

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2022**

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____

Commission file number **0-20486**

COMPAÑÍA CERVECERÍAS UNIDAS S.A.

(Exact name of Registrant as specified in its charter)

UNITED BREWERIES COMPANY, INC.

(Translation of Registrant's name into English)

Republic of Chile

(Jurisdiction of incorporation or organization)

Vitacura 2670, Twenty-Third Floor, Santiago, Chile

(Address of principal executive offices)

Felipe Dubernet, (562-24273536), fdubern@ccu.cl, Vitacura 2670, Twenty-Third Floor, Santiago, Chile

(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to section 12(b) of the Act.

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
American Depositary Shares, each representing two shares of our Common Stock, without par value	CCU	New York Stock Exchange
Common Stock	N/A*	New York Stock Exchange*
	CCU	Santiago Stock Exchange Chile Electronic Stock Exchange

* Not for trading, but only in connection with the registration of American Depositary Shares which are evidenced by American Depositary Receipts

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Not applicable

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

Not applicable

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Common stock, with no par value: 369,502,872

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

YES ☒ NO ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

YES_ NO X

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ____

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES X NO ____

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definitions of "accelerated filer", "large accelerated filer", and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer X Accelerated filer ____ Non-accelerated filer ____ Emerging growth company ____

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

†The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. X

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by checkmark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ____ International Financial Reporting Standards as issued by the International Accounting Standards Board X Other ____

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

ITEM 17 ____ ITEM 18 ____

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES_ NO X

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Introduction

In this annual report on Form 20-F, all references to “we”, “us”, “Company” or “CCU” are to Compañía Cervecerías Unidas S.A., an open stock corporation (*sociedad anónima abierta*) organized under the laws of the Republic of Chile, and its consolidated subsidiaries. Our fiscal year ends on December 31st. The expression “last three years” means the years ended December 31, 2020, 2021 and 2022. Unless otherwise specified, all references to “U.S. dollars” “dollars” “USD” or “US\$” are to United States dollars, references to “Chilean pesos” “pesos” “Ch\$” or “CLP” are to Chilean pesos and references to “Argentine pesos” and “ARS” are to Argentine pesos. We prepare our consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). See the notes to our consolidated financial statements included in pages F-1 through F-135 of this annual report. We use the metric system of weights and measures in calculating our operating and other data. The United States equivalent units of the most common metric units used by us are as shown below:

1 liter = 0.2642 gallons	1 gallon = 3.7854 liters
1 liter = 0.008522 US beer barrels	1 US beer barrel = 117.34 liters
1 liter = 0.1761 soft drink unit cases (8 oz cans)	1 soft drink unit case (8 oz cans) = 5.6775 liters
1 liter = 0.1174 beer unit cases (12 oz cans)	1 beer unit case (12 oz cans) = 8.5163 liters
1 hectoliter = 100 liters	1 liter = 0.01 hectoliters
1 US beer barrel = 31 gallons	1 gallon = 0.0323 US beer barrels
1 hectare = 2.4710 acres	1 acre = 0.4047 hectares
1 mile = 1.6093 kilometers	1 kilometer = 0.6214 miles

Forward Looking Statements

This annual report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, which we refer to as the “Securities Act”, and Section 21E of the Securities and Exchange Act of 1934, which we refer to as the “Exchange Act”. These statements relate to analyses and other information, which are based on forecasts of future results and estimates of amounts not yet determinable. They also relate to our future prospects, development and business strategies. These forward-looking statements are identified by the use of terms and phrases such as “anticipate”; “believes”; “could”; “expects”; “intends”; “may”; “plans”; “predicts”; “projects”; “will” and similar terms and phrases. We caution you that actual results could differ materially from those expected by us, depending on the outcome of certain factors, including, without limitation:

- the effects of the COVID-19 pandemic and uncertainties about its impact and duration, including any new strain and any associated economic downturn globally;
- local, regional, national and international economic conditions, including the risks of a global recession or a recession in one or more of our key markets, and the impact they may have on us and our customers and our assessment of that impact;
- financial risks, such as interest rate risk, foreign exchange rate risk, commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, liquidity risk, inflation or deflation, including inability to achieve our optimal net debt level;
- continued geopolitical instability, which may result in, among other things, economic and political sanctions and currency exchange rate volatility, and which may have a substantial impact on the economies of one or more of our key markets;
- changes in government policies and currency controls;
- continued availability of financing and our ability to achieve our targeted coverage and debt levels and terms, including the risk of constraints on financing in the event of a credit rating downgrade;
- changes in applicable laws, regulations and taxes in jurisdictions in which we operate, including the laws and regulations governing our operations and changes to tax benefit programs, as well as actions or decisions of courts and regulators;

- limitations on our ability to contain costs and expenses;
- our expectations with respect to expansion plans, premium growth, accretion to reported earnings, working capital improvements and investment income or cash flow projections;
- our ability to continue to introduce competitive new products and services on a timely, cost-effective basis;
- the effects of competition and consolidation in the markets in which we operate, which may be influenced by regulation, deregulation or enforcement policies;
- changes in consumer spending;
- changes in pricing environments;
- volatility in the prices of raw materials, commodities and energy;
- supply chain constraints;
- difficulties in maintaining relationships with employees;
- regional or general changes in asset valuations;
- greater than expected costs (including taxes) and expenses;
- the risk of unexpected consequences resulting from acquisitions, joint ventures, strategic alliances, corporate reorganizations or divestiture plans, and our ability to successfully and cost-effectively implement these transactions and integrate the operations of businesses or other assets we have acquired;
- natural and other disasters, including widespread health emergencies, cyberattacks and military conflict and political instability;
- any inability to economically hedge certain risks;
- inadequate impairment provisions and loss reserves;
- delays in obtaining required licenses;
- technological changes, threats to cybersecurity and the risk of loss or misuse of personal data;
- political, social and economic developments in Chile, Argentina and other countries where we currently conduct business or may conduct business in the future, including other Latin American countries; and
- other factors discussed under “Item 3: Key Information – Risk Factors”, “Item 4: Information on the Company” and “Item 5: Operating and Financial Review and Prospects”.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this annual report. We undertake no obligation to publicly update any of these forward-looking statements to reflect events or circumstances after the date of this annual report, including, without limitation, changes in our business strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

PART I

ITEM 1: Identity of Directors, Senior Management and Advisers

Not applicable.

ITEM 2: Offer Statistics and Expected Timetable

Not applicable.

ITEM 3: Key Information

A. Reserved

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business, financial condition and results of operations could be materially and adversely affected if any of the risks described below occur. As a result, the market price of our common shares could decline, and you could lose all or part of your investment. This annual report also contains forward-looking statements that involve risks and uncertainties. See “Forward-Looking Statements.” The risks below are not the only ones facing our Company. Additional risks not currently known to us or that we currently deem immaterial may also adversely affect us. The following risk factors have been grouped as follows:

- Risks relating to our Business
- Risks relating to Climate Change
- Risks relating to Chile
- Risks relating to Argentina
- Risks relating to our ADS's

RISKS RELATING TO OUR BUSINESS

Possible changes in tax laws in the countries where we operate could affect our business and, in particular, changes in corporate and excise taxes could affect our results and investments.

Our businesses are subject to different taxes in the countries where we operate, including, among others, income taxes and specific taxes on alcoholic and non-alcoholic beverages. An increase in the rates or application of these taxes, or any other, could negatively affect our sales and profitability.

The following are examples of relevant regulatory changes in Chile and Argentina:

In recent years, tax reforms have been implemented in Chile with the purpose of increasing tax collection to finance social programs, the most relevant being those contained in Law N° 21,210 of 2020 and Law N° 21,420 of 2022.

Law N° 21,210 included, among other measures: (i) an increase from 35% to 40% in the personal income tax bracket for taxpayers with a gross monthly income in excess of approximately CLP 19.0 million; (ii) a progressive tax ranging from 0.075% to 0.275% on real estate properties owned by a taxpayer with a total taxable value exceeding approximately CLP 600 million; (iii) stricter requirements for private investment funds to benefit from preferential tax treatment; (iv) a partially integrated regime as a single tax system for large companies, with a 27% tax rate that will be partially deductible from the final tax to be paid by the individual or foreign shareholders of the taxpayer entity, who will have a maximum tax burden of 44.5% with the exception of Treaty-country resident shareholders (including Tax Treaties signed but not yet enforced within a certain period of time); (v) the progressive limitation of the provision allowing Chilean holding companies that incur tax losses to claim a refund of the corporate income tax paid by their Chilean affiliates on dividends received by such holding company, to be fully enforced by year 2024; and (vi) a special tax contribution of 1% on investments in fixed assets in excess of USD 10 million (for the part of the excess) for the benefit of regions hosting projects that exceed USD 10 million when a given project requires submission to the environmental approval system.

Additionally, Law N° 21,420 established, among other reforms, (i) the elimination of the non-income income regime for the gain derived from the sale of shares with stock market presence and the establishment of a single tax rate of 10% on such gain; (ii) the gradual elimination of the special credit for construction companies; (iii) the application of VAT on all services, except those with a particular exemption; (iv) an increase in the value of mining patents and exploitation concessions; (v) the elimination of the credit for investments in fixed assets; and (vi) an increase in the marginal rate of the land tax surcharge.

On July 7, 2022, the Chilean government sent to the Chilean Congress a new tax reform bill. On March 2023, the bill mentioned above was rejected on a general basis by the Chamber of Representatives. Thus, according to Chilean Law, the same bill cannot be discussed again in the same Chamber for one year. As of the date of this annual report this bill has not been presented in the Senate.

It is also expected that the Chilean government will present a proposal for corrective taxes during 2023, which could include higher taxes on alcoholic beverages, sugar sweetened beverages, carbon dioxide (CO₂) emissions, oil and plastic packaging.

In 2017, Argentine Congress passed a tax reform law that, among other measures, aimed to gradually reduce the income tax rate for profits from 35% to 25% (30% for 2018 and 2019 and 25% from 2020 and onwards). In addition, withholding tax on distributed dividends are subject to a gradual increase from 0% to 13% (7% for 2018 and 2019 and 13% from 2020 and onwards). In December 2019, a new law was passed which modified certain provisions of the 2017 tax reform law. Among other matters, it extended the 30% income tax rate and the 7% withholding rate on dividends for an additional year, through 2020. In addition, regarding the Personal Property Tax, which applies to foreign shareholders who hold equity participations in Argentine companies, the 2019 reform increased the applicable rate from 0.25% to 0.50% in respect of the equity participation set forth in the Financial Statements. In June 2021, Law N° 27,630 was enacted, which establishes a new structure for income tax on profits, beginning after January 1, 2021, with three sections in relation to the level of accumulated net taxable income. The new sections are: (i) 25% for accumulated taxable net profits of up to ARS 5 million; (ii) 30% for earnings of up to ARS 50 million; and (iii) 35% for profits greater than ARS 50 million. Likewise, for the second and third sections indicated above, fixed tax amounts of ARS 1.25 million and ARS 14.75 million, respectively, were established, which will be adjusted annually with inflation.

Changes in the labor market in the countries in which we operate may affect profit margins in our business.

In all the countries where we operate, we are exposed to changes in the labor market that could affect our profitability and future growth. These changes could include fluctuations in the labor supply, as well as changes in labor legislation, among others. In Argentina, high levels of inflation, union pressure, government decrees regarding severance payments, wages or reduction of working hours may affect our salary expenses.

In Chile, the Congress is currently discussing a bill which aims to modify the manner in which the legal profit-sharing bonuses are calculated. As of the date of this report, this bill is in the Labor and Social Welfare Committee in the Senate, where it is subject to further modifications.

On April 26, 2023, Law N° 21,561 was enacted amending the Chilean Labor Code. Among the main amendments set forth in this law, it provides for (i) a reduction in weekly working hours to 40 hours per week (from 45 hours pursuant to current regulation), to be implemented gradually or on a staggered basis within 5 years from publication of this law (subject to certain limits and requirements set forth therein), and (ii) the implementation of deferred starting and end shift times (during a 2-hour band) that applies to fathers, mothers and caregivers of children under 12 years of age, which is required to be implemented within 1 year from the date of publication of this law.

