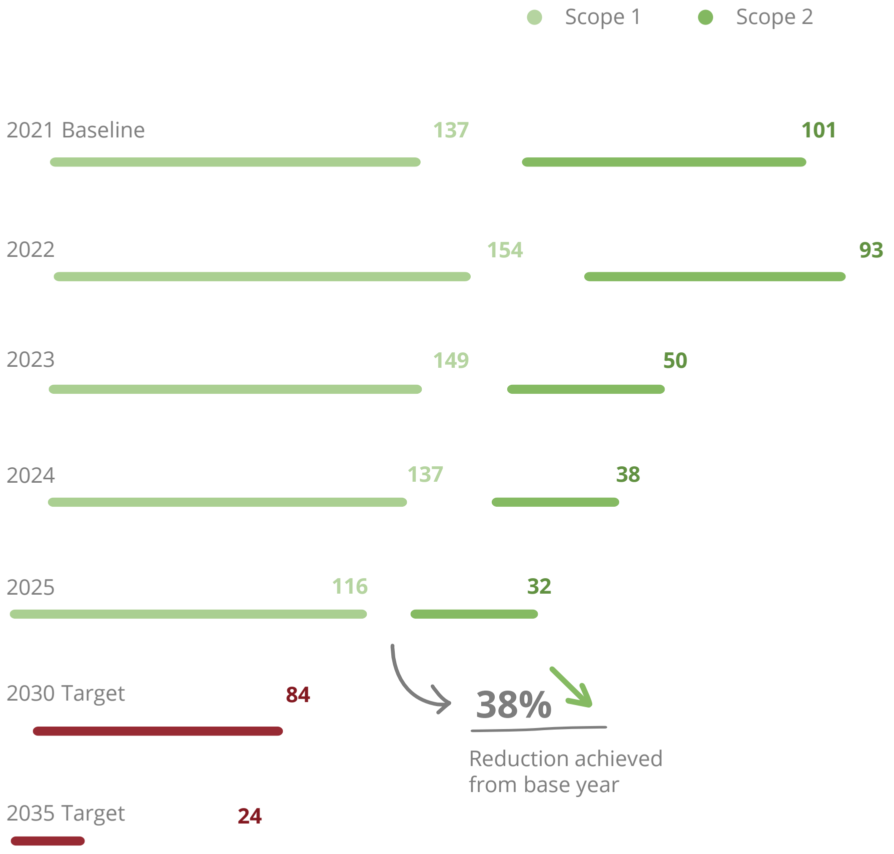
505
Upstream transport and distribution

62
Transportation of associates

38
Waste generated in the operation

20
Others

Progress of our decarbonization [$ktCO_2$ eq]



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Corporate carbon footprint - Scope 1 and 2

Corporate carbon footprint

Denomination	Unit	2021	2022	2023	2024	2025
Scope						
Scope 1	tCO_2e	137,453	153,828	148,522	136,929	116,082
Scope 2 (location-based)	tCO_2e	160,273	151,280	142,554	140,832	153,522
Scope 2 (market-based)	tCO_2e	101,220	93,056	50,527	38,240	31,951
Scope 1 + 2 (market-based)	tCO_2e	**238,674**	**246,890**	**199,049**	**175,169**	**148,033**
Scope 1 and 2 emission intensity	tCO2e/MM USD	**17.7**	**17.1**	**15.6**	**13.1**	**10.1**
3.1 Inputs and goods acquired	tCO_2e	4,959,081	4,202,235	3,629,129	3,324,052	3,475,483
3.3 Energy-related activities, non-S1 or S2	tCO2e	2,470	2,681	2,761	2,905	2,523
3.4 Upstream transport and distribution	tCO2e	534,951	470,564	280,974	368,624	505,126
3.5 Waste generated in the operation	tCO2e	39,773	39,956	36,582	38,229	37,932
3.6 Business trips	tCO2e	2,319	5,822	8,659	14,504	11,102
3.7 Transportation of associates	tCO2e	69,934	72,734	69,027	60,274	62,058
3.9 Downstream transport and distribution	tCO2e	1,190,981	1,271,962	1,166,734	1,090,953	1,145,586
3.11 Use of sold products	tCO2e	4,128,185	2,933,315	2,448,249	2,216,854	2,660,219
3.12 Final disposal of sold products	tCO2e	446,427	543,391	414,949	474,029	534,459
3.13 Downstream leased assets (market-based)	tCO2e	6,051	8,337	6,416	7,708	6,763
Scope 3 (market-based)	tCO2e	11,380,172	9,550,996	8,063,482	7,598,133	8,441,250
Total (market-based)	**tCO_2e**	**11,618,846**	**9,797,881**	**8,262,531**	**7,773,303**	**8,589,283**
Measurement coverage	**%**	**96%**	**97%**	**95%**	**96%**	**94%**

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Corporate carbon footprint - Scope 1 and 2

Notes

1. The calculation is based on The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Emissions are presented in tons of carbon dioxide equivalent (tCO2e), which accounts for 7 greenhouse gases (CO2, CH4, N2O, HFCs, PFCs, SF6, NF3).

2. GHG emissions were obtained by multiplying activity data by documented emission factors, according to the GHG Protocol guidelines.

