

SUSTAINABILITY  
REPORT  
2021



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## Our Mission

“Passionate about creating smiles through our tasty and nutritious products made for you”.



# A letter from our CEO



“Excellent news has accompanied our efforts. We successfully launched over twenty new product innovations with positive customer reception, and we launched the Soprole Circular Smile program, a central pillar of our Sustainability Strategy”.



2021 was, without a doubt, a year to remember. The pandemic was still very present, and we continued to face long quarantine periods. However, it was also a year in which people gradually began resuming their pre-pandemic lives and habits while continuing to improve their coping strategies. At Soprole, we overcame these environmental hardships thanks to the permanent commitment and professional efforts of those who collaborate with our company daily. Additionally, consumer preference allowed us to strengthen our market leadership and, most importantly, to continue to be present every day at the family table across Chile.

Excellent news has accompanied our efforts. We successfully launched over twenty new product innovations with positive consumer reception, and we launched the Soprole Circular Smile program, a central pillar of our Sustainability Strategy. The latter responds to our company’s long-term commitment

to the environment and to reducing the impact of our packaging on the world’s ecosystems.

It is worth noting that at Soprole, for years, we have been looking for a solution for recycling our yogurt and dessert containers, and why not, for those of the entire industry. It was from here that the Soprole Sonrisa Circular program was born, a program that aims to provide a comprehensive alternative to this type of packaging that was not recyclable in our country before. Along the way, we realized that we could not do this alone. Therefore, we sought support from different experts in the field, including Recológico, Revalora, TriCiclos, Techo, Tetra Pak, Thinking, and Logipak. Together, we gave life to Soprole Sonrisa Circular, which has allowed us to find a new life cycle for PS material packages and milk cartons.

Indeed, this would not have been possible without our work teams. Our main asset is the people we

work with every day to reach Chilean homes with what we do best: tasty, healthy, and nutritious products. It is thanks to those who are part of our company that we are able to face difficulties and innovate in the face of new challenges. Together, we learned to provide operational continuity in a new context and are moving steadily towards becoming a more sustainable company under demanding standards, as agents of change, and leading an industry that is conscious of its impacts and capable of managing them for the benefit of all.

We know that the post-pandemic reality has been complex and has not been free of uncertainties and tensions in Chile and much of the world. By being present in the everyday lives of people and their families, we are aware of and responsible for the contribution we make to society: creating smiles and nurturing the lives of children, young people, adults, and the elderly. Our mission is now more meaningful than

ever and requires us to further our skills while changing and innovating to match the needs of those who, day in and day out, allow us the privilege of being a part of their lives.

Before ending, I would like to thank all the people who prefer us, who have had an enormous capacity for adjustment in these changing years, and for their trust in Soprole and its product portfolio. Without them, it would not be possible to be present on all occasions our products are preferred. Thank you very much for your collaboration and affection.

As we have done for 72 years, we will continue working to create smiles across Chile.

**Sebastián Tagle**  
CEO.



# Our Sustainability Strategy

We have over 72 years of history supporting people's everyday lives in Chile with our healthy, tasty, and nutritious products.

At Soprole, we are committed to sustainability. That is why it is part of our growth and development plans in the short, medium, and long term. We adopt a shared value approach with employees, consumers, customers, local communities, and suppliers. We seek to have a triple impact by generating social, economic, and environmental contributions.

We developed our **Sustainability Strategy** in line with our corporate mission, a strategy that aims to create environmental, social, and economic benefits.

We invite you to read this report and discover, in detail, the main actions, challenges, and indicators of our management during the year 2021.

## We are Soprole

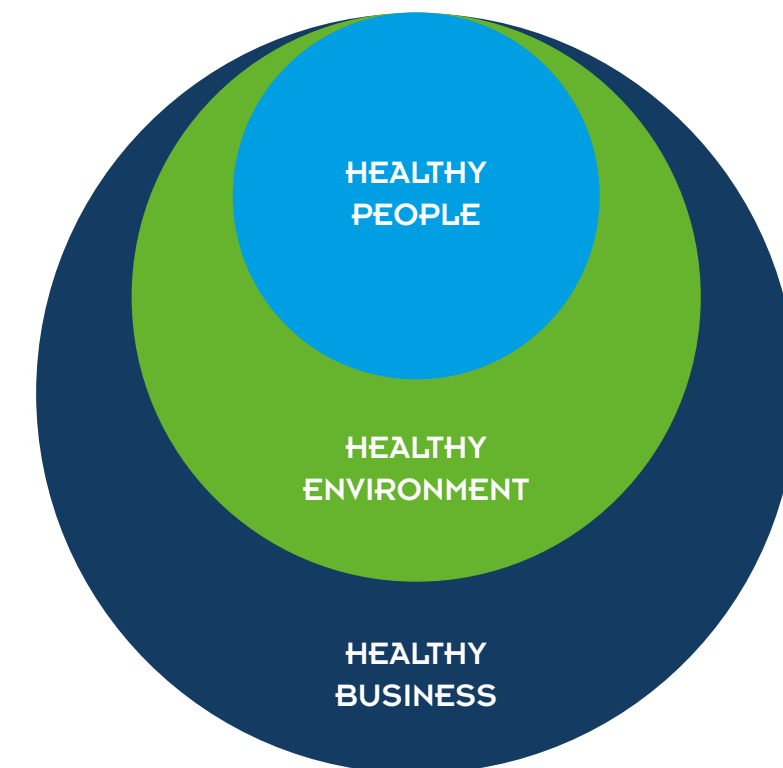
We are a company that has been concerned with people's food and health since 1949. We, therefore, have an imperative social role: to deliver smiles through healthy, tasty, and nutritious products to all families living in Chile.