The foregoing, as well as the implementation of new labor regulations, could have an adverse effect on our expenses and negatively affect our margins.

Consolidation in the beer industry may impact our market share.

In all the countries where we operate, we compete with local and international brands, especially in the beer and non-alcoholic categories. In the beer category, we compete against Anheuser-Busch InBev S.A./N.V. (“ABI”) and its subsidiaries, the largest beer company in the world. In the non-alcoholic categories in Chile we compete against the products of The Coca-Cola Company.

Our main competitor in the Chilean beer market is Cervecería Chile S.A., a subsidiary of ABI. In the past, Cervecería Chile S.A. has implemented aggressive commercial practices and, during the last few years, entered into a distribution agreement with Embotelladora Andina S.A. and Embonor S.A., the main bottlers of The Coca-Cola Company’s products in Chile, to strengthen its distribution network.

In Argentina, our main competitor is Cervecería y Maltería Quilmes S.A.I.C.A. y G. (“Quilmes”), a subsidiary of ABI. As a result of its dominant position and large size in Argentina, Quilmes has significantly larger economies of scale than us both in production and distribution.

Consequently, we cannot assure you that the level of competition will not increase in the future, and if we are not able to maintain brand loyalty with innovation, in line with changes in consumer preferences, purchasing patterns and marketing support, this could negatively affect our market share and pricing, and consequently affect our profitability.

We depend upon the renewal of certain license agreements to maintain our current operations.

Most of our license agreements include certain conditions that must be met during their term, as well as provisions for their renewal at their expiry date. We cannot guarantee that such conditions will be fulfilled, and therefore that the agreements will remain in place until their expiration or that they will be renewed, or that any of these contracts will not undergo early termination. Despite that over 70% of our sales volume are derived from proprietary brands, the termination of, or failure to renew our existing license agreements, could have an adverse impact on our operations.

Consolidation in the supermarket industry may affect our profitability.

The Chilean supermarket industry has experienced a consolidation process, which has increased the purchasing power of a few supermarket chains. As a result, we may not be able to negotiate favorable prices, which could negatively affect our sales and profitability.

Additionally, and despite having insurance coverage, this supermarket chain consolidation has the effect of increasing our exposure to counterparty credit risk, given the fact that we have more exposure in the event one of these large customers fails to fulfill its payment obligations to us for any reason.

Fluctuations in the cost of our raw materials may adversely impact our profitability.

We purchase malt, rice and hops for beer, sugar for soft drinks, grapes for wine, pisco and cocktails, and packaging materials, such as aluminum cans, glass bottles and PET resins to produce plastic bottles from local producers or in the international market. The prices of these materials are subject to volatility caused by market conditions, and have experienced significant fluctuations over time reflecting global supply and demand for commodities as well as other factors, such as fluctuations in exchange rates, climate and social events, geopolitical conflicts, like the Russian invasion of Ukraine, and supply restrictions derived from the COVID-19 pandemic, over which we have no control.

Although we historically have been able to implement price increases in response to increases in raw material costs, we cannot assure you that our ability to recover increases in the cost of raw materials will continue in the future. If we are unable to raise prices in response to higher raw material costs, any future increases in raw material costs may reduce our margins and profitability if we are not able to offset such cost increases through efficiency improvements or other measures.

The shortage of critical raw and packaging materials could negatively impact our supply chain, affecting our operations and results.

The shortage of critical raw and packaging materials, either due to changes in consumption patterns, the level of crop production around the world, quality and availability of raw materials, and/or problems associated with international trade logistics, especially in the case of raw and packaging materials purchased in markets outside of the countries where we operate, could affect our supply chain and negatively impact our production levels and, consequently, our results. This issue has become more relevant recently due to the COVID-19 pandemic, which has abruptly increased the demand for some packaging formats and has interrupted the normal operation of international trade logistics. On top of that, the conflict between Russia and Ukraine has increased the scarcity and the price of some raw materials, especially oil and food. If we face the interruption or lack of supply of critical raw and packaging materials, we cannot assure that we can obtain favorable prices or advantageous terms in their acquisition, which could negatively affect our results.

Furthermore, disruptions on international trade logistics have caused delays and difficulties on export shipments including significant increases in freights.

To reduce this scenario, the Company has taken actions such as the diversification of suppliers, long-term contracts, and higher levels of inventories of certain supplies.

The supply, production and logistics chain is critical to the timely supply of our products to consumer centers.

Our supply, production and logistics chain is crucial for the delivery of our products to consumer centers. An interruption or a significant failure in this chain may negatively affect our results if the failure is not quickly resolved. An interruption in the chain could be caused by various factors, such as strikes, utility shutdowns such as customs and ports, planning errors of our suppliers, terrorism, safety failures, complaints by communities, or other factors which are beyond our control.

Health crises, pandemics or the outbreak of contagious diseases at a global or regional level could have a negative impact on our operations and financial position.

A health crisis, pandemic or the outbreak of disease at a global or regional level, could have a negative impact on our operations and financial position. The above-mentioned circumstances could impede the normal operation of the Company, interrupt our supply chain, limit our production and distribution capacity, and/or generate a contraction in the demand for our products. A long period of economic uncertainty could have a material negative impact on our business, our access to financing and our financial results.

Any prolonged restrictive measures put in place to control an outbreak of a contagious disease or other adverse public health developments in any of our markets may have a material and adverse effect on our business operations. The extent of the impact of a pandemic on our business and financial condition will depend largely on future developments, including the duration of the pandemic, the impact on capital and financial markets and the related impact on consumers' and industries' confidence, all of which are highly uncertain and cannot be accurately predicted.

The Company has contingency plans to protect the health of the people and to maintain the continuity of our operation, but we cannot assure you that these plans will be sufficient to mitigate a material impact on our results and financial position from such events.

The COVID-19 pandemic has accelerated a change in lifestyles and preferences of our consumers. This could have an impact on our business, financial condition and results of operations.

The COVID-19 pandemic accelerated changes in the lifestyles and preferences of our consumers and generated a digital revolution. These changes require innovation to keep us competitive in line with the new consumption trends.

Additionally, the COVID-19 pandemic has caused a shortage of talent for certain business functions, which in turn has affected companies from all industries and across the globe, including ours. In the future, we may continue to encounter competition from other companies in our efforts to hire experienced professionals for

both key internal roles and third-party contractor positions, which could make it difficult for us to identify sufficiently skilled and qualified people or to obtain all the necessary expertise locally or at reasonable rates due to the shortage of appropriately qualified individuals. Failure to obtain services from key personnel and/or third-party contractors with critical skills could adversely affect our business, results of operations and financial condition.

If we are unable to protect our information systems against data corruption, cyber-based attacks or network security breaches, our operations could be disrupted.

We are increasingly dependent on information technology networks and systems, including the Internet, to process, transmit and store information. In particular, we depend on our information technology infrastructure, including data centers, for sales, production, planning and logistics, marketing activities and electronic communications within the Company and with our clients, suppliers and our subsidiaries. Security breaches of this infrastructure can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such breaches, our operations could be disrupted, or we may suffer financial damage or loss because of lost or misappropriated information. The Company has developed a cybersecurity plan which addresses critical aspects, but we cannot assure you that these measures will be sufficient.

Possible regulations for labeling materials and the advertising of alcoholic beverages and other food products in the countries in which we operate could adversely affect us.

Law N° 20,606 of 2012 and Law N° 20,869 of 2015, relating to the Nutritional Composition of Foods and their Advertising and the complementary regulations, in force since June 2016, establish certain restrictions on the advertising, labeling and marketing of foods classified as “high” in certain defined critical nutrients, which affects a part of our portfolio of non-alcoholic beverages.

In August 2021, Law N° 21,363 was published establishing regulations regarding commercialization and advertising of alcoholic beverages, including, among others, the incorporation of warnings about the consumption of alcohol on labeling and promotional materials, the obligation to inform the energy content of the products on labeling, time restriction for advertising, and prohibited promotional activities or advertising of alcohol in relation to sport and cultural activities. These measures will enter into force immediately or deferred as established in the aforementioned Law. This Law and regulations could affect our alcoholic beverages portfolio and certain marketing activities.

Currently, a bill is being discussed in Chilean Congress to amend Law N° 18,455, which sets standards on the production, processing and marketing of alcoholic beverages and vinegars, in matters relating to information on ingredients and mandatory nutritional information, as well as the incorporation of warning labels established for foods rated “high” in certain defined critical nutrients, when applicable.

If further legislation or other regulations that restrict the sale of alcoholic or non-alcoholic beverages is passed, it could affect the consumption of our products and therefore, adversely impact our business.

If we are unable to maintain the image and quality of our products and a good relationship with our clients and consumers, our financial results may suffer.

The image and quality of our products is essential for the success and development of the Company. Problems with product quality could tarnish the reputation of our products and may adversely affect our sales revenues. The Company must also ensure that our sales force provides good customer service and adapts to fulfill the needs and preferences of our consumers. If we are unable to maintain a good relationship with our clients and consumers, our financial results may suffer.

All our non-alcoholic beverage categories are developed under the Chilean Food Sanitary Regulations, and each country is governed by the existing regulations and, in special cases, the Catholic University and INTA are consulted.

Our certifications include: (i) Hazard Analysis and Critical Control Points (“HACCP”), (ii) ISO 22000, (iii) FSSC 22000 and (iv) British Retail Consortium (“BRC”).

Our insurance coverage may be insufficient or inadequate to cover certain losses we may incur.

Our insurance coverage is in line with our internal policies and in line with the industry standards. In the case of extraordinary events, our insurance may be insufficient to cover certain losses. As of the date of this annual report, we maintain full-risk insurance coverage for our physical assets, including machinery malfunctions and damage due to stoppages and earthquakes for all of our assets. Our insurance policies are subject to deductibles and coverage limits, and despite being in line with industry standards, may not be adequate to provide coverage for certain claims. Moreover, the insurance market remains cyclical and catastrophic events can change the state of the insurance market, leading to sudden and unexpected increases in premiums and deductibles or unavailability of coverage for reasons unrelated to our business. Additionally, we cannot guarantee that future policies will not have terms that are less favorable than those currently in place.

There can be no assurance that, due to the effects of climate change events and increased social unrest, among others, our existing insurance coverage will continue to be available, or available on commercially reasonable terms or at commercially reasonable prices, or that the amounts for which we are insured, or the proceeds of such insurance, will fully compensate us for our losses.

The occurrence of material adverse events, losses or other damages that are not partially or fully covered by insurance or that exceed our insurance limits could result in unexpected additional costs and could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO CLIMATE CHANGE

Water supply is essential to the development of our businesses.

Water is an essential component for the production of our beverage products and the irrigation of our fields. Any failures in our water supply, regulatory changes that limit the use of this resource, water scarcity due to climate change, or a contamination of our water sources, could negatively affect our sales and profitability.

As a commitment to the environment and natural resources, the Company has implemented long-term policies to develop a responsible and sustainable use of water. Through its 2020 Environmental Vision plan, initiated in 2010, the Company reduced the consumption of this resource by approximately 49% per liter produced as of 2020. Furthermore, through the 2030 Environmental Vision plan, the Company committed to continue optimizing the consumption of water per liter produced, by reaching a goal of 60% decrease in consumption against 2010.

In January 2022, the Chilean Congress approved a bill introducing changes to the Chilean Water Regulation (*Código de Aguas*), which had been under discussion since 2011. This bill was published on April 6, 2022, and establishes, among other things: (i) a new regime for the constitution of rights to use water temporarily which will be applicable to future water rights granted, (ii) an expiration system for the non-use of water when the necessary infrastructure for its use is not constructed and such water rights appear in the patent payment list for no use for a certain period, (iii) a deadline for regularization and registration of water rights, (iv) the regulation of the environmental, scenic, landscape and social function of waters, (v) the obligation to inform to the *Dirección General de Aguas* ("DGA") (the Chilean water authority) any changes of the uses of water rights, (vi) the obligation to form underground water communities in certain areas declared as restriction or prohibition zones, and (vii) the recognition of the access to water as a Human Right.