3. The Global Warming Potentials from the IPCC Sixth Assessment Report (AR6), published in 2021, were used.

4. Emission factors consider traceable and recognized sources, using values from each year where possible. They are categorized into 3 main groups:

- Energy: Official sources of each country (electricity, fuels).
- Materials, transportation, other: Set of factors published by the Department for Environment, Food & Rural Affairs (DEFRA) or Ecoinvent 3.9.1.
- Manufacturing of marketed products: Spend-based method, based on factors published by DEFRA.

5. Scope 2 is reported using both the location-based and market-based methods. The location-based method reflects the average emissions of the grid from which the electricity is purchased (using an average emission factor); the market-based method reflects the emissions of the electricity that the organization has contractually chosen to purchase and where it has certified source-of-origin information (using the emission factor of the specific generator supplying the electricity). This year, the residual emission factor published by the Chilean Ministry of Energy was included and applied retroactively to the 2021 and 2022 data.

6. The impact of customer transportation to Grupo Falabella companies considers the application of surveys to determine means of transport and distances traveled.

7. The 2023 data and the context of revisions to the 2021 were verified by an independent third party, in accordance with the GHG Protocol Corporate Standard and the GRI 305 standard.

8. Mallplaza and Falabella Inmobiliario report their energy consumption corresponding to common areas and parking in Scope 2 and the consumption of tenants in Scope 3.

9. The years 2021-2022 have been recalculated in accordance with the GHG Protocol criteria. The main adjustments are as follows:

- Operational adjustment: In department stores, home improvement stores, and supermarkets in Peru, the methodology for estimating refrigerant leaks has been adjusted, using actual data from refrigerant replenishment in maintenance work orders. The financial services vertical prioritizes banking operations; insurance and other operations are excluded at the regional level.
- Update of the global warming potentials from the Fifth Assessment Report (AR5) to the Sixth Assessment Report (AR6).
- Adjustment of emission factors to updated sources. The Scope 1 and 2 emissions baseline (market-based, 2021) had a 12% increase in emissions when considering the above points.

10. The carbon intensity calculation is based on the absolute Scope 1 and 2 emissions of the calendar year normalized by the Group's consolidated revenues in the same period.

11. Measurement coverage is expressed as a percentage of total revenue of quantified business units, over total consolidated revenue of Falabella S.A. Home improvement formats in Colombia, Uruguay, Argentina, Brazil and Mexico; financial services in Mexico; and the IKEA franchise are not consolidated.


8. Energy
management

Adoption of **renewable energies**

One of our main strategies for reducing emissions is the incorporation of renewable energy into our operations. This allows us to decrease our carbon footprint and contribute to the decarbonization of the energy mix in the countries where we operate. To advance towards this goal, we have power purchase agreements (PPAs) currently in force with strategic suppliers, such as Enel in Chile and Statkraft in Peru, which enable us to supply our operations with certified and traceable electricity from 100% renewable sources.

In 2025 we achieved the supply of renewable energy to 453 facilities1, raising the percentage of renewable electricity in our operations to 80%.

1. Facilities are considered renewable if they have more than 98.5% renewable electricity supply. This supply can come from direct power purchase agreements (PPAs), third-party PPAs, self-generation, or the purchase of I-REC certificates. This includes facilities in Colombia, and bank branches and offices in Chile and Peru.

Facilities with renewable electricity supply

CHILE

156
Stores

5
Logistics centers

27
Shopping centers

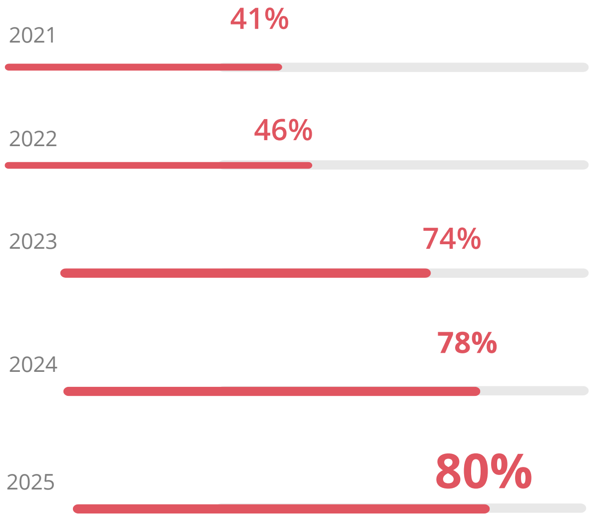
PERU

91
Stores

5
Logistics centers

14
Shopping centers

Renewable electricity supply at our facilities



Group energy consumption by type in 2025

593 GWh
Renewable energies

68 GWh
Fossil fuels

151 GWh
Conventional electricity (grid)

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Efficient energy consumption

As part of our actions to reduce emissions and optimize resources, we have a Corporate Energy Policy that progressively fosters a culture of energy efficiency.

In Chile, we have implemented Energy Management Systems based on the ISO 50001 standard at Falabella Retail, Sodimac, and Tottus. These systems allow us to set energy targets, optimize resources, and improve energy performance. We highlight the case of Mallplaza, which has ISO 50001 certification in 26 of its 37 urban centers in Chile, Peru[1] and Colombia.

Furthermore, at Grupo Falabella we promote technological innovation to reduce energy consumption through centralized climate control systems, along with the progressive replacement of lighting fixtures with LED technology, contributing to a more efficient and sustainable operation.