We have an imperative social role: to deliver smiles with healthy, tasty, and nutritious products to all families living in Chile.

We are a staple food company, a leader in the country, and have consistently been recognized for being connected to people in various contexts. We are known for producing dairy products and other foods for everybody across the country.

Currently, we offer 219 products in 11 categories: fluid milk, yogurt, desserts, mature cheese, fresh cheese, butter, margarine, creams, manjar, waters, and juices. Our history has led us to consolidate our position as one of the most prestigious and most memorable brands by Chileans.

### OUR PILLARS



# I. Healthy people

We deliver healthy, tasty, and nutritious products of the highest quality and under permanent innovation to satisfy the needs of all people in Chile. In the production process, we care about maintaining close relationships with those around us and a solid commitment to the communities where we are located.



In 2021, we launched the new **Activ, yogurt, and cultured milk product line fortified with probiotics and vitamin D**. The product aims to strengthen people's immune systems through a tasty, healthy, nutritious product.



## 1. CONSUMERS

### Healthy, tasty, and nutritious



Our strategy is innovation in healthy, tasty, and nutritious products for people, satisfying their needs through wholesome and delicious value propositions. Our role in society is to continue supporting dairy consumption with new offerings, to achieve the WHO's nutritional recommendation benchmark of three servings a day.

In line with this purpose, **we continue to work on reducing added sugars, saturated fats, and sodium in our formulas, reducing caution labels from the Ministry of Health, prioritizing nutrients, and using natural ingredients and no artificial flavorings.**

\*Products launched with special nutritional features: low in sugar, saturated fat, and sodium, high in protein, and lactose-free.

**27** products launched to market.

**4** label-free products for children.

**16** products with additional nutritional benefits.\*

**100%** of our products for children are label-free.

## Quality and service



We strive to comply with the strictest quality standards, consistently providing people with healthy and tasty products. We are, therefore, certified with the FSC 22000 food safety standard and the ISO 17025 quality management standard, guaranteeing that our products have been elaborated through a rigorous process for the safety of those who prefer us.

**89,5%**  
service level.

### OUR MILK

We deliver our consumers milk of natural origin, 100% liquid, from producers in Chile's central and southern areas. The milk is transported through closed systems with high quality and safety standards, complying with all the protocols established in the sanitary regulations issued by the national authority.

Once it has arrived at our plants, we standardize the fat to obtain whole, semi-skimmed and skimmed milk, which then undergoes a thermal process for safe consumption. We then package our natural milk for delivery to every family in Chile.

**Milk is an excellent source of protein, calcium, and multiple vitamins.**

Soprole Products won the Product of the Year consumer-choice award.



### CREAMY MILK

We decided to innovate in a category noted for its traditional products. This exquisite whole milk is 100% natural and contains more fat, providing a unique flavor and texture.

“A great little creamy touch gives more flavor to what you love most”.



### RODDA CHEESE

This cheese was developed to create a differentiated proposal within a commodity segment to deliver added value to our consumers. This cheese stands out for its greater creaminess and flavor, which allowed us to obtain a 6% market share value in the pre-packaged gauda segment.

“Enjoy and treat yourself every day, Rich, with an R like Rodda”.



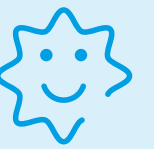
### YOGHITO TETRA

This product dismantled the patterns of yogurt consumption. Our traditional Yoghito is the only 100% yogurt in Tetra format with a straw on the market. Environmentally friendly, healthy, tasty, and nutritious, it satisfies children without the risk of it bursting into their lunchboxes. In addition, it allows children to eat their yogurt on their own (with no need for a spoon).

“Yoghito is the only 100% yogurt in the market in Tetra format with a straw”.

## 2. COLLABORATORS

### Health and security



We total **1.813** collaborators and **4.143** contractors.

We are strongly committed to maintaining a safe work environment that facilitates the development of each of our employees. To this end, we work methodically to safeguard people's lives and integrity.

In this regard, we have a robust **Occupational Health and Safety Policy** at Soprole. In addition, we operate the Safe Home Management System, with technical requirements based on New Zealand and Australian regulations. **We work hard to avoid accidents of any kind, so we further strengthen our safety policy every year to reduce the frequency rate by 50% by 2025 (2019 baseline).**

\*Number of accidents in 12 months per million hours, divided by person-hours in 12 months.

**0** Fatalities.

**11** Accidents with admission to the ACHS.

**0,97** Accident rate.

**3,16** TRIFR\*



## /. WE CONTINUE FACING COVID-19

In 2021, we refined our protocols for dealing with Covid-19, taking all recommended measures by national and international health institutions to ensure that our facilities are safe.

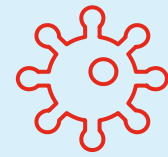
Our San Bernardo plant, CD Renca and the two plants of the Southern Division obtained the ACHS Covid seal in 2021.

