S.A.C.I. FALABELLA AND SUBSIDIARIES  
SUSTAINABILITY POLICY

Falabella is committed to moving towards sustainable development, so the definition and Implementation of Social Responsibility policies and initiatives are a strategic pillar for the Company. The projection of Falabella and its subsidiaries over time must be through responsible growth, which generates value in and to the community. Only thus, Falabella, will remain a company respected, valued and preferred by its Clients, Collaborators, Suppliers, Shareholders and by the Communities.

This Corporate Sustainability Policy seeks to integrate best practices in the field of sustainability, taking as reference the guidelines that have been given by the most important international organizations in this area.

I.- CLIENTS
Falabella aspires to be preferred and respected by its customers. The customer is at the heart of the Company’s business, always striving to provide excellent service. For that:

- Always seek to ensure the quality and safety of the products offered to the public, the services provided and the facilities of the Company;  
- Transparency in the relationship with customers is promoted, providing clear and accurate information about the products and services offered to the public and with respect to the different contracts that the customer can subscribe in their relationship with Falabella; 
- Promotes respect for the rights of people in general and customers in particular; 
- It seeks to have fair and transparent trade policies; 
- We maintain channels of contact with the clients and there are mechanisms of feedback that allow to receive the concerns of the same with respect to the products and/or services offered, seeking to deliver a quick and accurate answer.

II.- WORKERS
Falabella recognizes the importance of the integral wellbeing of its workers, promoting their professional development and worrying in the measure of their possibilities of their quality of life, ensuring that there is always a good working climate, for it:

- It seeks to provide tools to enhance the personal and professional skills and training of workers, encouraging the company to be a space for integral development; 
- Various programs are developed that seek to improve the quality of life of the workers and their families; 
- A dialogue-and transparency-based treatment is encouraged, recognizing freedom of association and labor rights; 
- A collaborative and inclusive working environment is encouraged, based on people's dignity, trust and mutual respect.
III.- SUPPLIERS:
Falabella seeks constructive and long-term relationships with its suppliers, considered strategic partners in the company's value chain, promoting dialogue, trust and ensuring the adoption of appropriate sustainability standards in its business. For that,

- Suppliers are constantly assessed and monitored. They are also supported to achieve better standards of service and are seeking to transfer a responsible development scheme in the economic, social and environmental fields;
- Falabella maintains an open communication with its Suppliers, providing suitable channels for dialogue and encouraging suppliers to develop innovative solutions focused on the needs of customers.

IV.- CORPORATE GOVERNANCE:
As part of the company's commitment to good Corporate Governance, Falabella is part of the United Nations Global Pact, and is committed to disseminating and implementing the 10 fundamental principles of the Pact in terms of sustainability in the areas of Human Rights, Labor Rights, Environment and Anti-Corruption.

V.- COMMUNITY:
Falabella is inserted in the middle of different communities and its horizon is to be really part of them. For this, it promotes the generation of bonds with the community and the contribution to their development and quality of life.

- Falabella seeks to collaborate in the social, economic and cultural development of the communities that host it;
- The company seeks to incorporate the expectations of the communities in our own processes;
- Falabella implements social programs whose impact is measurable and significant for the community;
- There is active corporate volunteering, strengthening alliances with institutions with which we share common interests and objectives.

VI.- ENVIRONMENT:
Falabella works for sustainable and responsible development, being constantly concerned to identify and mitigate the environmental impacts. It promotes the care of the environment.

- It is proposed to try to identify, evaluate and manage the environmental effects derived from the operations of its businesses, with the aspiration of being able to minimize them;
- It seeks to support initiatives aimed at reducing the impact on emissions and waste;
- It promotes the efficient use of resources throughout the operation, especially sustainable construction, encouraging the savings of resources and the increase in productivity generated by the Company.

VII.- SHAREHOLDERS
Falabella is committed to increasing the value of the company and providing profitability in a sustainable manner to its shareholders.
- The objective is to increase the value of the company, for which it seeks to allocate resources and efforts in an efficient and competitive manner;

- Where appropriate, the rights of shareholders are protected and facilitated by their exercise and participation,

- The shareholders, in accordance with current regulations, are periodically informed of the economic and financial results, as well as any events considered relevant or of interest to the Company;
- Ensures compliance with the rules and regulations in force filed by the Authority of each country in which Falabella is present.

The responsibility to promote and manage this Policy rests with the different businesses and in each country where they operate. In the same way, the guidelines established here among the stakeholders should be disseminated and promoted, with the aim of achieving continuous improvement, through the monitoring and measurement of the objectives that allow higher standards of sustainability.

This Sustainability Policy was approved by the Board of S.A.C.I. Falabella in his session dated December 29, 2015.