In 2025, Mallplaza Chile marked a milestone in sustainable urban infrastructure with the opening of the country's largest solar parking facility, located at Mallplaza Vespucio. This facility features more than 1,700 bifacial solar panels distributed across 13,300 m², capable of supplying 50% of the electricity consumption in the new Lifestyle area and preventing the emission of more than 400 tons of CO_2 per year. This project complements our photovoltaic self-generation initiatives at Mallplaza Cartagena (Colombia), Copiapó and Calama (Chile), and Arequipa (Peru), as well as 49 Sodimac Homecenter stores in Chile.

1. Excluding Open Plaza shopping centers acquired in 2024.

We have implemented the following management programs:

Energy audits

Energy audits were carried out in 2025 in the context of the Energy Management System (EMS), which made it possible to identify patterns of energy consumption and its distribution, as well as to define opportunities for improvement, best practices and action plans.

In addition, ISO 50001 certification follow-up audits were carried out for Mallplaza shopping centers in Chile, Peru and Colombia.

Investments in innovation

We promote energy efficiency through innovative solutions. Mallplaza has integrated artificial intelligence into its HVAC management, lighting automation, and the expansion of its Building Management System (BMS) and Power Monitoring Expert (PME) platforms at the regional level. Furthermore, it is developing a pilot program at Mallplaza Oeste to optimize HVAC, lighting, and energy consumption in an integrated manner based on operational and climatic variables.

At Tottus, initiatives are being promoted to optimize energy consumption in its operations. In Chile, together with Falabella Ventures, it is collaborating with the start-up Flair to pilot solutions for reducing electricity consumption in HVAC. In Peru, the Energy Cloud tool is being implemented, strengthening the energy management and monitoring of its stores.

Training

At Falabella Retail, Sodimac, Tottus, and Mallplaza, we have developed various training initiatives to raise awareness about the efficient use of energy. Through structured programs, in-person and online training, and the integration of specific modules into new associate onboarding, we aim to strengthen a culture of energy efficiency in our operations. These initiatives not only promote best practices in equipment use and energy consumption management but also allow us to evaluate their effectiveness through measurements and assessments, contributing to the continuous improvement of our energy performance.

Quantified goals

In Chile, Falabella Retail, Sodimac, and Tottus have established a general objective to improve each company's energy performance by the end of 2025, compared to their respective energy baselines. This objective is broken down into quantitative targets for reducing energy consumption in their establishments, identified as "Significant Energy Uses." Tottus Peru aims to reduce energy expenditure by 8% throughout the chain compared to what was budgeted for 2025. Mallplaza, for its part, has committed to reducing the energy intensity of common areas (kWh/GLA) 22% by 2035, using 2019 as the baseline, and achieving a 100% renewable electricity supply by 2026.

Energy consumption in direct operations

DENOMINATION	UNIT	2021	2022	2023	2024	2025	UNIT	2025	PERCENTAGE
Total consumption	**MWh**	**776,602**	**837,808**	**836,934**	**828,573**	**812,156**	**Terajoules (TJ)**	2,924	100%(1)
Total non-renewable energy	**MWh**	**487,619**	**485,636**	**272,020**	**245,351**	**218,987**	**Terajoules (TJ)**	788	27%
Fossil fuels	MWh	64,586	72,159	70,396	77,721	67,716	Terajoules (TJ)	244	8%
Grid power	MWh	423,033	413,476	201,624	167,630	151,271	Terajoules (TJ)	545	19%(2)
Steam/heating/cooling and others	MWh	-	-	-	-	-	Terajoules (TJ)	-	0%
Total renewable energy	**MWh**	**288,983**	**352,172**	**564,914**	**583,221**	**593,169**	**Terajoules (TJ)**	2,135	73%(3)
100% renewable electricity (photovoltaic panels)	MWh	17,843	18,872	15,995	15,852	16,213	Terajoules (TJ)	58	3%
100% renewable electricity (contractual)	MWh	271,042	333,181	548,760	567,216	576,852	Terajoules (TJ)	2,077	71%
Biofuels	MWh	98	118	159	154	104	Terajoules (TJ)	0	0%
Non-renewable energy	%	63%	58%	33%	30%	27%			
Renewable energy	%	37%	42%	67%	70%	73%			
Non-renewable electricity	%	59%	54%	26%	22%	20%			
Renewable electricity	%	41%	46%	74%	78%	80%			
Measurement coverage	%	96%	97%	95%	96%	94%			

Notes

1. The information comes from the organization's internal billing and records. Energy consumption at facilities (including that attributable to renewable energy) and its corresponding documentation have been retroactively reviewed for the years 2021 to 2024, and this information has therefore been revised with respect to the previous report.

2. The consumption for months without information (for example, December data not yet billed) has been estimated.

3. Renewable energies include: certified grid sources through power purchase agreements (PPA), certified sources (I-REC), and the electricity generated on the company's own facilities from photovoltaic plants.

4. The energy conversion factors come from the Ministry of Energy of Chile, using the Lower Heating Value.

5. Energy consumption outside the organization is excluded from this disclosure. Electricity consumption associated with material activities in the value chain is included in the Scope 3 carbon footprint measurement.

6. In the Report's main document, renewable supply is expressed as the percentage of 100% renewable electricity (direct PPAs, third-party PPAs, I-REC, on-site photovoltaic panels) with respect to total electricity consumption, considering grid electricity within the total, which represents 80%.