In 2021, Prolesur received two important awards. The Carlos Vial Espantoso Foundation award for good labor practices during the pandemic; and the ACHS award for having the best risk prevention practices during the pandemic.

In addition, 2021 brought a new set of challenges. The global scenario experienced during the pandemic caused many people to suffer varying stress levels and enhanced psychological risk factors. In the face of this, we designed a program based on personal care, integrating not only collaborators but their households as well.

**Balance in Pandemia** was a virtual program that included over 20 activities, emphasizing humor, online activities for children, movies, recreational workshops, and sports classes.

There was a positive collaborator reception, generating greater loyalty to the brand and strengthening the work-life balance as one of our fundamental pillars.



# 0,00184

The rate of collaborators infected by Covid-19 during 2021 per 100,000 people was 0.00184.

Furthermore, we had the support of Dr. Patricia Gassibe, an epidemiologist, who advised us at all times on the different ways to prevent contagions within our company and take care of the health of our collaborators.

“I think the pandemic issue has been handled quite well. We have protocols, referrals, traceability, and a polyclinic. Measures were taken from the beginning in transportation, the casino, the corridors, and the dressing rooms; that is why we have not stopped production to this day”.

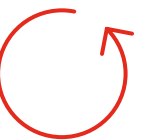
**Manuel Saez**, Dispatch Preparations Supervisor.

“At Soprole, all the necessary measures were taken from the beginning of the pandemic. I thought sending the seniors home and maintaining their salaries was very noble. We must continue to respect the measures in place, look at the weak points and improve where we can to avoid contagion as much as possible”.

**Raúl Pérez**, Maintenance Technician, San Bernardo Plant.



## Work life cycle



People are Soprole’s main driving force, and their development allows us to improve operational efficiency, productivity, and the long-term projection of our business. To this end, we work continuously to strengthen our value proposition to them.

Along these lines, we launched the new Nutrir+ program, which seeks to support the development of knowledge and skills of our teams. This initiative is subdivided into: “Nurture+ your Development”, which focuses on training our collaborators in the competencies required for the most critical positions and functions of our business; “Nurture+ your Career”, which seeks to align present and future career development expectations with abilities and interests; and “Nurture+ your Leadership”, which helps our leaders to develop the skills and know-how of their role, providing them with practical tools to boost the commitment and talent of each person on their teams.

Furthermore, thanks to a partnership with AIEP, we were able to certify most of our Sales and Logistics teams, from Arica to Punta Arenas. As a result, 162 people were certified in the Diploma in Sales and Commercial Management, while 70 collaborators were certified in the Diploma in Logistics and Distribution.

# 109.573

hours of training.

# 921

workers trained.

# 50,79%

of workers trained.

# 84,99%

of collaborators evaluated for their performance.





# Work-life balance



For collaborators, having benefits reinforces their commitment and loyalty to the organization. It also improves the quality of their work life. In 2021, this issue became especially relevant due to the pandemic, which increased the need for labor flexibility and containment even more in returning to everyday life after the pandemic.

The "Balance" program at Soprole, based on the Principle of Mutual Responsibility, grants the right to enjoy benefits while handing the commitment and the duty to take responsibility for our work and its results. This new program combines benefits associated with time off, flexibility, special occasions, and well-being within the company.

## 3,99

The Engage 2021 survey scored 3.99, as compared to 3.9 in 2020. This was also our first year integrating the South Zone for this measurement.

"I experienced Covid-19 first hand, I was infected, and my wife was very ill. The company gave me a special leave of absence for five months. They were very concerned about my family and me and even offered me psychological support".



Antonio Martínez, Operator in San Bernardo.

# Diversity and inclusion

Diverse work teams improve competitiveness and inclusion and contribute to obtaining points of view that enrich discussions and projects. Allowing us to achieve the goals we set as an organization.

In 2021, at Soprole, we continued to raise awareness and learn more about Diversity and Inclusion. We are committed to promoting diverse teams with equal opportunities within our organization while always firmly opposing all types of discrimination. In keeping with this, we developed a series of online seminars for employees. One, for example, was held to commemorate the International Day of Persons with Disabilities, attended by over 200 employees.

## 18

collaborators with disabilities.

## 15,38%

of women in the organization.

## 19,71%

of women in leadership positions.

At Soprole, we do not make income distributions based on gender, condition, or any other variable that is not related to objective issues such as competencies, performance, experience, and/or responsibility in the position held by our collaborators.



We have 131 collaborators of other nationalities working in Chile and 125 over 60 years of age, demonstrating that our vision of diversity and inclusion is not limited to gender alone but extends to multiple focuses in this area.



### 3. SUPPLIERS, PRODUCERS, COMMUNITY AND SOCIETY

## Responsible sourcing

We work with **1,789 suppliers**, 93.5% of which are local and 87.1% are SMEs. Supply management is key to maintaining operational continuity and managing business costs.

During the second year of the pandemic, we have sustained our efforts in maintaining operational continuity and the supply of raw materials to avoid stock-outs and secure our distribution throughout the country.