Furthermore, decrees issued by the DGA declared restriction and prohibition zones for the constitution of rights to use groundwater, establishing the obligation to create communities of groundwater, which in turn could restrict the exercise of rights that the Company currently owns as well as the change in its extraction points. Without prejudice to the foregoing, the President has the capability to declare, during a period of extraordinary drought, due to a request by, or based on a report of, the DGA, a water scarcity zone for a maximum period of one year, in which the DGA could redistribute water available in natural sources and authorize the extraction of water from superficial or ground sources.

Catastrophic events in the regions in which we operate could have a significant adverse effect on our financial condition.

Natural disasters, climate change impact events, pandemics or other catastrophic events could impair our ability to manufacture, distribute or sell our products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to manage such events effectively if they occur, could adversely affect our sales volume, cost and supply of raw materials, earnings and could have a significant effect on our business, operational results, and financial position.

Chile has been affected in the past by several natural disasters, earthquakes, including large floods, mudslides and wildfires. To mitigate the impacts of these events or others, the Company has specially designed contingency plans and associated insurance. The effects of natural disasters could increase as a result of climate change.

New applicable environmental regulations could affect our business.

CCU's operations are subject to local, national and international environmental norms and regulations. These regulations cover, among other things, emissions from different sources, noise, disposal of solid and liquid wastes, the temporary storage of residuals, and other activities inherent to our industry. On this topic, on June 1, 2016, Law N° 20,920 was enacted and established a framework for waste management and extended producer responsibility, and stimulation of recycling ("REP Law"), with the objective of lowering the generation of waste of priority products as determined by the bill and fostering recycling of the waste. On November 30, 2017, the Regulations on Procedures of the REP Law were published. On March 16, 2021, the collection, valorization and other associated obligations for packaging materials were published. See "Item 4: Information on the Company – E. Environmental Matters."

Additionally, on August 13, 2021, Law N° 21,368 was published, which regulates single-use plastic products and plastic bottles, and strengthens returnability. The bill requires (i) that disposable plastic bottles that are commercialized must be manufactured containing a percentage of plastic that has been collected and recycled within the country in the proportions to be established by means of a regulation to be issued within 18 months as of the date of publication of the law, with a minimum of 15% in 2025 (the above regulation is still pending); (ii) retail businesses (including e-commerce and delivery applications) to have returnable plastic bottles for beverages (excluding alcoholic and dairy products), effective for supermarkets 6 months as of the date of publication of the law and two years for all other retailers; and (iii) prohibits establishments that sell food from using any kind of non-recyclable single-use containers, on premise and for deliveries, with effective dates depending on the establishment and the kind of plastic used.

On June 13, 2022, Law N° 21,455 *Ley Marco de Cambio Climático* was published, which establishes a legal framework to deal with the challenges presented by climate change for the country, in order to achieve and maintain Greenhouse Gas ("GHG") emissions neutrality by 2050. To achieve this mitigation goal, the law establishes management instruments at the national, regional and local levels and determines the environmental institutional framework for climate change, assigning specific functions and responsibilities to each of the national, regional and collaborating bodies that comprise it, with the Ministry of the Environment being the national authority in this matter. Additionally, it creates a National System of Access to Information and Citizen Participation on Climate Change that will be administered and coordinated by the Ministry of the Environment, and establishes guidelines and financial mechanisms to face climate change. The law mandates the Ministry of Public Works to prepare the Strategic Plans for Water Resources in Basins, in order to contribute to water management, identify water gaps in surface and ground water and establish water balance and water level projections.

In Argentina, in October 2021, a bill that establishes minimum environmental protection standards for the integral management of containers and post-consumer containers throughout the national territory was submitted to Congress for consideration. The bill aims to prevent and reduce the impact of containers in the environment, introducing the principle of extended producer responsibility.

The Company takes special care and consideration with compliance with environmental regulations and contributes by actively participating through the associations that represent the different industrial sectors, in public/private discussion groups for the development and implementation of new regulations in this area. Additionally, through its 2030 Environmental Vision plan, the Company is committed to continue reducing GHG emissions per liter produced to 50% over the next ten years, and to continue optimizing water consumption per liter produced to achieve a 60% reduction, both goals above 2010 levels. We are also committed to recovering

100% of our solid industrial waste, using 75% renewable energy, making 100% of our containers and packaging reusable, recyclable or compostable, and ensuring that our containers and packaging contain an average of 50% recycled material.

Although we cannot predict the impact of such measures at this time, possible future regulations could have an adverse effect on our business.

RISKS RELATING TO CHILE

We are substantially dependent on economic, political and social conditions in Chile, which may adversely impact the results of our operations and financial condition.

Chile is our most significant market. The Chile Operating segment generated 60.2% of our sales revenues in 2022, the International Business Operating segment (which includes Argentina, Bolivia, Paraguay and Uruguay) contributed 28.9%, and the Wine Operating segment, including the domestic markets in Chile and Argentina, as well as exports, accounted for 10.9% of revenues. Thus, our operating and financial performance is dependent, to a large extent, on the overall level of economic activity in Chile. The Chilean economy experienced an average annual growth rate (measured by GDP) of 3.2% between 2010 and 2022. In the past, slower economic growth in Chile resulted in a lower growth rate of consumption of our products and, consequently, adversely affected our profitability. Chile's economic growth rate has been affected in the past by the disruption in the global financial markets by global recessions or a pandemic, as was the case in 2009 and 2020. Therefore, economic growth rates of past periods cannot be extrapolated to future performance.

Although Chilean inflation has been limited in the last ten years, Chile experienced strong inflationary pressures in 2022, reaching an inflation of 12.8% on an annual basis, after posting variations of 7.2%, 3.0%, 3.0% and 2.6% in 2021, 2020, 2019 and 2018, respectively, measured by changes in the consumer price index, reported by the *Instituto Nacional de Estadísticas* (INE). High levels of inflation and currency devaluation in Chile could adversely affect the Chilean economy and have a negative effect on our results. Even though the last estimates of the Central Bank of Chile forecast a reduction in inflation in 2023, we cannot assure you that Chilean inflation will not remain high in the future.

The measures taken in the past and particularly, during 2022, by the Central Bank of Chile to control inflation have included tightening the monetary policy and raising interest rates, which restricts credit availability and economic growth. Periods of higher inflation may also slow the growth rate of the Chilean economy, which occurred in 2022. Inflation is also likely to increase some of our costs and expenses, given that our supply contracts may be denominated in foreign currencies or indexed to the Chilean consumer price index. This could adversely affect our operating margins and financial results.

Furthermore, as an emerging and open economy, Chile is more exposed to unfavorable conditions in the international markets, which could have a negative impact on the demand for our products, as well as on third parties with whom we conduct business. In particular, the COVID-19 pandemic and Russia's invasion in Ukraine have caused significant disruptions in global financial markets and increased commodity prices. Both the exchange rate and local interest rates have presented strong corrections compared to other economies, which has triggered an increase in the volatility of various asset prices. Additionally, since the end of 2019, Chile has experienced important political and economic changes, including the initiation of a process to draft a new constitution. The proposal presented for this process was rejected by a referendum in September 2022, and a greater commitment to fiscal spending. Later on, in January 2023, the Chilean Congress approved a new process to draft a constitution during 2023.

Any combination of lower consumer confidence, disrupted global capital markets and/or depressed international, economic conditions, greater commitment of public expending could have a negative impact on the Chilean economy and, consequently, on our business. In addition, a global liquidity crisis or an increase in interest rates could limit our ability to obtain the cash necessary to meet our commitments and, therefore, increase our financial expenses.

Any downgrading of Chile's debt credit rating for domestic and international debt by international credit rating agencies may increase our financial costs or limit our access to capital markets.

Any future adverse revisions to Chile's credit ratings for domestic and international debt by international rating agencies may adversely affect our ratings, our business, future financial performance, stockholders' equity and the value of our securities. In addition, credit ratings affect the cost and other terms upon which we are able to obtain funding. Rating agencies regularly evaluate us and their ratings of our debt are based on a number of factors, including our financial strength and conditions affecting the financial services industry generally. There can be no assurance that rating agencies will maintain their current ratings or outlooks, and any downgrading in our debt credit ratings would likely limit our access to capital markets, increase our financial costs and adversely affect our results of operations and financial condition.

The relative liquidity and volatility of Chilean securities markets may increase the price volatility of our American Depositary Shares ("ADSs") and adversely impact a holder's ability to sell any shares of our common stock withdrawn from our American Depositary Receipt ("ADR") facility.

The Chilean securities markets are substantially smaller, less liquid and more volatile than major securities markets in the United States. For example, the Santiago Stock Exchange, which is Chile's principal stock exchange, had a market capitalization of approximately USD 170.5 billion as of December 31, 2022, while the New York Stock Exchange ("NYSE") had a market capitalization of approximately USD 30.7 trillion and the NASDAQ National Market ("NASDAQ") had a market capitalization of approximately USD 20.3 trillion as of the same date. In addition, the Chilean securities markets can be materially affected by developments in other emerging markets, particularly other countries in Latin America.

The lower liquidity and greater volatility of the Chilean markets relative to markets in the United States could increase the price volatility of the ADSs and may impair a holder's ability to sell shares of our common stock withdrawn from the ADR facility in the Chilean market in the amount, at the price and at the time the holder wishes to do so. See "Item 9: The Offer and Listing".

Currency fluctuations may affect our profitability

Because we purchase the majority of our supplies at prices set in USD and we export wine in prices set in USD, Canadian dollars, euros and pounds, we are exposed to foreign exchange risks that may adversely affect our financial condition and the results of our operations. The effect of the exchange rate variation on export revenues partially offsets the FX impact on the cost of raw materials expressed in CLP.

We are subject to different corporate disclosure requirements and accounting standards than U.S. companies.

Although the securities laws of Chile that govern open stock corporations and publicly listed companies such as us promote disclosure of all material corporate information to the public as a principal objective, Chilean disclosure requirements differ from those in the United States in certain important respects. In addition, although Chilean law imposes restrictions on insider trading and price manipulation, the Chilean securities market is not as highly regulated and supervised as the U.S. securities market. We have been subject to the periodic reporting requirements of the Exchange Act since our initial public offering of ADSs in September 1992.

RISKS RELATING TO ARGENTINA

We are substantially dependent on economic, political and social conditions in Argentina, which may adversely impact our operating results and financial position.

In addition to our Chilean operations, we have significant assets in Argentina and we generate significant income from our operations in this country.

The financial position and results of our operations in Argentina are, to a considerable extent, dependent upon political, social and economic conditions in Argentina, as demand for beverage products generally depends on the prevailing economic conditions in the local market. In the past, Argentina has suffered recessions, high levels of inflation, currency devaluations and significant economic decelerations in various periods of its history. The following paragraph summarizes the evolution of some key economic indicators in Argentina:

During 2016, Argentina's GDP contracted by 2.1% and inflation was close to 40%. In 2017, GDP growth was 2.8% and inflation close to 25%, showing a slight recovery in the economy. In 2018, Argentina once again entered into a recession and its GDP decreased by 2.6% and accumulated inflation reached 47.1%. Consequently, given that between 2016 and 2018 (three years) the cumulative inflation rate exceeded 100%, Argentina was deemed to be a hyperinflationary economy as of July 1, 2018 (for more information see "Note 2" of our Consolidated Financial Statements as of December 2022 included herein) pursuant to IAS 29. In 2019, the Argentine GDP contracted by 2.0% and inflation reached 52.9%. In 2020, the GDP contracted 9.9%, mainly due to the restriction measures taken to control the spread of the COVID-19 pandemic, while inflation reached 34.1%. In 2021, the GDP expanded 10.4%, and inflation reached 50.9%, while in 2022 GDP grew 5.2% and inflation reached 95.2%. Consequently, given that cumulative inflation between 2019 and 2022 exceeded 100%, Argentina continues to be considered a hyperinflationary economy.