7. Measurement coverage is expressed as a percentage of total revenue of quantified business units, over total consolidated revenue of Falabella S.A. Home improvement formats in Colombia, Uruguay, Argentina, Brazil and Mexico; financial services in Mexico; and the IKEA franchise are not consolidated.

9. Water

Water efficiency management programs

We have implemented the following programs to safeguard water resources:

Actions to improve the quality of wastewater

At the regional level, Mallplaza implemented a preventive and corrective maintenance program for its different urban centers, which includes periodic cleaning of grease traps and septic tanks, treatments with microorganisms to degrade liquid industrial waste such as fats and oils in pipe systems and chambers, helping to prevent blockages, reduce odors and ensure compliance with environmental regulations, as well as self-monitoring practices to follow parameters and take corrective or preventive actions when deviations occur.

Set targets for reducing water consumption

During 2025, Mallplaza met its goal of reducing direct water consumption intensity by 30%, reaching a regional indicator of 0.066 m^3/GLA (equivalent to 136,331 m^3/month) in December. The following initiatives were implemented to achieve this goal:

1. Replacement and adjustment of taps to achieve a flow rate equal to or less than 2 Lt/Min in 28 shopping centers.
2. Improvements to irrigation systems for landscaping, eliminating manual watering and installing technologically advanced and automated irrigation systems with controllers.
3. Rainwater harvesting at Mallplaza Cali.
4. Strengthening operational control, optimizing irrigation planning and improving leak control.
5. Implementation of water inspections and audits to monitor the established action and mitigation plans.

This performance not only optimizes Mallplaza's direct consumption, but also reduces its exposure to water risk in facilities located in high-stress areas.

Water recycling

In its Cali operations, Mallplaza has introduced rainwater harvesting to reduce water consumption in common areas, with an expected annual savings of 4,700 m^3. At Mallplaza Cartagena, condensation from air conditioning systems is collected and reused.

At Tottus Peru, the Huachipa logistics complex has wastewater treatment plants (WWTPs). This system ensures that the post-treatment water is suitable for reuse to irrigate the green areas of this facility.

Employee awareness training on water efficiency management

Tottus Chile has conducted training sessions as part of its commitment to water efficiency with the Municipality of Puente Alto, complemented by the distribution of informational materials to associates and customers in stores within said municipality. Mallplaza, for its part, provides regular training at the executive level, emphasizing the importance of responsible water use and its ongoing initiatives. Similarly, Sodimac Chile promotes training and outreach on resource efficiency as part of its environmental management program.

Water efficiency management programs

Given the nature of the company, Grupo Falabella's main interactions with water sources occur at its facilities. As such, the bulk of the company’s water management efforts correspond to Mallplaza’s urban shopping centers, which rely on the local water supply. Similarly, wastewater is discharged into the greywater system of each city where we operate.

Water use assessment to identify opportunities for improving water efficiency

Mallplaza applies a systematic process for collecting and reviewing information related to water management, encompassing water intake, consumption, and wastewater discharge. This analysis enables a comprehensive assessment of risks and opportunities, considering both operational aspects and environmental and regulatory impacts. In line with this, the company conducts periodic evaluations of its water performance, which helps identify systems with the highest consumption and potential opportunities for improvement.

For its part, Sodimac is implementing online measurement systems (telemetry) in some of its stores to monitor water consumption patterns and identify opportunities for optimization. This information is reported periodically to each location, facilitating corrective action and alignment with expected consumption levels. The company also plans to progressively expand the coverage of these systems to further enhance water efficiency in its operations.

Actions to reduce water consumption

Mallplaza has developed an action plan focused on reducing water consumption. It includes implementing real-time monitoring tools (such as telemetry through SIMON software and remote monitoring platforms), as well as optimizing landscaping for low water usage, and automating irrigation systems. It also includes improving operational control in restrooms, HVAC, cleaning, and irrigation, along with measuring consumption, replacing faucets, and installing efficient equipment such as low-flow faucets and low-consumption urinals. This allows for the detection of deviations and the timely management of water-saving opportunities.

For its part, Sodimac has efficiency plans in place to reduce its environmental impact. Since it does not have production processes, its water consumption is concentrated on sanitation and drinking water, and consequently it has implemented water conservation and efficiency measures in its facilities.

Water efficiency and continuous improvement

Mallplaza has established guidelines aimed at the continuous optimization of its water use, incorporating efficiency criteria into the operation and maintenance of its assets. These guidelines consider both the reduction of absolute consumption and the management of water intensity, based on the surface area and characteristics of urban centers. During 2025, the company made progress in implementing measures to optimize water use and to monitor water efficiency targets, which are aligned with its environmental roadmap.

Water efficiency measures

In line with our continuous improvement approach, we have implemented measures aimed at optimizing water use in our urban centers, which include monitoring actions, operational control and infrastructure improvements where appropriate.

Water management KPIs

GRI 303-3: Water extraction

ASPECT	UNIT	2021	2022	2023	2024	2025
Water extraction by source	Th m³	**5,647**	**6,187**	**6,321**	**6,314**	**7,157**
Direct	Th m³	**170**	**178**	**327**	**434**	**537**
Surface	Th m³	0	0	0	0	0
Underground	Th m³	170	178	327	434	537
Ocean	Th m³	0	0	0	0	0
Produced	Th m³	0	0	0	0	0
Through third parties (grid, trucks, others)	Th m³	**5,477**	**6,009**	**5,994**	**5,880**	**6,620**
Surface + Underground	Th m³	5,386	5,923	5,908	5,803	6,534
Ocean	Th m³	91	85	86	77	86
Produced	Th m³	0	0	0	0	0
Extraction by water type	Th m³	**5,647**	**6,187**	**6,321**	**6,314**	**7,157**
Salt	Th m³	91	85	86	77	86
Fresh	Th m³	5,556	6,101	6,235	6,237	7,071
Data coverage	%	96%	97%	95%	96%	94%

"Optimizing water consumption is a step towards more sustainable operations."