**93,5%**  
local suppliers.

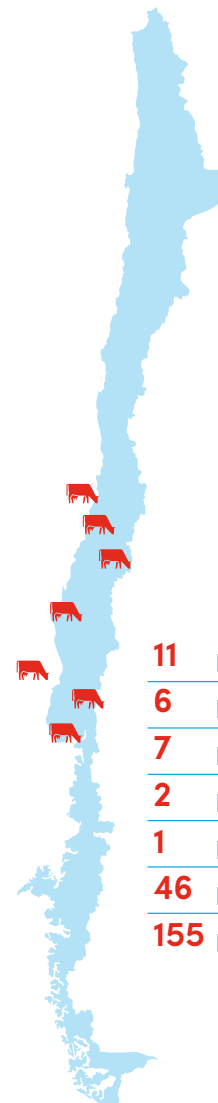
**228**  
milk suppliers and producers.

## Milk producers

Soprole relies on **228 milk producers**, stretching from the Valparaíso region to the Los Lagos region, covering over 1,000 kilometers. Producers follow production models in accordance with the soil and climate characteristics of each area. Thus, established models are predominant between Valparaíso and Biobío, with a focus on direct feeding, based on vertical integration from the sowing of the feed, its harvest, storage, and feeding, within high standards of animal welfare and sustainable production.

Meanwhile, in the regions of Los Ríos and Los Lagos, production models are based on direct grazing, especially in the spring and part of the summer, in addition to conserved forage and feeding of supplementary crop concentrates for the autumn and winter months.

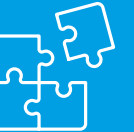
A high volume of the milk purchased by Soprole comes from world-class dairy farms: some rank among the 2% most efficient worldwide. Moreover, for a decade now, one of the essential objectives of our producers in understanding production efficiency has been animal welfare.



**228 dairy farmers**  
in 7 regions of the country

- 11** producers in the Valparaíso region
- 6** producers in the Metropolitan region
- 7** producers in the O'Higgins region
- 2** producers in the Maule region
- 1** producer in the Biobío region
- 46** producers in the Los Ríos region
- 155** producers in the Los Lagos region

### 4. COMMUNITY AND SOCIETY



## Social Network

In line with our mission, we seek to contribute to society by making various contributions to improve people's quality of life. To this end, we rely on volunteers who approach communities through specific programs and whenever there is an urgent need.

By collaborating with different foundations, we have sought to make a contribution and give back to society. The focus of our contribution to the homes and families of Chile fall under four main areas:

- 1. Sports
- 2. Education
- 3. Inclusion
- 4. Disaster and crisis support

**252.358**  
beneficiaries of social activities.

**3.515.379**  
donated products.

“For us, having the possibility of providing children and their families with nutritious food is highly relevant. Because it relieves the emotional burden of having to struggle daily for their families’ subsistence and survival”.



**Liliana Cortés**, Executive Director Fundación Súmate, HdC. 2021 Back to school campaign: “Soprole Requete Acompaña” Soprole really goes with you.

“I love my work. My effort and motivation are to give myself every day to my community because they are waiting for us every day. Here in primary care, we do not know who has or does not have Covid, so we have to protect ourselves because behind each of us is a family waiting for our help. Thanks to Soprole that, through Activ, gave us this recognition in a year as difficult as the pandemic”.

**Soledad Alvial**, TENS del CESFAM Carol Urzúa de Peñalolén. Campaña Activ: “Protege a los que te protegen”.



## 7. OUTSTANDING INITIATIVES

### ACTIV CAMPAIGN: PROTEGE A LOS QUE TE PROTEGEN (PROTECT THOSE THAT PROTECT YOU)

In line with its ongoing social commitment, Soprole wished to recognize the work of thousands of essential workers who need energy and protection to continue with their daily tasks. For this reason, for three months, the company provided them and the institutions where they work with close to 100,000 Activ cultured yogurts and milk, products fortified with probiotics and vitamin D, specially designed for adults, to help strengthen their immune system.



### CHILDREN'S DAY

To commemorate this important day for the little ones, Soprole held an entertaining cartoon projection to cheer the hundreds of children and adolescents locked up due to quarantine. Soprole products were also delivered to different camps in the Metropolitan Region.



### BUEN VECINO (GOOD NEIGHBOR)

This program seeks to maintain a harmonious relationship with the communities surrounding all our plants, both in the central zone and in Soprole's Southern Division, in Osorno and Los Lagos. In 2021 we held Christmas celebrations with children and adolescents alongside our neighbors. Over 100 children participated and enjoyed a day full of surprises.



### REQUETE ACOMPAÑA CAMPAIGN (REALLY GOES WITH YOU)

We accompanied children returning to school in 2021. We knew it would be different and full of uncertainty, so we delivered **100,000 milk and yogurt snacks in March. Red Alimentos, 10x10, Hogar de Cristo and Fundación Nuestros Hijos assisted us with distribution.**



### CREAR SONRISAS (MAKING SMILES)

We carried out **over five volunteer projects, in which more than 30 volunteers participated.** One was Letra Libre, which relied on 15 tutors from our organization who worked with children in first and second grade, reinforcing their reading and writing skills online.



### SCHOOL SPORTS

Soprole has maintained a long-term commitment to Chilean families, encouraging physical activity and sports practice for over 20 years. That is why we support Healthy Life through the School Sports program, which involves about 55,000 children from Arica to Punta Arenas. The program integrates various disciplines, including athletics, soccer, and swimming.



Due to the pandemic, we have not been able to implement it. However, we hope to return to it with much enthusiasm and affection once it is safe for children.