If economic conditions in Argentina were to slow down or further contract, or if inflation continues to accelerate, or if the Argentine government's ability to access the long-term financial markets to finance increased spending continues to be limited given the high levels of public sector indebtedness, Argentina's economic growth and the financial health and results of our Argentine operations could be adversely affected.

Inflationary pressures in Argentina may negatively impact demand for our goods, profitability and future investments.

Argentina has faced and continues to face inflationary pressures. Increased inflationary risk may erode macroeconomic growth and limit the availability of financing, which may negatively impact our operations. In past periods of high inflation, the Argentine government had regulated prices of consumer goods, including beverages, which impacted our profitability. Even without government regulation, high inflation may impede our ability to pass on higher costs to customers, which would also negatively impact profitability.

The Argentine peso is subject to volatility which could adversely affect our results.

The devaluation of the ARS negatively affects our results. Our Argentine subsidiaries use the ARS as their functional currency, and their Financial Statements are translated into CLP for consolidation purposes, which impacts their results and equity evaluations due to the translation effect. In addition, the cost of most of our raw materials in Argentina is indexed to the USD price. In 2022, the ARS versus USD had an average devaluation of approximately 36.9% and a year-end end of period devaluation of 72.1%. All of the above generated a translation effect on reported revenues, costs and expenses, as well as pressure on USD-indexed costs.

Given that it is not possible to predict future economic conditions in Argentina or when Argentina will cease to be considered a hyperinflationary economy for accounting purposes, we cannot predict how CCU's businesses will be affected by the future economic context in Argentina.

Argentina's legal regime and economy are susceptible to changes that could adversely affect our Argentine operations.

On September 1, 2019, the Argentine Central Bank issued Communication "A" 6,770, which established various exchange controls for exports and imports of goods and services, holding of foreign assets, non-resident operations, foreign financial debt, debts between Argentine residents, repatriation of profits and payment of

dividends, among others. The Communication was issued in response to the publication of Decree N° 609/2019, pursuant to which the Argentine government implemented foreign exchange regulations originally until December 31, 2019, but subsequently extended for an indefinite period. Decree N° 609/2019 sets forth the obligation to convert the value of goods and services exported into Argentine pesos in the local financial system, in accordance with terms and conditions established by the Argentine Central Bank. All of these measures have negatively impacted the free import of goods and in practice restricted our ability to repatriate profits.

In 2020, 2021 and 2022, in an attempt to curb increasing inflation, the Argentine government applied various methods to directly and indirectly regulate price increases of various consumer goods, including beer. As of the date of this report, we are party to agreements with the Argentine government that require us to sell our products at a previously agreed-upon price.

Also, as of the date of this report, there are several restrictions on the pricing of our products, the transfer of currency and repatriation of capital that could affect our subsidiaries' ability to make payments and could in turn adversely affect our business and results of operations. We cannot assure that these measures will change nor the extent to which they will impact our business and results of operations.

RISKS RELATING TO OUR ADSs

We are controlled by one majority shareholder, whose interests may differ from those of holders of our ADSs, and this shareholder may take actions that adversely affect the value of a holder's ADSs or common stock.

As of December 31, 2022, Inversiones y Rentas S.A. ("IRSA") a Chilean closely held corporation, directly and indirectly owned 65.87% of our shares of common stock. Accordingly, IRSA has the power to control the election of most members of our board of directors and its interests may differ from those of the holders of our ADSs. IRSA also has significant influence in determining the outcome of any corporate transaction submitted to our shareholders for approval, including mergers, consolidations, the sale of all or substantially all of our assets and going-private transactions. In addition, actions by IRSA with respect to the disposal of the shares of common stock that it owns, or the perception that such actions may occur, may adversely affect the trading prices of our ADSs or common stock.

Chilean economic policies, currency fluctuations, exchange controls and currency devaluations may adversely affect the price of our ADSs.

The Chilean government's economic policies and any future changes in the value of the CLP relative to the USD could adversely affect the USD value and the return on any investment in our ADSs. The CLP has been subject to nominal devaluations and appreciations in the past and may be subject to fluctuations in the future. For example, when comparing the average exchange rates for each period, the Chilean peso appreciated by 4.7% and 1.1% in 2017 and 2018, respectively, and depreciated by 9.5% and 12.7%, in 2019 and 2020, respectively, while it appreciated 4.0% in 2021 and depreciated 14.9% in 2022. When comparing the exchange rate as of the end of each period, the Chilean peso appreciated by 8.2% in 2017, depreciated 13.0% in 2018, depreciated 7.8% in 2019, appreciated 5.0% in 2020, and depreciated 18.8% and 1.1% in 2021 and 2022, respectively. See "Item 3: Key Information – A. Selected Financial Data – Exchange Rates."

While our ADSs trade in USD, Chilean trading in the shares of our common stock underlying our ADSs is conducted in CLP. Cash distributions to be received by the depositary for the shares of our common stock underlying our ADSs will be denominated in CLP. The depositary will translate any CLP received by it to USD at the then-prevailing exchange rate with the purpose of making dividend and other distribution payments on the ADSs. If the value of the CLP declines relative to the USD, the value of our ADSs and any distributions to holders of our ADSs received from the depositary may be adversely affected. See "Item 8: Financial Information – A. Consolidated Statements and Other Financial Information – Dividend Policy and Dividends".

For example, since our consolidated financial statements are reported in CLP, a decline in the value of the CLP against the USD would reduce our earnings as reported in USD. Any dividend we may pay in the future would be denominated in CLP. A decline in the value of the CLP against the USD would reduce the USD equivalent of any such dividend. Additionally, in the event of a dividend or other distribution, if exchange rates fluctuate during any period of time when the ADS depositary cannot convert a foreign currency into USD, a holder of our ADSs may lose some of the value of the distribution. Also, since dividends in Chile are subject to withholding

taxes, which we retain until the following year when the exact amount to be paid is determined, if part of the retained amount is refunded to the shareholders, the amount received by holders of our ADSs would be subject to exchange rate fluctuations between the two dates.

Holders of our ADSs may be subject to certain risks since holders of our ADSs do not hold shares of our common stock directly.

ADS holders may exercise voting rights associated with common stock only in accordance with the deposit agreement governing our ADSs. Accordingly, ADS holders will face practical limitations when exercising their voting rights because ADS holders must first receive a notice of a shareholders' meeting from the depositary and may then exercise their voting rights by instructing the depositary, on a timely basis, on how they wish to vote. This voting process necessarily will take longer for ADS holders than for direct common stockholders, who are able to exercise their vote by attending our shareholders' meetings. Therefore, if the depositary fails to receive timely voting instructions from some or all ADS holders, the depositary will assume that ADS holders agree to give a discretionary proxy to a person designated by us to vote their ADSs on their behalf. Furthermore, ADS holders may not receive voting materials in time to instruct the depositary to vote. Accordingly, ADS holders may not be able to properly exercise their voting rights.

The right of a holder of our ADSs to force us to purchase the underlying shares of our common stock pursuant to Chilean corporate law upon the occurrence of certain events may be limited.

Because of the absence of legal precedent as to whether a shareholder that has voted both for and against a proposal, such as the depositary of our ADSs, may exercise withdrawal rights (as described in "Item 10. Additional Information – B. Memorandum and Articles of Association") with respect to those shares voted against the proposal, there is doubt as to whether a holder of ADSs will be able to exercise withdrawal rights either directly or through the depositary for the shares of our common stock represented by their ADSs. Accordingly, for a holder of our ADSs to exercise its appraisal rights, it may be required to surrender its ADRs, withdraw the shares of our common stock represented by its ADSs, and vote those shares against the proposal.

In the past, Chile has imposed controls on foreign investment and repatriation of investments that affected investments in, and earnings from, our ADSs.

Equity investments in Chile by persons who are not Chilean residents have historically been subject to various exchange control regulations that restrict repatriation of investments and earnings therefrom. In April 2001, the Central Bank eliminated most of the regulations that affected foreign investors, although foreign investors still have to provide the Central Bank with information related to equity investments and must conduct such operations within the formal exchange market. Additional Chilean restrictions applicable to holders of our ADSs, the disposition of the shares underlying them, the repatriation of the proceeds from such disposition or the payment of dividends may be imposed in the future, and we cannot advise you as to the duration or impact of such restrictions if imposed. See also "Item 10: Additional Information – D. Exchange Controls".

If for any reason, including changes in Chilean law, the depositary for our ADSs were unable to convert CLP to USD, investors would receive dividends and other distributions, if any, in CLP.

Preemptive rights to purchase additional shares of our common stock may be unavailable to holders of our ADSs in certain circumstances and, as a result, their ownership interest in our Company may be diluted.

The *Ley sobre Sociedades Anónimas* N° 18,046 (the "Chilean Corporations Act"), and its ordinance (*Reglamento de Sociedades Anónimas*), require us, whenever we issue new shares for cash, to grant preemptive rights to all holders of shares of our common stock, including shares of our common stock represented by ADSs, giving those holders the right to purchase a sufficient number of shares to maintain their existing ownership percentage. We may not be able to offer shares to holders of our ADSs pursuant to preemptive rights granted to our shareholders in connection with any future issuance of shares unless a registration statement under the Securities Act is effective with respect to those rights and shares, or an exemption from the registration requirements of the Securities Act is available.

We intend to evaluate at the time of any future offerings of shares of our common stock the costs and potential liabilities associated with any registration statement as well as the indirect benefits to us of enabling U.S. owners of our ADSs to exercise preemptive rights and any other factors that we consider appropriate at the time, before deciding whether or not to file such a registration statement. We cannot assure you that any such registration statement would be filed.

To the extent that a holder of our ADSs is unable to exercise their preemptive rights because a registration statement has not been filed, the depositary will attempt to sell the holder's preemptive rights and distribute the net proceeds of the sale, net of the depositary's fees and expenses, to the holder, provided that a secondary market for those rights exists and a premium can be recognized over the cost of the sale. A secondary market for the sale of preemptive rights can be expected to develop if the subscription price of the shares of our common stock upon exercise of the rights is below the prevailing market price of the shares of our common stock. Nonetheless, we cannot assure you that a secondary market in preemptive rights will develop in connection with any future issuance of shares of our common stock or that if a market develops, a premium can be recognized on their sale. Amounts received in exchange for the sale or assignment of preemptive rights relating to shares of our common stock will be taxable in Chile and in the United States. See "Item 10: Additional Information – E. Taxation – Chilean Tax Considerations – Capital Gains" and "– United States Federal Income Tax Considerations – Taxation of Capital Gains". If the rights cannot be sold, they will expire and a holder of our ADSs will not realize any value from the grant of the preemptive rights. In either case, the equity interest of a holder of our ADSs in U.S. will be diluted proportionately.

ITEM 4: Information on the Company

A. History and Development of the Company

Our current legal and commercial name is Compañía Cervecerías Unidas S.A. We are a public corporation (*sociedad anónima abierta*) organized by means of a public deed dated January 8, 1902, following the merger of two existing breweries, one of which traces its origins back to 1850, when Mr. Joaquín Plagemann founded one of the first breweries in Chile (in Valparaíso). By 1916, we owned and operated the largest brewing facilities in Chile. Our operations have also included the production and commercialization of soft drinks since the beginning of the last century, the bottling and selling of mineral water products since 1960, the production and commercialization of wine since 1994, the production and commercialization of beer in Argentina since 1995, the production and commercialization of pisco since 2003 and the production and commercialization of rum since 2007. Also, we had been involved in the production and commercialization of sweet snacks products from 2004 until December 2018.

We are subject to a full range of governmental regulation and supervision generally applicable to companies engaged in business in Chile, Argentina, Bolivia, Colombia, Paraguay and Uruguay. These regulations include labor laws, social security laws, public health, consumer protection and environmental laws, securities laws, and antitrust laws. In addition, regulations exist to ensure health and safety conditions in facilities for the production and distribution of beverages and sweet snacks products.