Notes

1. Measurement coverage is expressed as a percentage of total revenue of quantified business units, over total consolidated revenue of Falabella S.A. Home improvement formats in Colombia, Uruguay, Argentina, Brazil and Mexico; financial services in Mexico; and the IKEA franchise are not consolidated.

2. Water consumption for months and facilities lacking data is estimated based on expenditure, surface area, overall data, and other factors. This is the case for Sodimac Chile's water consumption, which was estimated using 2021 data and the active surface area for 2023.

Total water extraction data by source is disclosed for use by analysts. Details by extraction zone and water type are not disclosed, as water consumption records have a high degree of uncertainty, and estimates based on consumption, surface area, overall data, and other factors are used.

10. Waste

Waste

Incorporating circular economy principles into waste management, both during operations and in post-consumption phases, is a global challenge. At Falabella, we address these challenges through concrete actions aligned with our core value, "We Care for the Future."

Our initiatives include the following programs:

Audits to identify opportunities for improvement in waste management and recovery through the implementation of action plans based on circular economy strategies.

Tottus has stores that operate under a Zero-Waste Clean Production Agreement (CPA). As part of this initiative, monthly meetings and audits are held to analyze waste management and identify and implement improvements that increase recovery rates, especially for organic waste.

Tottus analyzes its performance since 2024, reporting results and identifying gaps in order to subsequently implement corrective actions.

Mallplaza has developed a regional roadmap focused on reducing waste sent to landfills. This roadmap is aligned with the strategic objectives incorporated into its environmental management system, allowing us to continuously identify and implement improvements. In compliance with regulations, Mallplaza has conducted waste characterization studies, allowing us to identify the areas with the highest waste generation and detect opportunities to improve waste recovery performance.

Sodimac manages waste nationwide across all its facilities through its Risk Prevention Department and Operations team. Waste control is carried out through waste management platforms, providing visibility into operational performance at the store level. This platform offers traceability and insight into the types and quantities of waste, both recyclable and final disposal, while also tracking associated KPIs. It monitors the volume and frequency of waste collection, allowing for both environmental and economic efficiencies in waste management.

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Waste

Quantified goals to minimize waste

Mallplaza has set a goal of recovering 60% of the waste generated in urban centers by 2025. Progress towards this goal can be found in Mallplaza's 2025 Integrated Report.

As part of the +Verde 2030 vision, Falabella Retail has set waste management targets for 2030, including internal recycling programs in 100% of stores, diverting 90% of non-hazardous waste from landfills, and using recycled or sustainably sourced materials in 50% of packaging units.

Investment in innovation or R&D to minimize waste

As mentioned previously, Sodimac has implemented a waste management platform that allows for the tracking of operational waste from its facilities. It provides visibility into the types and quantities of waste, distinguishing between recyclables and waste sent for final disposal, enabling both the traceability of associated KPIs and control over the volume and frequency of waste collection.

Falabella Retail has also conducted a Life Cycle Assessment of its packaging, to quantify its impact and identify reduction opportunities through eco-design initiatives. This study allowed us to identify critical points and accordingly define sustainable attributes that help mitigate the impacts.

Waste

Grupo Falabella

Total non-hazardous operational waste generated

119.267 t

Total waste recovery

46.856 t

Equivalent to **39%** of the waste generated

Management of non-hazardous operational waste by destination (in tons)

YEAR	2023		2024		2025	
Total Recovery	**34%**		**37%**		**39%**	
	Tons	%	Tons	%	Tons	%
Recycling	35,964	33%	40,374	34%	43,840	37%
Composting	761	<1%	3,330	3%	3,016	<3%
DISPOSAL						
Landfill / Dump	69,518	67%	72,870	63%	72,411	61%

Note: The table showing non-hazardous operational waste may be modified based on corrections or adjustments, and will be validated and subsequently verified annually.

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Waste - Breakdown by category

Aspect	Unit	2021	2022	2023	2024	2025
Total waste generated	**t**	**127,495**	**124,145**	**107,493**	**117,972**	**120,042**
Non-hazardous	t	125,918	122,948	106,243	116,573	119,267
Final disposal	t	84,245	84,659	69,518	72,870	72,411
Landfill	t	84,245	84,659	69,518	72,870	72,411
Incineration	t	0	0	0	0	0
Others	t	0	0	0	0	0
Recovery	t	41,673	38,289	36,726	43,704	46,856
Recycling	t	41,402	37,552	35,964	40,374	43,840
Reuse	t	0	0	0	0	0
Compost	t	271	738	761	3,330	3,016
Hazardous	t	1,577	1,196	1,249	1,399	775
Final disposal	t	1,465	1,071	1,144	1,344	681
Solidification/Stabilization	t	1,465	1,071	1,141	1,340	676
Incineration	t	0	0	1	4	0
Others	t	0	0	2	0	5
Recovery	t	113	125	106	54	94
Recycling	t	113	125	106	54	93
Reuse	t	0	0	0	0	1
Total waste generated	**t**	**127,495**	**124,152**	**107,493**	**117,890**	**119,880**
On-site treatment	t	42	62	67	69	72
Off-site treatment	t	127,453	124,090	107,426	117,821	119,808
% of waste recovered (not sent for disposal)	**%**	**33%**	**31%**	**34%**	**37%**	**39%**


11.
Food
Waste

Food loss and waste

At Grupo Falabella, we emphasize the importance of reducing food waste as an opportunity to improve our efficiency in the use of natural resources, as well as to lessen our environmental impact and contribute to the global food security challenges defined by the United Nations and framed within specific objectives of the Sustainable Development Goals.