## TELETÓN

As founding members of Teletón, we participated in various activities such as volunteering with the children of the Art Workshop, the celebration of Children's Day at Buin Zoo, and the fun Christmas party.

We also accompanied the 30,000 people who receive daily care with milk and yogurt. This year the donation was **\$350,000,000**, and additionally, through our 1+1 campaign, we raised **\$24,000,000** with our collaborators.



## RED DE ALIMENTOS

We have been members of Red Alimentos (Food Bank) for 10 years, delivering products for donation that reach different beneficiaries through foundations. In 2021 we delivered **457,790 kilos** of products equivalent to **1,059,283** Saved emissions [kg of CO<sub>2</sub>e] estimated by GreenLab - Dictuc\*.



María José Vergara,  
Social Management Director of Red de Alimentos.

# II. Healthy environment

At Soprole, in line with our mission to create smiles through tasty and nutritious products, we emphasize environmental care as a fundamental aspect of our growth and development in the short, medium, and long term. We have therefore designed a broad strategy that, in addition to contemplating social and economic aspects, relies on a set of actions with concrete goals and processes to reduce our carbon footprint, reduce energy and water consumption, reduce waste to landfill and prevent or mitigate the environmental impact associated with production. These objectives are achieved through innovative programs that promote the circular economy through packaging recycling.

## 1. Water resources



The impact of water scarcity in Chile recently has driven the development of technologies and projects aimed at collaborating in efficiently using and reusing this resource.

In our industry, water consumption is essential, mainly in production processes and machinery cleaning. Understanding this, at Soprole, we have developed new solutions to advance in the use of more efficient equipment, either with lower water consumption or favoring its recovery or recirculation in cooling or washing processes. The latter is essential to maintain our products' quality and safety standards.

**8,44 m<sup>3</sup>**  
water withdrawal ratio  
(withdrawal/production).

**↓ 21%**  
water withdrawal  
compared to the previous  
year.



At Soprole, water is fundamental to ensuring the quality and safety of our products; therefore, water use efficiency is key to our operations and the impacts we generate. While we are aligned with global standards to address this issue, locally, we also rely on environmental care guidelines that seek to develop an analysis of baseline water consumption and permanent monitoring of leak detection and control.

We invest in projects that help us to be more efficient, along with awareness-raising campaigns on water use to raise awareness among all our collaborators. For instance, we have been operating a condensate recovery project since 2020. This is an initiative implemented in the steam boiler to recover thermal energy and water from the condensate. To this end, we are committed to using equipment that contributes to a more efficient process operation. As a result,

we managed to reduce the consumption of natural gas and water in the process, recovering around 3,500 m3 of water on average per month.

In the last year, with all the projects we have implemented, we achieved a reduction of 951,047 m3, equivalent to 21% less water extraction.

**We are committed to reducing water withdrawal per ton of product by 30% by 2030 (2019 baseline).**

**/. IN 2021, WE REDUCED WATER WITHDRAWAL AT PLANT 3**



“We gathered information through meetings and meter installation. With the obtained data, we worked on solving the plant’s most important water consumption gaps. As a result, we were able to significantly reduce water use in the pasteurization area. The initiative continued by measuring and improving the operation of our process equipment, where we adjusted automation in the cooling water lines of the skimmers and pasteurizers”.

**Juan Fuentes**, plant 3 maintenance manager.



## 2. Climate change



Climate change is the greatest challenge of our time. It is one of the leading causes of global warming, a phenomenon associated with greenhouse gas (GHG) emissions.

At Soprole, we will reduce 30% of GHG emissions in Scope 1 (direct emissions) and Scope 2 (indirect energy emissions) by focusing on energy efficiency (baseline).

↓ **4,01%**

reduction in Scope 1 and 2 emissions with respect to the previous year.

**41.412** tCO<sub>2e</sub>  
in Scope 1 and 2 emissions at the San Bernardo production plant.

**11.875** tCO<sub>2e</sub>  
in Scope 1 and 2 emissions at the Los Lagos production plant.

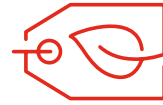
**12.239** tCO<sub>2e</sub>  
in Scope 1 and 2 emissions at the Osorno production plant.



### CLEAN PRODUCTION AGREEMENT DAIRY CONSORTIUM

Our three production plants participate in the Clean Production Agreement (APL), whose objective is to manage programs aimed at enhancing the competitiveness of the national dairy chain, articulating and managing common demands, linking the sector with its environment, and promoting sustainability.

# 3. Waste management



According to the 2030 Agenda, “sustainable consumption and production are about decoupling economic growth from environmental degradation”.

To contribute to the **Sustainable Development Goals**, at Soprole, we set a goal of zero waste to landfill by 2025. This entails the valorization of the waste we generate.

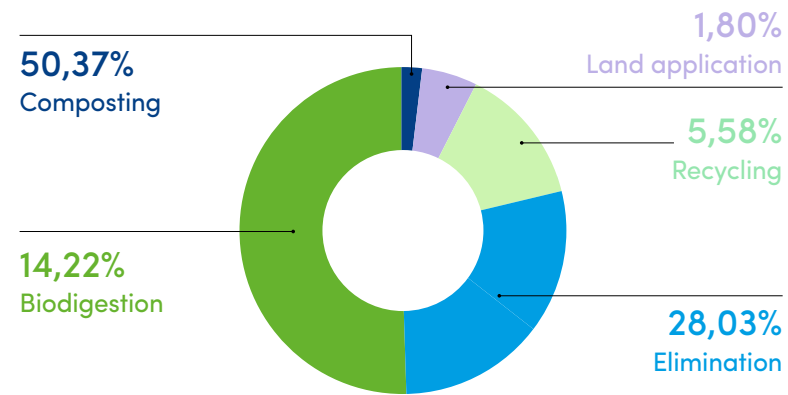
Waste managers are present in all our plants in different areas, supporting us in generating value from waste.