Our principal executive offices are located at Avenida Vitacura N° 2670, 23rd floor, Santiago, Chile. Our telephone number in Santiago is (56-2) 2427-3000, and our website is www.ccu.cl. Our authorized representative in the United States is Puglisi & Associates, located at 850 Library Avenue, Suite 204, Newark, Delaware 19711, USA, telephone number (302) 738-6680 and fax number (302) 738-7210. The information on our website is not incorporated by reference into this document. The SEC maintains a website at <http://www.sec.gov/> that contains reports, proxy statements and other information regarding registrants that file electronically with the SEC. Form 20-F reports and the other information submitted by us to the SEC may be accessed through this website.

In 1986, IRSA, our current controlling shareholder, acquired its controlling interest in us through purchases of common stock at an auction conducted by a receiver who had assumed control of us following the economic crisis in Chile in the early 80's, which resulted in our inability to meet our obligations to our creditors. IRSA, at that time, was a joint venture between Quiñenco S.A. ("Quiñenco") and the Schörghuber Group from Germany, through its wholly owned subsidiary Finance Holding International B.V. ("FHI") of the Netherlands.

In September 1992, we issued 4,520,582 American Depositary Shares ("ADSs"), each representing five shares of our common stock, in an international American Depositary Receipt ("ADR") offering. The underlying ADSs were listed and traded on the NASDAQ, until March 25, 1999. Since that date, the ADSs have been listed and traded on the NYSE. On December 20, 2012, the ratio of ADSs to shares of common stock was changed from 1 to 5, to a new ratio of 1 to 2.

Prior to November 1994, we independently produced, bottled and distributed carbonated and non-carbonated soft drinks in Chile. In November 1994, we merged our soft drink and mineral water businesses with the one owned by Buenos Aires Embotelladora S.A. ("BAESA") in Chile (PepsiCo's bottler in Chile at that time) creating Embotelladoras Chilenas Unidas S.A. ("ECUSA") for the production, bottling, distribution and commercialization of soft drink and mineral water products in Chile. Through ECUSA, we began producing PepsiCo brands under license. We have had control of ECUSA since January 1998, when the shareholders agreement was amended. On November 29, 1999, we purchased 45% of ECUSA's shares owned by BAESA for approximately CLP 54,118 million. We currently own 99.98% of ECUSA's shares. In January 2001, ECUSA and Schweppes Holdings Ltd. signed an agreement to continue bottling Crush and Canada Dry brands. See "Item 4. B. Business Overview – 4. Production and Marketing – Chile Operating segment".

In 1994, we purchased 48.4% of the equity of the Chilean wine producer Viña San Pedro S.A. ("VSP") for approximately CLP 17,470 million. During the first half of 1995, VSP's capital was increased by approximately CLP 14,599 million, of which we contributed approximately CLP 7,953 million. From August through October 1997, VSP's capital was increased again by approximately CLP 11,872 million, of which we contributed approximately CLP 6,617 million, plus approximately CLP 191 million in additional shares bought during October 1997 in the local stock market. Furthermore, in October 1998 and during 1999, we purchased additional shares in VSP through the local stock exchanges for an amount of approximately CLP 5,526 million.

From March through June 1999, VSP's capital was increased by approximately CLP 17,464 million, of which we contributed approximately CLP 10,797 million.

In December 1995, we entered into a joint venture agreement pursuant to which Anheuser-Busch acquired a 4.4% interest in CCU Argentina. The agreement involved two different contracts: an investment and a licensing contract. Through CCU Argentina, we began our expansion into Argentina by acquiring an interest in two Argentine breweries: 62.7% of the outstanding shares of Compañía Industrial Cervecería S.A. ("CICSA"), were acquired during January and February 1995 and 98.8% of the outstanding shares of Cervecería Santa Fe S.A. ("CSF"), were acquired in September 1995. In 1997, CCU Argentina increased its interest in CICSA to 97.2% and in CSF to 99.9% through the purchase of non-controlling interests. In January 1998, we decided to merge these two breweries into one company operating under the name of CICSA. Following the merger, CCU Argentina's interest in CICSA was 99.2%. In April 1998, CCU Argentina completed the purchase of the brands and assets of Cervecería Córdoba S.A. As of mid-1998, after the resolution of certain labor issues, we began the production of the Córdoba brand at our Santa Fe plant.

After a capital increase approved by our shareholders in October 1996, we raised approximately USD 196 million between December 1996 and April 1999. Part of this capital expansion was accomplished between December 1996 and January 1997 through our second ADR offering in the international markets.

In November 2000, we and Malterías Unidas S.A. (currently Maltexco S.A.) became joint owners (50% each) of Cervecería Austral S.A. ("Cervecería Austral"), a Chilean company located in the city of Punta Arenas that produces, sells and distributes Austral beer in Chile. Additionally, Cervecería CCU Chile Limitada ("Cervecería CCU") has a two-year renewable license agreement, subject to compliance with the conditions established in the agreement, for the production of Austral Lager beer, returnable liter containers and kegs in Chile and a distribution agreement for the sale and marketing of all Austral products in Chile, with the exception of the Magallanes Region, where selling and distribution is carried out by Comercial Patagona Ltda., a subsidiary of Cervecería Austral.

During 2000, VSP, through its subsidiary Finca La Celia S.A. ("FLC"), acquired the winery Finca La Celia in Mendoza, Argentina, initiating its international expansion, allowing VSP to include fine quality Argentine wines into its export product portfolio. In December 2001, Viña Santa Helena S.A. ("VSH") created its own commercial and productive winemaking operation, distinct from its parent, VSP, under the Viña Santa Helena label in the Colchagua Valley. Between November 2000 and March 2001, VSP's capital was increased by approximately CLP 22,279 million, of which we contributed approximately CLP 13,402 million.

In May 2002, we acquired a 50% stake in Compañía Cervecería Kunstmann S.A., currently Cervecería Kunstmann S.A. ("CK"), a brewery located in the southern city of Valdivia, in Chile. In June 2003, our beer division began selling Kunstmann nationwide. In November 2006, we acquired additional shares of CK that allowed us to consolidate this subsidiary into our consolidated financial statements as of that month.

In February 2003, we began the sale of a new product for our beverage portfolio, pisco, under the brand Ruta Norte. Pisco is a grape spirit very popular in Chile that is produced in the northern part of the country. Our pisco, at that time, was only produced in the Elqui Valley in the Coquimbo Region and was sold throughout the country by our beer division sales force. In March 2005, we entered into an association with the second-largest pisco producer at that time, Cooperativa Agrícola Control Pisquero de Elqui y Limarí Ltda. ("Control"). This new joint venture was named Compañía Pisquera de Chile S.A. ("CPCh"), to which the companies contributed principally with assets, commercial brands and – in the case of Control – also some financial liabilities. Currently we own 80% of CPCh and Control owns the remaining 20%.

On April 17, 2003, the Schörghuber Group, at the time an indirect owner of 30.8% of our ownership interest, gave Quiñenco, also at the time an indirect owner of 30.8% of our ownership interest, formal notice of its intent to sell 100% of its interest in FHI to Heineken Americas B.V., a subsidiary of Heineken International B.V. As a result of the sale, Quiñenco and Heineken Americas B.V., the latter through FHI, became the only two shareholders of IRSA, the owner of 61.6% of our equity at that time, each with a 50% interest in IRSA. Heineken International B.V. and FHI subsequently formed Heineken Chile Ltda., to hold the latter's 50% interest in IRSA. Therefore, Quiñenco and Heineken Chile Ltda. were the only two shareholders of IRSA, with 50% equity each at that time. On December 30, 2003, FHI merged into Heineken Americas B.V., which together with Heineken International B.V. remained as the only shareholders of Heineken Chile Ltda. In 2022, Heineken Chile Ltda. became Heineken Chile SpA, a Chilean corporation (*sociedad por acciones*) whose current controller is Heineken International B.V., a Dutch limited liability company, subsidiary of Heineken N.V. The majority shareholder of Heineken N.V. is the Dutch company Heineken Holding N.V., a Dutch subsidiary of L'Arche Green N.V., which is a subsidiary of L'Arche Holdings B.V., the latter ultimately

controlled by Mrs. C.L. de Carvalho-Heineken. Currently, Quiñenco and Heineken Chile SpA, are the only shareholders of IRSA, each with a 50% equity interest. As of March 31, 2023, and as of the date of this annual report, IRSA directly and indirectly owned 65.87% of our shares of common stock.

In August 2003, VSP formed Viña Tabalí S.A., a joint venture in equal parts with Sociedad Agrícola y Ganadera Río Negro Ltda., for the production of premium wines. This winery is in the Limarí Valley, Chile's northernmost winemaking region, which is noted for the production of outstanding wines.

In January 2004, we entered the sweet snacks business by means of a joint venture between CCU Inversiones S.A. and Industria Nacional de Alimentos S.A., a subsidiary of Quiñenco, with a 50% interest each in Calaf S.A., which was renamed Foods Compañía de Alimentos CCU S.A. ("Foods"), a corporation that acquired the trademarks, assets and know-how, among other things, of Calaf S.A.I.C. and Francisca Calaf S.A., traditional Chilean candy makers, renowned for more than a century. In 2007 we acquired the brand Natur, adding a new line of products to our ready-to-eat portfolio. In August 2008, Foods bought 50% of Alimentos Nutrabien S.A. ("Nutraben"), a company that specializes in brownies and other high-quality baked goods under the brand Nutrabien.

In October 2004, VSP acquired the well-known Manquehuito Pop Wine brand, a sparkling fruit-flavored wine with low alcohol content, broadening its range of products. At VSP's extraordinary shareholders meeting held on July 7, 2005, the shareholders approved a capital increase that was to be partially used for stock option programs. During October and November 2005, VSP's capital was increased by approximately CLP 346 million. We did not participate in this capital increase.

In December 2006, we signed a joint venture agreement with Watt's S.A. ("Watt's"), a local food related company, under which, as of January 30, 2007, we participate in equal parts in Promarca S.A. ("Promarca"). This new company owns, among others, the brands "Watt's", "Watt's Ice Frut", "Yogu Yogu" and "Shake a Shake" in Chile. Promarca granted both of its shareholders (New Ecusa S.A., a former subsidiary of ECUSA, which as of the date of this annual report has been merged into ECUSA, and Watt's Dos S.A., a subsidiary of Watt's S.A.), for an indefinite period, the exclusive licenses for the production and sale of the different product categories.

In January 2007, Viña Tabalí S.A. bought the assets of Viña Leyda, located in the Leyda Valley, a new winemaking region south of Casablanca Valley and close to the Pacific Ocean. Viña Leyda produces excellent wines that have won awards in different international contests. After this acquisition, Viña Tabalí S.A. changed its name to Viña Valles de Chile S.A. In September 2007, VSP bought a 50% interest in Viña Altaír S.A. which belonged to Château Dassault, in line with our strategy of focusing on premium wines. Consequently, VSP owns 100% of said company. Between April and June 2007, VSP's capital was increased by approximately CLP 13,692 million, of which we contributed approximately CLP 5,311 million.

In May 2007, CPCh entered the rum market with our proprietary brand Sierra Morena and later, in 2008, added new rum brand extensions and introduced various pisco based cocktails. In June 2010 CPCh purchased Fehrenberg, a small, but well-recognized spirits brand produced in Chile. In July 2011 CPCh began the distribution of Pernod Ricard products (Chivas Regal, Ballantine's, Havana Club, Absolut, among others). Furthermore, in 2011, CPCh signed a license agreement for the commercialization and distribution in Chile of the pisco brand Bauzá. In addition, in 2011 CPCh acquired 49% of the licensor company Compañía Pisquera Bauzá S.A. ("Bauza"), the owner of the brand in Chile, and CPCh sold such interest to Agroproductos Bauzá S.A. in January 2016.