With this objective, we have implemented a plan that focuses on and develops strategies at all stages of the value chain. We have gained a better understanding of how to improve our processes throughout the supply chain, allowing us to optimize demand forecasts, reduce food shrinkage, and streamline the management of perishable product inventories.

In 2023 we made a commitment to reduce food waste by 20% in our Tottus, Hiperbodega Precio Uno and Superbodega Precio Uno supermarket formats by 2025, using 2021 as the baseline.

To achieve this objective, we developed a methodology based on the World Resources Institute's (WRI) Food Loss and Waste Accounting and Reporting Standard. This methodology results in the FL&W (Food Loss and Waste) indicator, measured in tons. This result corresponds to the quantification of the food inventory comprising six categories. The FL&W indicator is defined as total shrinkage, minus liquidation sales, donations, and food recovery efforts.

On our journey to reduce food loss and waste, we have implemented a plan to define and execute strategies at all stages of the supply chain. These strategies focus primarily on improving data coverage and accuracy through quantification methods such as direct weighing records, while promoting alternative uses for food that can no longer be sold, such as donation or recycling. This allows us to better understand how to improve our processes, working closely with our organic waste managers and beneficiary organizations. Furthermore, improving accuracy in forecasting demand, and adjustments in product procurement, help diminish reduction-related food losses and improves operational efficiency. We are committed to improving the accuracy of inventory control and monitoring by investing in modernization and the implementation of analytical tools. In addition, we hold monthly loss prevention committees where teams present the progress and results of action plans for the upcoming periods.

In 2025 we have made significant progress in implementing these strategies, which allowed us to reduce food waste by 30% compared to 2021, reaching our target ahead of schedule and exceeding it during 2025. We will continue working to optimize our processes and contribute positively to the environment and global food security.

Donations

Food donations are part of our strategy to reduce food waste and, at the same time, contribute to local empowerment and development, as they allow us to redirect food that is still fit for consumption to the communities where we operate. Along these lines, we have implemented effective redistribution strategies, reducing losses and generating a positive impact on the community through partnerships with organizations such as Fundación Don Bosco, Banco de Alimentos (Peru), and Red de Alimentos (Chile).

“In 2025 we have made significant progress in implementing strategies, which allowed us to reduce food waste by 30% compared to 2021.”

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Food Loss & Waste 2025

Denomination	Unit	2021	2022	2023	2024	2025
Food shrinkage	ton	13,071	12,968	11,984	11,066	12,499
Food used for purposes other than disposal	ton	962	805	1,207	2,935	3,997
Food waste	ton	12,109	12,163	10,778	8,131	8,502
Annual sales of food categories	USD MM	1,439	1,587	1,585	1,514	1,826
Measurement coverage	%	99%	100%	98%	98%	96%

Categories	Unit	2021	2022	2023	2024	2025	Category (%)	Durability (%)	
Groceries and beverages	ton	2,376	2,961	2,460	1,821	2,195	18%	18%	Non-perishable
Meat and fish	ton	1,285	1,478	1,423	1,205	1,296	10%		
Fruits and vegetables	ton	5,043	4,963	4,638	4,431	4,892	39%		
Deli, dairy products and frozen foods	ton	1,578	1,821	1,454	1,290	1,507	12%	82%	Perishable
Bakery	ton	1,515	1,544	1,472	1,538	1,787	14%		
Prepared meals	ton	807	1,049	876	780	822	7%		
Total	ton	12,604	13,816	12,323	11,065	12,500	100%	100%	

Notes

- The measurement coverage is expressed as the % corresponding to food shrinkage in a unit of mass (weighable shrinkage), over the total universe of the categories subject to the FL&W commitment in a unit of mass.
- The calculation considers the categories subject to the FL&W commitment.

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Assurance Letter

Deloitte.

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LIMITED INDEPENDENT ASSURANCE REPORT – FALABELLA S.A.

June 22, 2026

To: The Board of Directors of
Falabella S.A.

We have performed a limited assurance engagement on certain indicators detailed in APPENDIX A: Tables No. 1, 2, 3 and 4 included in 2025 Annual Report Supplement of Falabella S.A. (hereinafter the "Company"), prepared in accordance with the criteria selected by the company, based on the Standards of General Rule No. 461 (referred to hereinafter as "NCG"), issued by the Financial Market Commission (hereinafter the "CMF"), the Global Reporting Initiative (hereinafter "GRI"), the Sustainability Accounting Standards Board (hereinafter "SASB") and the Food Loss and Waste Accounting and Reporting Standard (hereinafter "FLW"), for the period between January 1, 2025 and December 31, 2025.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the consistency of the indicators for the purposes of its 2025 Annual Report Supplement for the year ended December 31, 2025, in accordance with the NCG, GRI, SASB and FLW criteria, based on the procedures that we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform this engagement to obtain limited assurance as to whether the indicators included in the 2025 Annual Report Supplement, are, in all material respects, free from material misstatement in accordance with the NCG, GRI, SASB and FLW criteria.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical and other procedures) and evaluating the evidence obtained. The procedures also include assessing the suitability in the circumstances of the Company's use of the applicable criteria as the basis for the preparation of the consistency of the indicator for the purposes of its 2025 Annual Report Supplement, in accordance with the NCG, GRI, SASB and FLW criteria.