**72%**  
of our waste is valorized.

↓ **36%**  
of tons of waste for disposal versus the previous year.



## Waste distribution



“Our collaborators have been very supportive in making it work. We will continue evaluating other materials to add to this project and training teams to carry on the excellent results we have achieved to date”.



**Dominique Arias**, Osorno Plant Services Coordinator.



## 1. NEW RECYCLING ALTERNATIVES AT OUR SOUTHERN DIVISION PLANTS

At the Los Lagos plant, we began recycling clean plastics used in our processes, like those from the cheese packaging lines, unused trays, and stretch film.

In Osorno, we set up recycling centers for plastic, cardboard, and miscellaneous waste generated in the pasteurization, butter, and casino areas.

In the Southern Division, we also provided recycling centers for the community for the recycling of yogurt and dessert containers and milk cartons.

## Packaging

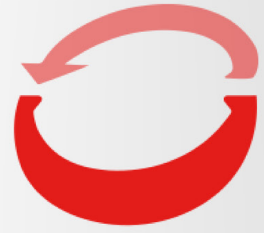


Our objective is to significantly increase the recyclability of all our products and thereby meet our proposed targets.

Today, 91% of the total volume of Soprole’s packaging is recyclable, and we expect to reach 100% by 2025.

In addition, Soprole has worked hard over the last two years to make its products recyclable, reusable and/or compostable, advancing from 31% in 2020 to 71% to date.

**60 Soprole products** presently carry the Elijo Reciclar seal. Our goal is to achieve 100% reusable, compostable or recyclable packaging by 2025.



#SOPROLESONRISACIRCULAR



## An unprecedented program: Soprole Circular Smile

According to the Ministry of the Environment's 2020 State of the Environment Report, 8.1 million tons of household waste are generated annually in Chile. Unfortunately, of this total, only 1% is recycled. In response to this problem, we created a program to propose a comprehensive solution to the treatment of waste generated by the dairy industry.

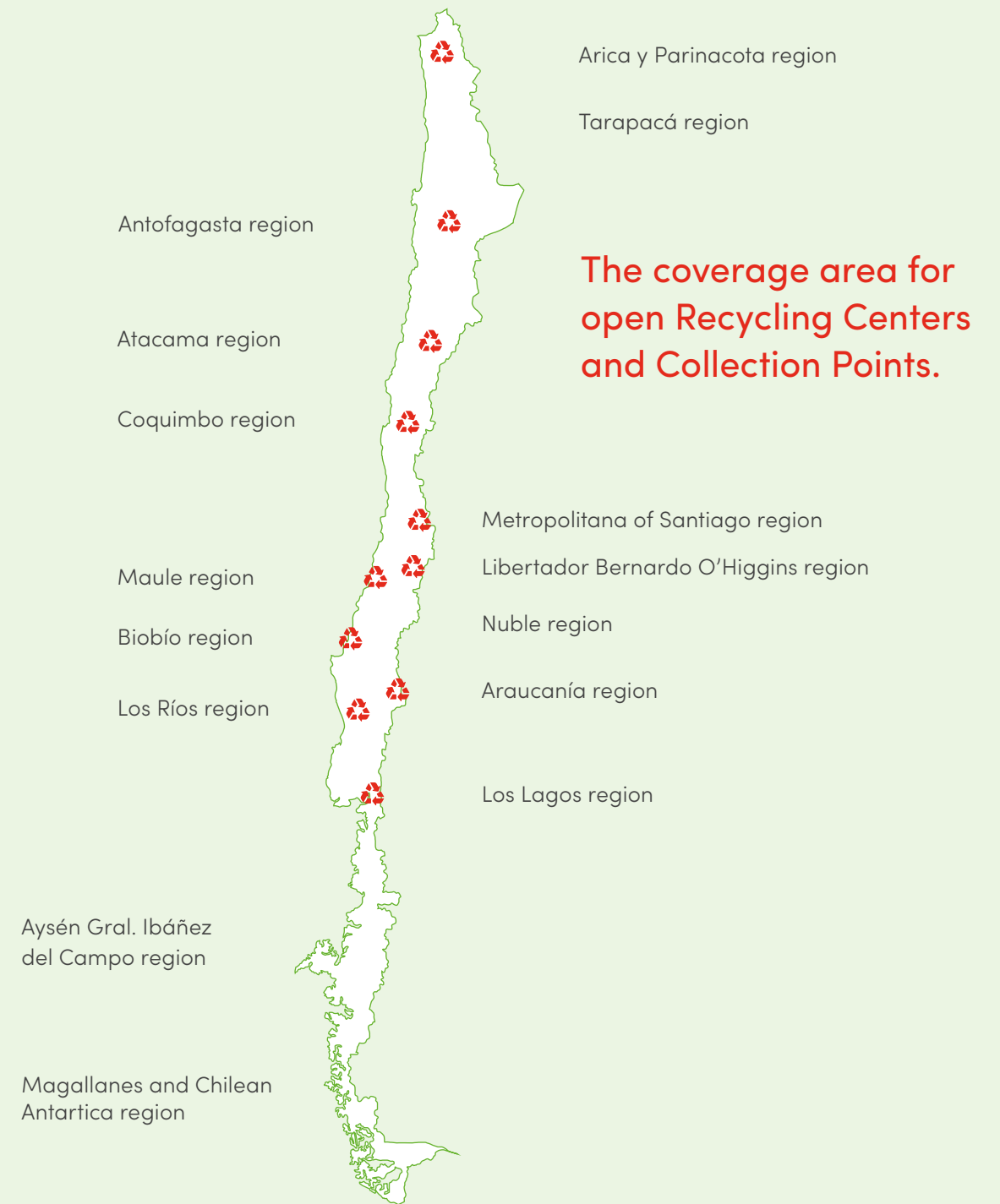
At Soprole, for years, we had been searching for an integrated solution for recycling our yogurt and dessert containers and those of the industry. In this context, we created the Soprole Sonrisa Circular program to provide a comprehensive solution for our containers, yogurt and dessert in particular, which currently have no recycling alternatives in our country.