In December 2007, we entered into an agreement with Nestlé Chile S.A. and Nestlé Waters Chile S.A., the latter of which acquired a 20% interest in our subsidiary Aguas CCU-Nestlé Chile S.A. ("Aguas CCU"), the company through which we develop our bottled water business in Chile. As part of this new association, Aguas CCU introduced in 2008 the Nestlé Pure Life brand in Chile. On June 4, 2009 ECUSA received a notice from Nestlé Waters Chile S.A. whereby it exercised its irrevocable option to buy 29.9% of Aguas CCU's equity, pursuant to the terms and conditions of the association agreement. The completion of the deal represented a profit before taxes for ECUSA of CLP 24,439 million. On September 30, 2009 in the extraordinary shareholders' meetings, Aguas CCU and Nestlé Waters Chile S.A. approved the merger of both companies, the latter being the surviving company under the name Aguas CCU-Nestlé Chile S.A. The current shareholders of Aguas CCU are ECUSA (50.10%) and Nestlé Chile S.A. (49.90%).

In 2008, the licensing contract that grants CCU Argentina the exclusive right to produce, package, commercialize and distribute Budweiser beer in Argentina, was extended until 2025. After subsequent capital increases, the last one in June 2008, Anheuser-Busch reduced its interest in CCU Argentina to 4.04% and we

increased our participation to 95.96%. In April 2008, we bought the Argentine brewer Inversora Cervecera S.A. ("ICSA") after receiving the approval of the Argentine antitrust authorities. CICSA paid an aggregate amount of USD 88 million to acquire ICSA. ICSA owns, among other assets, the Bieckert, Palermo and Imperial beer brands, which together represented approximately 5.8% of the Argentine beer market, and a brewery in Luján, Buenos Aires, with a nominal production capacity of 270 million liters per year.

In November 2008, CCU and its affiliate VSP entered into a Merger Agreement with Compañía Chilena de Fósforos S.A. and its subsidiaries Terciados y Elaboración de Maderas S.A. and Viña Tarapacá S.A. ("VT"), in order to merge VT into VSP. Under the terms of the Merger Agreement, and prior to its execution, CCU had to acquire 25% of VT's equity. On December 3, 2008, the extraordinary shareholders' meetings of VSP and VT approved the merger of both companies. Once all the legal requirements were fulfilled, the merger by absorption of VT by VSP was completed on December 9, 2008, with an effective date for accounting purposes of October 1, 2008. The surviving company was named Viña San Pedro Tarapacá S.A. ("VSPT"), which began consolidating its financial statements with ours on October 1, 2008, with operations commencing on December 9, 2008. VSPT's capital was increased because of the merger, by issuing 15,987,878,653 shares to be exchanged for the total number of shares issued by VT at a ratio of 1,480.30828 new VSPT shares per each share of the absorbed company.

In March 2009, Compañía Cervecerías Unidas S.A. placed corporate bonds in the Chilean Market, 21-year bonds in an amount of 2 million UF, with an annual interest rate of 4.3%.

In December 2010, our subsidiary Inversiones Invex CCU Ltda., acquired a 4.04% equity stake in CCU Argentina from Anheuser-Busch Investment, S.L. After the acquisition, CCU, through its subsidiary Inversiones Invex CCU Ltda., became the sole equity holder of CCU Argentina. This transaction had no effect on the Budweiser brand production and distribution contract, which was set to expire in 2025 (prior to the 2017 offer letter signed between ABI and CCU Argentina described below). The license for the distribution of the brand in Chile expired in 2015. Currently, CCU's subsidiaries Inversiones Invex CCU Ltda. and Inversiones Invex CCU Dos Ltda. own 80.649% and 19.351%, respectively, of CCU Argentina's share capital. CCU Argentina owns 78.497% of CICSA's share capital, Inversiones Invex CCU Dos Ltda. owns the remaining 21.503%.

In December 2010, CICSA acquired equity interests in Saénz Briones y Cía. S.A.I.C. and Sidra La Victoria S.A. Through this transaction, CICSA became the controlling shareholder of these companies. These companies own the assets used in the production, packaging and marketing of cider and other spirits businesses in Argentina, which are marketed through several brands, the most important cider and spirits brands are Real, La Victoria, Saénz Briones, 1888 and in spirits, El Abuelo. In 2015, Sidra La Victoria S.A. merged with and into Saénz Briones y Cía S.A.I.C.

In August 2011, the board of directors of VSPT agreed to spin-off Viña Valles de Chile S.A. ("VDC"), a corporation owned, in equal parts, by VSPT and Sociedad Agrícola y Ganadero Río Negro Limitada ("ARN"). VDC had two major vineyards: Viña Tabalí and Viña Leyda. According to such agreement, VSPT would remain the sole owner of Viña Leyda (whose net assets would remain within VDC) and ARN would remain the sole owner of Viña Tabalí (whose net assets would be assigned to the spun off company). This transaction concluded on December 29, 2011, through a stock swap contract, whereby VDC became a subsidiary of VSPT, that is, directly and indirectly, 100% owned by VSPT.

In September 2012, CCU acquired 100% of the shares of the Uruguayan companies Milotur S.A. ("Milotur"), Marzurel S.A. ("Marzurel") and Coralina S.A. ("Coralina") and, indirectly of Andrimar S.A. ("Andrimar"), a wholly-owned subsidiary of Milotur. These companies own the assets of a business developed in Uruguay that engages in the production and commercialization of mineral and flavored bottled water under the Nativa brand, and carbonated soft drinks under the Nix brand. Milotur also commercializes Schneider and Heineken beer brands, the latter due to an amendment to the trademark license agreement in force with Heineken Brouwerijen B.V.

In December 2012, Aguas CCU completed an acquisition of 51.01% of the company Manantial S.A. ("Manantial"), a Home and Office Delivery ("HOD") business of purified water in bottles with the use of dispensers. The partnership enabled Aguas CCU to participate in a new business category. The shareholders agreement of Manantial included a call option to purchase the remaining shares.

On June 18, 2013, the extraordinary shareholders' meeting approved the issuance of 51,000,000 of common shares which were registered in the "Superintendencia de Valores y Seguros" ("SVS"), currently "Comisión para el Mercado Financiero" ("CMF"), under N° 980 on July 23, 2013. On November 8, 2013 CCU successfully concluded this capital increase, the total number of shares issued pursuant to the capital increase having been

subscribed and paid, raising a total amount of CLP 331,718,929,410. This capital increase was made in order to continue our expansion plan, which includes organic and inorganic growth in Chile and the surrounding region. Part of this capital increase was offered in the international markets, representing our third ADR offering.

In December 2013, CCU acquired 50.005% of Bebidas del Paraguay S.A. (“Bebidas del Paraguay”), and 49.959% of Distribuidora del Paraguay S.A. (“Distribuidora del Paraguay”), entering the Paraguayan market with the production, marketing and sale of non-alcoholic beverages, such as soft drinks, juices and water, and the marketing and sale of beer, under various brands, both proprietary and under licensees and imported.

Furthermore, in 2013, CCU, through its subsidiary CCU Inversiones S.A., increased its stake in VSPT to 64.72% by acquiring additional outstanding shares of VSPT. VSPT is formed by the wineries San Pedro, Tarapacá, Santa Helena, Viña Leyda, Misiones de Rengo, Viña Mar, Casa Rivas, Finca La Celia, and Bodega Tamarí. These are all important and renowned cellars in Chile and Argentina, each with its own distinctive brands. Since the merger, VSPT has become the second-largest Chilean wine exporter and one of the leaders in the domestic market. In June 2013, the merger of Viña Misiones de Rengo S.A. and Viña Urmeneta S.A. was completed, with Viña Valles de Chile S.A., as the legal successor. In May 2014 Vitivinícola del Maipo S.A. merged into Viñas Orgánicas SPT S.A., the latter being the legal successor. Additionally, in April 2015 Viña Santa Helena S.A. merged into Viña San Pedro Tarapacá S.A., pursuant to the Chilean Corporations Act, due to the fact that Viña San Pedro Tarapacá S.A. became the sole shareholder of the company for more than 10 days. On December 21, 2020, the board of Directors of Finca La Celia S.A. and Bodega San Juan S.A.U. approved to carry out a merger by absorption, pursuant to which Finca La Celia S.A. was the surviving entity, effective as of January 1, 2021. In order for the merger to materialize, all legal requirements must be complied with, and the merger must be ultimately approved by the *Inspección General de Justicia de la Ciudad de Buenos Aires, Argentina*.

In May 2014, CCU entered the Bolivian market through a partnership with Grupo Monasterio, acquiring 34% of Bebidas Bolivianas BBO S.A. (“BBO”). BBO produces and commercializes alcoholic and non-alcoholic beverages in Bolivia. CCU’s initial stake in BBO was 34%, which was obtained by a capital injection, and which contemplated the right of CCU to acquire additional interests that would enable it to own 51% of the shares of BBO in a second stage. This transaction also included contracts that allow BBO to operate CCU’s brands in Bolivia. The Company has recorded this investment under joint ventures and associated companies. In 2014, BBO acquired Cordillera beer brand from SABMiller.

As of June 6, 2014, CICSА reached agreements with Cervecería Modelo S.A. de CV. and Anheuser-Busch LLC, for the termination of the contract which allowed CICSА to import and distribute on an exclusive basis, Corona and Negra Modelo beers in Argentina, and the license for the production and distribution of Budweiser beer in Uruguay. CICSА received compensation in respect of these agreements in the amount of ARS 277.2 million, equivalent to USD 34.2 million.

In November 2014, CCU, directly and through its subsidiary CCU Inversiones II Ltda. (currently CCU Inversiones II SpA), signed a series of contracts and agreements with the Colombian entity Postobón S.A. and related companies (“Grupo Postobón”), by which we agreed to initiate a joint venture for the manufacturing, commercialization and distribution of beer and malt based non-alcoholic beverages in Colombia. The joint venture was established through a company named Central Cervecería de Colombia S.A.S. (“CCC”), in which CCU and Grupo Postobón participate in equal parts. This transaction included the following contracts and agreements: an investment framework agreement, a shareholders agreement, a long-term logistics and distribution contract and a sales contract governing services to be provided by Grupo Postobón to CCC, a trademark license agreements granted to CCC by CCU and Grupo Postobón, a shared services agreement governing services to be provided by Postobón to CCC, and an exclusive license granted by Heineken to CCC for the import, production and distribution of Heineken products in Colombia. As of September 2015, CCC also has an exclusive contract to import, produce and distribute Coors Light in Colombia. Additionally, as of April 1, 2016, CCC also has an exclusive license granted by Heineken to import, produce and distribute Tecate in Colombia and Sol as of July 1, 2017.

In November 2015, ECUSA entered into a joint operation agreement with Empresas Carozzi S.A. (“Carozzi”) for the production, commercialization, and distribution of instant powder drinks under the brands Sprim, Fructus, Vivo and Caricia. This joint operation is carried out by Bebidas Carozzi CCU SpA (“Bebidas Carozzi CCU”), of which ECUSA acquired 50% of the share capital. Carozzi is in charge of the production of the respective products, and ECUSA of its distribution.

In 2015, we sold the brands Calaf and Natur to Carozzi, leaving Foods only with its 50% stake in Nutrabien. During 2016, Foods acquired the remaining 50% stake of Nutrabien.

On January 29, 2016, Aguas CCU and ECUSA exercised the call option, acquiring 48.07% and 0.92% of the shares of Manantial respectively. As a consequence, CCU is currently the indirect owner of 100% of the shares of Manantial, remaining as the only direct shareholders of Manantial: (i) Aguas CCU with 99.08% of the capital stock and (ii) ECUSA with 0.92% of the capital stock.

In February 2016, CCU and Watt's, among others, entered into an "International Association Agreement" in order to expand the brand Watt's to certain South American countries, through Promarca Internacional SpA, currently a wholly owned subsidiary of Promarca S.A.

In March 2016, we, through our subsidiary Bebidas del Paraguay S.A., acquired 51% of Sajonia Brewing Company SRL (formerly Artisan SRL) which produces and commercializes Sajonia craft beer in Paraguay.