We are required to plan and perform our work to address those areas where we have identified that a material misstatement is more likely to arise. The procedures applied were based on our professional judgment.

Our limited assurance engagement included the following procedures:

- Performed an assessment of the criteria (the benchmarks used to measure or evaluate the underlying information) to determine whether they were suitable for the engagement circumstances.
- Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the subject matter sufficient to identify and further assess risks of material misstatement in the underlying subject matter, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through management inquiries, obtained an understanding of internal controls relevant to the quantification process and data used in preparing the subject matter, the methodology for gathering qualitative information, and the process for preparing and reporting the subject matter. We have not evaluated the design of internal control activities, obtained evidence about their implementation or tested their operating effectiveness.
- Review of the evidence obtained in relation to the indicators detailed in APPENDIX A: Tables No. 1, 2, 3, and 4, as well as the result of the materiality process, with the areas that participate in the preparation of the 2025 Annual Report Supplement.
- Recalculation procedures were performed to evaluate the application of methodologies defined by the NCG, GRI, SASB and FLW criteria.
- Analyzed the traceability of the contents of the 2025 Annual Report Supplement and validation of the indicators detailed in APPENDIX A: Tables No. 1, 2, 3 and 4 in accordance with the requirements established in the NCG, GRI, SASB and FLW criteria.

The procedures performed in a limited assurance engagement vary in nature and timing and are less extensive than those for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Our independence and quality control

We have complied with the relevant rules of professional conduct and code of ethics applicable to the practice of accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1 (ISQM 1), Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed, and the evidence obtained, nothing has come to our attention that causes us to believe that the indicators detailed in APPENDIX A: Tables No. 1, 2, 3 and 4 included in the 2025 Annual Report Supplement of Falabella S.A. for the period from January 1 to December 31, 2025 are not prepared, in all material respects, in accordance with the of General Rule No. 461, the Global Reporting Initiative, the Sustainability Accounting Standards Board and the Food Loss and Waste Accounting and Reporting criteria.

Our conclusion regarding the identified information does not extend to any other information accompanying or contained in the 2025 Annual Report Supplement of Falabella S.A.

Other Responsibilities

- The preparation of 2025 Annual Report Supplement of Falabella S.A., as well as its content, is the responsibility of the company, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent assurance report based on the procedures performed.
- This report has been prepared exclusively for the Company, in accordance with the terms established in the engagement letter.
- We have conducted our work in accordance with the independence requirements established in the IFAC Code of Ethics.
- The conclusions of the limited assurance engagement are valid for the latest Spanish version of the 2025 Annual Report Supplement, received on May 27, 2026, as well as its English version received on June 19, 2026.

Use of our report

This report is prepared solely for the use of Falabella S.A., in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been performed for the purpose of reporting to the Company the matters that we have agreed to communicate in this report, and for no other purpose.

FALABELLA

Assurance Letter

June 22, 2026
Mrs. To: The Board of Directors of
Falabella S.A.
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We do not assume or accept any responsibility or liability in respect of this report to any third party other than Falabella S.A. We acknowledge that the Company may choose to publish this report for those who wish to access it; however, such publication does not, under any circumstances or for any purpose, affect or extend our responsibilities. To the maximum extent permitted by law, we do not accept or assume any responsibility or liability to anyone other than Falabella S.A. for our work, for this report, or for the conclusions reached.

This report is a translated version of the original Spanish report. In the event of any discrepancies, the original Spanish version shall prevail.

Sincerely,

Deloitte

APPENDIX A

DECLARED INDICATORS

The limited assurance engagement was performed based on the indicators prepared by Falabella S.A. for the purposes of its 2025 Annual Report Supplement. The indicators included are presented in the following tables:

Table No. 1: NCG Indicators

Indicator	Name	Disclosure Requirement	Verified numeral	Nature of data reported (Narrative/Metric)	Ref.
5.4	People	Pay equity by sex	5.4.2	Senior Managers: Average 60%; Median 74% Management: Average 90%; Median 91% Leadership: Average 97%; Median 102% Operational: Average 75%; Median 67% Sales Force: Average 109%; Median 113% Administrative: Average 110%; Median 110% Maintenance: Average 93%; Median 94% Other professionals: 81% Average; Median 75%	24-26