**This program consists of three pillars that address an urgent environmental problem. These include:**



### 1. Implement recycling centers and promote free home collection, to collect yogurt and dessert containers

Together with expert partners such as TriCiclos and Recológico, we have worked hard to set up 50 recycling centers for PS material and more than 350 for milk crates throughout the country. We also promoted free home collection in 44 municipalities in the Metropolitan Region and 15 localities between the regions of Valparaíso and O'Higgins.



## LAUNCH OF RECYCLING CENTERS IN PROVIDENCIA



Soprole, together with the mayor of Providencia, Evelyn Matthei, announced the opening of two new recycling centers in the municipality. One is located at the El Aguilucho kindergarten, and the other at the recycling center within the municipality facilities. These are in addition to a third point located in the Parque Metropolitano at the Pedro de Valdivia Norte entrance.

## HOUSEHOLD COLLECTION IN SANTIAGO, V AND VI REGION

In partnership with our strategic ally Recológico, we expanded the coverage of free household waste collection, reaching the regions of O'Higgins and Valparaíso. Added to the 44 communities available in the Metropolitan Region.



## 2. Recycling or Revalorization Alternatives

We enable the revaluation of PS material, provide new recycling alternatives for yogurt and dessert containers, build urban furniture with eco-wood to be installed in public squares in different neighborhoods, and support the communities that need it most. As for milk carton revaluation, together with TECHO and Tetra Pak, we are developing insulating plates used in social housing construction. Finally, we are also developing inputs based on PS material used in Soprole's operations, such as the traditional plastic trays used to transport products to the different points of sale.



## INAUGURATION OF SAN BERNARDO STREET FURNITURE

Soprole, in collaboration with the Municipality of San Bernardo, inaugurated the first public furniture made from yogurt and dessert containers. Within the framework of Soprole Sonrisa Circular, and in alliance with Fundación Revalora, this project was developed to give materiality to the recycling of these containers of PS material by transforming them into eco-wood. Eco-wood then used to make urban furniture, such as picnic tables and deck chairs furnishing the García de la Huerta and Canelo de Nos parks in the municipality of San Bernardo.



## INAUGURATION OF RENCA SQUARE

Soprole, with the municipality of Renca, gave the initial kickoff to a playground located in the Plaza Playa Blanca. The recreational furniture is made from recycled yogurt and dessert containers and will provide families in the community with a new area for children to enjoy the outdoors.



## CIRCULAR ECONOMY

We promote the circular economy, using collected plastic as an input to manufacture traditional trays that are used daily to transport products from the Soprole plant to the points of sale.





### 3. Promoting Recycling Culture

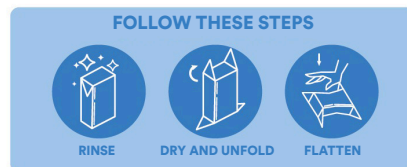
As part of the commitment we have acquired through our Soprole Sonrisa Circular program, we promote education and information about recycling. We have developed different campaigns with this objective in mind so that more people join this crusade that is so critical for the planet.

Through our website, social networks and permanent contact with the community, we provide different tips for people to get involved in the subject and learn in detail about the complete cycle of the revaluation of a bottle.

Instructions for recycling yogurt and dessert containers:



Instructions for recycling milk cartons:



## Our expert partners

### TriCiclos

We opened over **20 recycling centers** for yogurt and dessert containers for all brands and over 300 for collecting milk cartons.

“The value of a company like Soprole participating in a project like this is key. Brands today understand that they are responsible for what happens afterward with their packaging. In partnership with Soprole, this project includes the reception of yogurt and desserts (PS) at TriCiclos points from Arica to Castro”.

Verónica de la Cerda, CEO TriCiclos.

### RECOLÓGICO

We provide **free collection of classified household waste in over 44 municipalities in the Metropolitan Region and 15 localities between the V and VI Regions**. Recológico handles the collection and revalorization of this waste, transforming it into bricks and pavers for eco-friendly construction.