In 2016, CCC acquired the brand and assets related to the craft beer brand "3 Cordilleras" of Artesana Beer Company S.A. in Colombia. CCC is reported under Joint Ventures and Associated Companies.

In 2017, we began producing and commercializing Miller Genuine Draft ("MGD") in Argentina.

As of April 2017, CCC also has a license agreement to commercialize and distribute the Miller Lite and Miller Genuine Draft brands in Colombia.

In June 2017, CPCh incorporated to its portfolio the Peruvian pisco brand BarSol, through the acquisition of 40% of Americas Distilling Investments LLC, which is based in the United States and owns the BarSol brand and productive assets based in Peru.

On June 15, 2017, Foods and CCU Inversiones S.A. signed a purchase agreement, for the sale of all the shares of its subsidiary Nutrabien, with Ideal S.A, a subsidiary of Grupo Bimbo, subject to the approval of the antitrust authorities in Chile. Having received said approval, the sale of 100% of the shares of Nutrabien to Ideal S.A. was completed on December 17, 2018.

On August 16, 2017, CCU, through its subsidiary CCU Inversiones II Ltda., acquired 50% of Zona Franca Central Cervecera S.A.S. ("ZF CC"), a company incorporated in Colombia in which CCU and Grupo Postobón are the sole shareholders in equal parts. The price of the transaction amounted to USD 10.2 million, equivalent to CLP 6.4 billion. Until November 2019, the main purpose of ZF CC was to act exclusively as an industrial user of one or more free-trade zones, providing toll manufacturing services to CCC, which was the company that produced, marketed and distributed beer and malt beverages. Since November 2019, ZF CC is producing and selling to CCC, which continues to market and distribute our products.

In December 2017, CCU, through its subsidiary CCU Inversiones S.A., increased its stake in VSPT by acquiring additional outstanding shares of VSPT through a tender offer, which concluded at the end of January 2018, and allowed us to increase our total stake from 67.22% to 83.01%.

On September 6, 2017, CCU and CCU Argentina signed an offer letter with ABI (together with CCU Argentina, the "Parties"), under which the early termination of the "Budweiser" license agreement in Argentina was agreed to in exchange for the transfer to CCU Argentina of a portfolio of beer brands and cash payments, among other matters. This transaction was subject to the prior approval of the Comisión Nacional de Defensa de la Competencia ("CNDC") and the Secretario de Comercio del Ministerio de Producción de la Argentina ("SECOM"), which are Argentina's antitrust regulators. On March 14, 2018, SECOM, based on the CNDC's favorable opinion, approved the transaction, pending review and approval by the CNDC of the terms and conditions of the definitive contracts in respect thereof. On April 27, 2018, after receiving the approval from CNDC and SECOM, the Parties were legally obliged to close the transaction. On May 2, 2018, the abovementioned transaction (the "Transaction") was executed, which included, among other matters: (i) the early termination of the Budweiser brand license agreement in Argentina, between the Parties and (ii) the transfer to CCU Argentina of the ownership of the Isenbeck, Diosa, Norte, Iguana and Báltica brands, as well as the transfer of the licenses for Argentina of the international brands Warsteiner and Grolsch. In order to achieve an orderly transition of the aforementioned brands, the Transaction contemplates several contracts in which (i) CCU Argentina produces Budweiser, on behalf of ABI, for a period of up to one year; (ii) ABI produces Isenbeck and Diosa, on behalf of CCU Argentina, for a period of up to one year and (iii) ABI carries out the production and distribution of Iguana, Norte, Báltica, Grolsch and Warsteiner, on behalf of CCU Argentina, for a period of up to three years (the "Transition Brands"). As a consequence, as of May 2, 2018, CCU Argentina began commercializing Isenbeck and Diosa and ceased selling Budweiser. As part of the terms of the Transaction, CCU Argentina received from ABI a cash payment of USD 306 million, as part of its compensation for the early termination of the license contract for the Budweiser brand, as well as an additional USD 10 million for producing Budweiser on behalf of ABI for a year. CCU Argentina also received from ABI payments of up to

USD 28 million per year, for a period of up to three years (through May 2021), which depended on the scope and length of the transition of the production and/or commercialization of the Transition Brands.

On August 9, 2018, CCU exercised its option to purchase from Grupo Monasterio, holder of 66% of BBO capital stock, 30,286, ordinary shares of BBO, representing 17% of the total capital stock of BBO, with which CCU increased its stake from 34% to 51%, with Grupo Monasterio retaining the remaining 49%. Subsequently, on December 17, 2018, CCU contributed the totality of its BBO shares to its subsidiary CCU Inversiones II Ltda. (currently CCU Inversiones II SpA), the current shareholder and controller of BBO.

On August 17, 2018, CCU placed a three million UF bond in the Chilean market. The 25-year bullet note was priced at 2.85% in UF's (Chile's inflation adjusted currency), which represented a spread of 68 bps over the Chilean Central Bank bond (BCU) with the same duration.

In September of 2018, CCU was included for the first time in the Dow Jones Sustainability Index Chile, created in 2015, which assesses and selects companies based on an analysis of their environmental, social and governance (ESG) performance.

On September 4, 2018, CCU and 29 other companies in Chile, signed a Zero Waste to Landfill Clean Production Agreement (CPA), together with the Chilean government's Sustainability and Climate Change Agency (ASCC) and the Recycling Industry National Association. In this agreement, the participating companies committed to reducing to zero the waste that they send to landfills, within a period of two years.

In November of 2018, and as part of our electromobility plan, CCU began to operate the first 100% electric, high-tonnage truck in the country. With a capacity of up to 13 tons and a range of 280 kilometers, the heavy-load vehicle will be used to transport CCU's products in Santiago. CCU's goal is for electric trucks to represent 50% of the fleet by 2030.

At the end of 2018, CCU finalized the construction of the new distribution center as part of the CCU Renca Project. The new distribution center has a 22,500 square meter warehouse and uses 100% electricity-powered machinery, in addition to being a zero-waste-to-landfill operation.

In 2019, CCU started the construction of the production plant for non-alcoholic beverages, as part of the CCU Renca Project, and it is expected to be operational by the end of 2020. This project incorporates the latest technology for efficient and sustainable production and distribution.

On May 31, 2019, CCU, through its subsidiary Viña San Pedro Tarapacá S.A., completed the purchase of the wine assets of Pernod Ricard Argentina SRL, which included the brands Graffigna, Colón and Santa Silvia.

On August 8, 2019, CCU announced that CPCh, acting through the companies Inversiones Internacionales SpA and International Spirits Investments USA LLC, communicated to LDLM Investments LLC their decision to start a process of selling their total participation in Americas Distilling Investments LLC, owner of the Peruvian company Bodega San Isidro SRL and Barsol brand. In March of 2021, CPCh communicated to LDLM Investments LLC its decision not to proceed with the sale of its interest in Americas Distilling Investments LLC.

In December 2019, as part of our 2030 Environmental Vision plan, CCU committed for the next ten years to: (i) continue reducing greenhouse gas emissions per liter produced to reach a 50% reduction, (ii) continue optimizing water consumption per liter produced, until a 60% reduction is achieved, (iii) 100% valorization of industrial solid waste, (iv) use 75% renewable energy, (v) use 100% reusable, recyclable or compostable packaging, and (vi) aim for our packaging to be made on average of 50% recycled material.

In 2020, the Company implemented a regional plan with three priorities in the context of the COVID-19 pandemic: (i) the safety of our people and the community we interact with, (ii) operation continuity, and (iii) financial health. This allowed us to continue supplying our clients and consumers with our products and maintaining a safe work environment in all the countries the Company operates.

On February 18, 2020, the subsidiary Cervecería Kunstmann S.A. ("CK") acquired 50.1% from the company Mahina SpA.

On March 20, 2020, the Company and its subsidiary Cervecera CCU Chile Ltda. incorporated the subsidiary ECOMCCU S.A., renamed as La Barra S.A. on December 2, 2020, with the purpose of marketing and selling beverages, food products and household items.

On May 12, 2020, the subsidiary Bebidas del Paraguay S.A. acquired an additional 27% of the shares of the Paraguayan company Sajonia Brewing Company S.R.L. (currently Sajonia Brewing Company S.A.), reaching a participation of 78% of that aforementioned company. On July 1, 2020, our subsidiaries Bebidas del Paraguay

S.A. and Distribuidora del Paraguay S.A. acquired the remaining non-controlling part of Sajonia Brewing Company S.A. by acquiring a participation of 21% and 1%, respectively, reaching a stake of 100% of the shares.

In June, 2020, the Company placed corporate bonds in the Chilean Market in an aggregate amount of 6.5 million UF, of which Compañía Cervecerías Unidas S.A. placed 7-year bonds in an amount of 3 million UF and 10-year bonds in an amount of 2 million UF, with an interest rate of 0.85% and 1.20% per annum, respectively, while our subsidiary VSPT issued 5-year bonds in an amount of 1.5 million UF, with an interest rate of 0.5% per annum, reflecting the market's confidence in CCU in the long term.

In November 2020, through its subsidiary CPCh, CCU started a new category in Chile, by launching the first hard seltzer in this market, under the name of Hard Fresh, a gluten-free product based on carbonated water with 5° of alcohol and a light touch of natural fruit, responding to the trend of conscious consumption and the search for more natural and lighter-calorie products.

In December 2020, CCU completed its 2020 Environmental Vision plan, which implied in 2010 the establishment of specific commitments in terms of reducing the use of water per liter produced, reducing the emission of greenhouse gases per liter produced, and the valorization by a 100% of industrial solid waste. At the end of 2020, CCU far exceeded the proposed goals in two of the objectives, by reducing greenhouse gas emissions per liter produced by 35.7% (the goal was 20%) and contracting the use of water per liter produced by 48.6% (the goal was 33%). Regarding the valorization of industrial solid waste, we reached 99.4% (the goal was 100%).

On March 24, 2021, IRSA acquired 5,780,000 shares of Compañía Cervecerías Unidas S.A. in Chile, equivalent to 1.56% of the ownership interest in CCU. Prior to such purchase IRSA directly owned 53.16% of CCU's shares and had an indirect participation of 6.84% through its subsidiary Inversiones IRSA Limitada (amounting to a 61.56% direct and indirect ownership of CCU's shares). Pursuant to Article 198 Section 5 of Law N° 18,045 (the "Chilean Capital Markets Law") and Circular N° 1,514 of the CMF, IRSA made a partial tender offer ("Tender Offer") for the acquisition of up to 16,390,172 ordinary shares of CCU S.A., including those in the form of ADSs, representing 4.44% of CCUS.A.'s share capital. The tender offer was conducted in Chile and the United States of America between May 19 and June 17, 2021, and during such period IRSA received tenders for 15,907,548 shares (including 4,884,800 shares represented by ADSs), representing approximately 4.31% of CCU's share capital. Consequently, following acceptance of the shares tendered pursuant to the Tender Offer, IRSA became the direct and indirect holder of 65.87% of CCUS.A.'s shares.

During April, July and August 2021, CCU increased its participation in the cider business in Argentina, through its subsidiary Compañía Industrial Cervecera S.A., through the acquisition of 1,124,111 shares of the capital stock of Argentine company Sáenz Briones y Cía. S.A.I.C., reaching 99.9419% interest in said company.

In September and October 2021, we increased our participation in Viña San Pedro Tarapacá S.A. through the acquisition of 603,639,429 shares of VSPT through our subsidiary CCU Inversiones S.A., reaching a participation of 84.5159% as of December 2021.

In line with our environmental vision, in September 2021 we inaugurated and started operating our new non-alcoholic plant "Embotelladora CCU Renca", which counts with high environmental care standards, such as zero industrial waste to landfills, 100% recyclable packaging, and efficient technology enabling low water consumption. Furthermore, this plant uses 100% renewable energy sources and has a low level of greenhouse gas emissions.