Table No. 2: GRI Indicators

Indicator	Disclosure Requirement	Verified numeral	Nature of data reported (Narrative/Metric)	Ref.
GRI 2 General Disclosures				
2-1	Organizational details	a), b), c), d)	*Narrative*	4
2-2	Entities included in the organization's sustainability reporting	a), b), c.i), c.ii), c.iii)	*Narrative*	5-6
2-3	Reporting period, frequency and contact point	a), b), c), d)	*Narrative*	7
GRI 3 Material Topics				
3-1	Process to determine material topics	a.i), a.ii), b)	*Narrative*	9, 11-15
3-2	List of material topics	a), b)	*Narrative*	10
GRI 207 Tax				
207-1	Approach to tax	a.i), a.ii), a.iii), a.iv)	*Narrative*	18-19
207-2	Tax governance, control, and risk management	a.i), a.ii), a.iii), a.iv), b), c)	*Narrative*	19
207-3	Stakeholder engagement and management of concerns related to tax	a.i), a.iii)	*Narrative*	20
207-4	Country-by-country reporting	a), b.i), b.ii), biii), b.iv), b.v), b.vi), b.viii), b.ix), b.x), c)	*Narrative*	20-23
GRI 302 Energy				
302-1	Energy consumption within the organization	a), b), c.i), e), f), g)	Total non-renewable energy: 218,987 MWH Total renewable energy: 593,169 MWH Total electricity consumption: 744,336 MWH Total consumption: 812,156 MWH	42-44
302-2	Energy consumption outside of the organization	a), b), c)	Disclosed note: Energy consumption outside the organization is excluded from this disclosure	44
GRI 303 Water and Effluents				
303-1	Interactions with water as a shared resource	a), b), c), d)	*Narrative*	46-47
GRI 305 Emissions				
305-1	Direct (Scope 1) GHG emissions	a), b), d.i), d.ii), d.iii), e), f), g)	Direct (Scope 1) GHG emissions: 116,082 tCO2e	38-40

Indicator	Disclosure Requirement	Verified numeral	Nature of data reported (Narrative/Metric)	Ref.
305-2	Energy indirect (Scope 2) GHG emissions	a), b), c), d.i), d.ii), d.iii), e), f), g)	Energy indirect (Scope 2) GHG emissions: Location-based: 153,522 tCO2e Market-based: 31,951 tCO2e	38-40
305-3	Other indirect (Scope 3) GHG emissions	a), b), d, e.i), e.ii), e.iii), f), g)	Other indirect (Scope 3) GHG emissions: 8,441,250 tCO2e	38-40
GRI 306 Waste				
306-4	Waste diverted from disposal	a), b.i), b.ii), c.i), c.ii), c.iii), e)	Total weight of waste diverted from disposal: hazardous: 94 tons non-hazardous: 46,856 tons Total weight of hazardous waste diverted from disposal: Preparation for reuse: 93 tons Recycling: 1 ton Total weight of non-hazardous waste diverted from disposal: Preparation for reuse: 0 ton Recycling: 43,840 tons Other recovery operations: 3,016 tons	50-53
306-5	Waste directed to disposal	a), b.i), b.ii), b.iii), b.iv) c.i), c.ii), c.iii), c.iv), e)	Total weight of waste directed to disposal: hazardous: 681 tons non-hazardous: 72,411 tons Total weight of hazardous waste directed to disposal: Solidification/ Stabilization: 676 tons Other disposal operations: 5 tons Incineration: 0 ton Total weight of non-hazardous waste directed to disposal: Landfilling: 72,411 tons Incineration: 0 ton Other disposal operations: 0 ton	50-53
GRI 403 Occupational Health and Safety				
403-9	Work-related injuries	a.i), a.iii), a.iv), a.v), b.i), b.iii), b.iv), b.v), c.i), c.iii), d), e), f), g)	Fatalities - Employees Total: 0 Recordable work-related injuries - Employees Total number: 2,641 Rate: 29.57 The number of hours worked - Employees: 89,291,528.16 Fatalities – Contractors Total: 0 Recordable work-related injuries – Contractors: Total number: 645 Rate: 8.3 The number of hours worked - workers who are not employees, but whose work and/or workplace is controlled by the organization: 77,667,920 The rates have been calculated based on 1,000,000 hours worked.	30-33

Indicator	Disclosure Requirement	Verified numeral	Nature of data reported (Narrative/Metric)	Ref.
403-10	Work-related ill health	a.i), a.ii), a.iii), b.i), b.ii), b.iii), c.i), c.ii), c.iii), d), e)	Work-related ill health - Employees Total number: 43 Work-related ill health – Contractors: Total number: 0 During the January–December 2025 period, Grupo Falabella did not record any deaths resulting from work-related illnesses or ailments, either among employees or non-employee workers under its control.	30-33
GRI 414 Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria	a)	Total percentage of suppliers assessed: 16%	35
414-2	Negative social impacts in the supply chain and actions taken	a), b), c)	Total number of suppliers assessed with respect to social impacts: 3,353	35

Table No. 3: SASB Indicators

Indicator	Topic	Disclosure Requirement	Nature of data reported (Narrative/Metric)	Ref.
SASB - Consumer Goods Sector				
CG-MR-130a.1	Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	(1) 812,156 MWH (2) 19% (3) 73%	44

Table No. 4: FLW Indicators

Indicator	Name	Disclosure Requirement	Nature of Reported Data (Narrative/ Metric)	Ref.
FLW – Food waste				
FLW	Food waste	1. Define objectives 2. Establish inventory limited 3. Select the unit of measure 4. Identify FLW destinations 5. Select the measurement method 6. Collect and calculate data 7. Document inclusions and exclusions 8. Report results and methodology	Food shrinkage: 12,499 tons Food used for purposes other than disposal: 3,997 tons Total food waste: 8,502 tons	56

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ESG SUPPLEMENT 2025