“This alliance with Soprole allows us to recycle a material for which there was no solution in Chile. That is why we wanted to join Soprole Sonrisa Circular and contribute, free of charge, to collecting these materials in homes in the Metropolitan, Valparaíso, and O’Higgins Regions”.

Leslie Estay, General Manager, Recológico.



Soprole Sonrisa Circular places collaborative work as one of the leading forces for change. By joining the wills, interests, and expertise of many, this project is advancing by leaps and bounds and has already allowed the recycling of millions of yogurt and dessert containers.

## THINKING - LOGIPAK

We are developing a circular economy by making our traditional product transport trays from 100% recycled PS material.



“This project is unique. It was launched and implemented by a Chilean company. And the great value is that it will encourage other market players to look to their own operations for ways to create a circular economy”.

**Gonzalo Ceruti**, Comercial Manager, Logipak.

“It is interesting to see when a player like Soprole changes their role as a customer and becomes part of the solution. Every time you use that tray, made from reused material, it’s one you didn’t buy and one you didn’t throw away”.

**Cristián Arriagada**, Executive Director, Thinking.



We delivered street furniture made from recycled yogurt and dessert containers to Renca and San Bernardo. Soon, we will do the same for Osorno and Los Lagos.

### / B2B TRAY REUSE MODEL

In our product commercialization model, we rely on a unique reverse logistics system that allows us to recover yogurt packaging delivered throughout Chile. The plastic trays that protect the product are manufactured with recycled resins, which are then removed in the following order.

This project began over five years ago, leading to a learning process for our customers, who today have a higher percentage of return, reaching 93% compared to 65% at the beginning of the project.

We are currently recycling approximately 10,000 tons of plastic, recycled when it reaches the end of its shelf life.

## REVALORA

Established recycling centers in preschools and schools and encouraged the development of **EcoMaderas** made from yogurt and dessert containers to make **urban furniture**.

“With this alliance with Soprole, Revalora is giving a new life to a material that nobody wanted to recycle in Chile. Thus giving it a new life, transforming it into eco wood, an environmentally friendly material made from recycled plastic”.

**Fernando Maurín**, Revalora Founder.

## TETRA PAK - TECHO

Construction of houses with poly-aluminum panels made from post-consumer Tetra Pak® cartons, giving the cartons a new life while generating a positive impact on the lives of the communities.

“We are committed to this project along with Soprole and other stakeholders, as we believe in the importance of supporting the communities where we operate. In addition to contributing to boosting the recycling chain in our country, we are working to ensure that more people have access to housing and public spaces in better conditions”.

**Ricardo Honorato**, Tetra Pak sustainability expert.

## APL ECO-LABELING OF CONTAINERS AND PACKAGING



Through the **#ElijoReciclar** seal, the Clean Production Agreement (APL) seeks to provide clear information to consumers, promote recycling and the circular economy.

The seal makes it easier to identify packaging with higher recyclable content and to better understand how to recycle it.

71%

of products are recyclable, reusable and/or compostable.

91%

of the volume of containers is recyclable.

+40

recycling centers for PS containers in Chile.

+300

collection points for milk cartons.

+50

communes with free home collection.

+3MM

recycled yogurt and dessert containers.

+10MM

of recycled milk cartons.

# III. Healthy business

Our business is healthy and sustainable in the long term. We are leaders in the dairy market and offer a positive return for our shareholders. This is demonstrated by the fact that we are among the 21 most influential brands in the country in terms of corporate reputation and one of the five most important in the food industry.

## Ethics and transparency

We maintain an ethical and transparent business. To this end, we have a Code of Ethics and a Conflicts of Interest Policy that applies to all relationships with our stakeholders.

We aim to train all our executives, and 10% of our collaborators in leadership positions, in matters of free competition, ethics, and compliance.

We also operate a whistleblower hotline for both employees and consumers.

**0**  
Corruption cases.

**0**  
Cases of unfair competition.

## Leadership

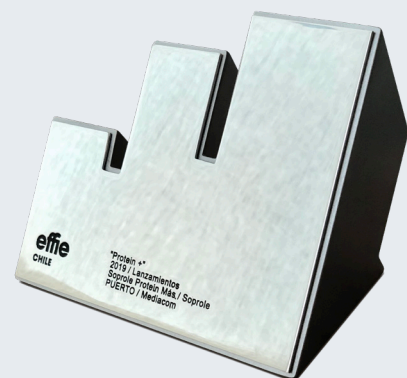


We want to maintain our leadership position in the market by being preferred by all Chileans. This means not only being attentive to the needs of our consumers and customers but also acting in accordance with the importance of the dairy industry.

**29,3%**  
Market share.

**19th**  
in the ranking of Marcas Ciudadanas, Citizen Brands (2022).

**30.110**  
direct customers, a 12% increase over the previous year.



/. POSTRES DE LA GRANUELA (GRANDMA'S DESSERTS) RECEIVES EFFIE AWARD FOR ITS COMMERCIAL CAMPAIGN

Our "Postres de la Abuela" (Grandma's desserts) product line received the Bronze Effie for its campaign, which consisted of reminding adults of the tastiness and sweetness of desserts of yesteryear while encouraging them to try these traditional flans, leche asada, arroz con leche with caramel, and semolina with caramel.

This diploma is hereby awarded to



in acknowledgment of their



1st Semester 2022





[www.soprole.cl](http://www.soprole.cl)



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