In January 2022, the Company issued and placed a 10-year USD 600 million international bond, under Rule 144A and Regulation S of the US Securities Act of 1933, for general corporate purposes, reaching a yield to maturity of 3.365% (165 basis points spread) and at a coupon rate of 3.350%. This process began late 2021 and culminated in early 2022.

In April 2022, the company issued and placed in the Chilean Market 10-year bonds in a principal amount of UF 2 million (equivalent to CLP 70,222 million as of December 31, 2022) maturing on March 15, 2032, with an interest rate of 3.20% per annum. Also, in December 2022, the Company issued 20-year bonds, for a total of UF 4 million (equivalent to CLP 140,444 million at December 31, 2022) maturing on September 15, 2042. These bonds were placed with an interest rate of 2.72% per annum.

On April 28, 2022, CCU through its subsidiary, Compañía Cervecerías Unidas Argentina S.A. acquired 49% of the ownership of Aguas Danone de Argentina S.A. ("ADA"), accounted using the equity method, which includes the business of mineral waters, flavored waters and powdered juices with its brands Villavicencio, Villa del Sur, Levité, Ser and Brío. Also, in the same day, the subsidiary Compañía Cervecerías Unidas Argentina S.A.,

acquired 49,000 ordinary, nominative, non-endorsable shares of Aguas de Origen S.A. ("ADO"), reaching a 49% interest in this company. It should be noted that Aguas de Origen S.A. ("ADO"), is the continuation of the business of Aguas Danone de Argentina S.A., which was effective as of December 1, 2022. On November 30, 2022, we acquired from Holding Internationale De Boissons S.A.S. an additional 1% of the shares of "ADO", thus reaching a 50% shareholding in this company. This acquisition, which does not consolidate operationally, is in line with our strategy of being a regional multi-category beverage company. By the end of 2022, this business represents volumes of more than 5 million hectoliters.

Additionally, in July 2022, the Company acquired the brand Volcanes del Sur, a premium beer brand in Chile.

On December 30, 2022, our subsidiary CPCh signed a series of contracts and agreements to acquire a controlling interest in D&D SpA, a company which specializes in premium frozen cocktails in Chile, mainly through the brand La Pizka. CPCh's payment in respect of the acquired shares in D&D SpA was subject to the satisfaction of certain conditions, all of which were completed in January 2023. Consequently, we will begin to consolidate D&D SpA in our financial statements beginning in 2023.

In March 2023, the Company reached irrevocable and definitive agreements regarding Bebidas del Paraguay S.A. and Distribuidora del Paraguay S.A., which settled the exit of the Cartes group from those companies, and the incorporation of a new partner, Sudameris Bank S.A.E.C.A. Thus, as of March 1, 2023, the Company increased its participation in Bebidas del Paraguay S.A. from 50.005% to 55.007%, and in Distribuidora del Paraguay S.A. from 49.959% to 54.964%. Consequently, currently the only shareholders of the above-mentioned companies in Paraguay are CCU, through its subsidiary CCU Inversiones II SpA, and Sudameris Bank S.A.E.A.C. Bebidas del Paraguay S.A. and Distribuidora del Paraguay S.A. are controlled by CCU (for more information see "Note 36 - Subsequent Events" of our Consolidated Financial Statements as of December 2022 included herein).

As of January 2023, 20 years have passed since the beginning of the strategic alliance with Heineken, which, as of the date of this annual report, is the second largest brewery in the world and a shareholder of CCU through a 50/50 joint venture with Quiñenco from 2002 to 2022, the Company multiplied its consolidated volumes by 3.4 times, and increased its Net income by 5.4 times.

Capital Expenditures

The capital expenditure figures for the last three years disclosed below reconcile to the Consolidated Statements of Cash Flows.

Our capital expenditures for the last three years were CLP 122,787 million, CLP 171,854 million and CLP 203,603 million, respectively. In the three-year period, the amount of capital expenditures totaled CLP 498,244 million, of which CLP 367,662 million was invested in Chile and CLP 130,582 million outside Chile.

Our overall focus of our capital expenditures is to ensure that we have an adequate level of capacity for our operations, improve and optimize the distribution chain, increase returnable bottles and crates, and expand our commercial assets footprint (mainly refrigerators), while ensuring we keep investing in environmental initiatives and the integration of new operations, among others.

During 2020, 80% of our capital investments were allocated to our operations in Chile. These investments were necessary to optimize our production and distribution capacity for our products. We increased our beer packaging lines, continue with the construction of the new non-alcoholic beverages production in Santiago, and with the expansion of our capacity to process grapes for our wine and packaging operations. We also continue with the process of updating our technological systems. The objectives of all of the above capital expenditures is to provide support and respond to market requirements.

During 2021, 63% of our capital investments were allocated to our operations in Chile. The main focus of these investments was to increase our production and distribution capacity for our products. We increased our beer brewing and packaging lines capacity, finished the first stage of the new non-alcoholic beverages production plant in Santiago, while we increased our capacity to process grapes in our wine business. In 2021, we continued with the investments on technology platform. The objectives of all of the above capital expenditures is to provide support and respond to market requirements.

During 2022, 79% of our capital investments were allocated to our operations in Chile. The main focus of these investments was to complete ongoing projects that increased our production and distribution capacity; with focus on brewing capacity and packaging lines in Chile and Argentina. We also implemented a new non-alcoholic beverage packaging line at our Embotelladora CCU Renca plant, in Santiago. We continue to invest to respond to market and consumer trends.

The following table shows our primary capital expenditures for the period 2020 - 2022. See “Item 5: Operating and Financial Review and Prospects – B. Liquidity and Capital Resources – Capital Expenditures” for the 2023 - 2026 period.

	2020	2021	2022
		(millions of CLP)	
Chile	98,237	108,080	161,345
Abroad	24,550	63,774	42,258
Total	122,787	171,854	203,603

B. Business Overview

1) Summary

CCU is a multi-category beverage company with operations in Chile, Argentina, Bolivia, Colombia, Paraguay and Uruguay. CCU is one of the largest players in each one of the beverage categories in which it participates in Chile, including beer, soft drinks, mineral and bottled water, juice, wine, cider and pisco, among others. CCU is the second-largest brewer in Argentina and also participates in the cider, spirits and wine industries. Also, in Argentina, the Company participates in a joint venture with Danone in the mineral and flavored water business. In Uruguay and Paraguay, the Company is present in the beer, mineral and bottled water, soft drinks, wine, and juice categories. In Bolivia, CCU participates in the beer, water, soft drinks, juice and malt beverage categories. In Colombia, the Company participates in the beer and malt beverage industry. The Company's principal licensing, distribution and / or joint venture agreements include Heineken Brouwerijen B.V., PepsiCo Inc., Seven-up International, Schweppes Holdings Limited, Société des Produits Nestlé S.A., Pernod Ricard Chile S.A., Promarca S.A. (Watt's), Red Bull Panamá S.A., Stokely Van Camp Inc., and Coors Brewing Company.

CCU reports its consolidated results pursuant to the following Operating segments, essentially defined with respect to its revenues in the geographic areas of commercial activity: Chile, International Business and Wine. These Operating segments mentioned are consistent with the way the Company is managed and how results will be reported by CCU. These segments reflect separate operating results which are regularly reviewed by each segment Chief Operating Decision Maker in order to make decisions about the resources to be allocated to the segment and assess its performance. Corporate revenues and expenses are presented separately as Other.

In 2015, the Committee of International Business was created, which brought together management of business activities in Argentina, Uruguay and Paraguay. Following this, the Río de la Plata Operating segment (consisting of the business activities referred to above) was renamed as the International Business Operating segment. The Committee of International Business also represents and looks after the interests associated with investments in Colombia, which continue to report their results under Equity and Income of JVs and are associated on a consolidated basis.

At the end of 2018, CCU launched the 2019-2021 Strategic Plan, which was based on three Strategic Pillars: Growth, Profitability and Sustainability. Our plan had six strategic goals: (1) grow profitably in all our business units; (2) strengthen our brands; (3) continue to innovate; (4) execute our "ExCCelencia CCU" program to capture additional efficiencies; (5) continue working towards the integral development of our employees; and (6) continue taking care of our planet through the development and implementation of our 2030 Environmental Vision plan.

In 2022, we launched our 2022-2024 Strategic Plan, which renewed our commitment to our three Strategic Pillars: Growth, Profitability and Sustainability. The Plan has five strategic goals: (1) promote growth in profits based on operating efficiency, synergies, scale optimization and brand loyalty; (2) give our personnel and organization the necessary competencies to adapt to new challenges; (3) continue to take care of our planet through the implementation of our 2030 Environmental Vision plan; (4) accelerate portfolio innovation; and (5) enhance the "CCU Transformation" program, which seeks to build efficiencies through key areas of the Company.

In 2023, the 2022-2024 Strategic Plan will be enhanced by the implementation of "HerCCUles 2023", a recovery profitability plan, which encompasses six pillars: (i) maintain business scale, (ii) strengthen revenue management efforts, (iii) enhance the "CCU Transformation" program to deliver efficiency gains in costs and expenses, (iv) optimize CAPEX and working capital, (v) focus on core brands and high volume/margin innovations, and (vi) continue investing in our brand equity.

2) Overview

Overview: Chile Operating segment

We estimate that our weighted volume market share for the Chile Operating segment was approximately 45.2%, 46.2%, 45.2% in 2020, 2021 and 2022, respectively. The calculation of the weighted average for past periods includes markets and industries that CCU entered at a later date. Weighted volume market share includes all categories in which CCU participates in the Chilean domestic market, excluding HOD, powder drinks and energy drinks (for 2021 and 2022 figures), according to Nielsen figures.

We produce and sell alcoholic and non-alcoholic beverages in Chile. In the beer category, we carry a wide portfolio of products which includes premium, mainstream and convenience brands, which are primarily marketed under different proprietary brands and licensed brands. We are the exclusive producer and distributor of Heineken, Sol and Coors beer in Chile; the exclusive distributor of imported Blue Moon beer, Birra Moretti and Edelweiss beer and we produce and distribute Kunstmann, Dolbek, Guayacan, Mahina, Szot, Volcanes del Sur, Polar Imperial, Patagonia and Austral beer in Chile via distribution or license agreements.

Our non-alcoholic beverages in Chile include carbonated soft drinks (both cola and non-cola), juices, sports and energy drinks, ice tea; and water, which include mineral, purified and flavored bottled water. These include both our proprietary brands and brands produced under license, from PepsiCo (carbonated and non-carbonated soft drinks), Schweppes Holdings (carbonated soft drinks) and Promarca (juice and fruit-flavored beverages). In the energy drinks business, we are the exclusive distributor of Red Bull energy drinks in Chile. We also produce and distribute Gatorade, under license from Stokely Van Camp Inc.. In addition, we also produce and distribute purified waters under license from Société des Produits Nestlé S.A. and others, and distribute the imported brand Perrier. We also participate in the ready-to-mix category with instant powder drinks in a joint operation with Empresas Carozzi S.A.

We also produce and distribute pisco and cocktails, rum, flavored alcoholic beverages ("FABs"), gin and cider in Chile. In addition, we distribute Pernod Ricard products, such as whisky, vodka, rum, gin and other spirits, in non-supermarket retail stores. Also, we distribute Fratelli Branca products, mainly Fernet, a blend of herbs and spices liquor.

Wholesale and retail prices of all the previously mentioned categories are not regulated in Chile. Wholesale prices are subject to negotiation between the producer and the purchaser, while retailers determine retail prices to the final consumer. We believe that the key factors determining retailers' prices include: national and/or local price promotions offered by the manufacturer, the nature of product consumption (on-premise or off-premise), the type of packaging (returnable or non-returnable), the applicable tax structure and the desired profit margins considering all related costs and expenditures such as marketing, sales, distribution, and administrative expenses (MSD&A) and production.

We have implemented the integration of the route-to-market of the beer and non-alcoholic category in Chile throughout the country, and at the same time, the Company incorporated into the Chile Operating segment the business activities performed by the Strategic Service Units ("SSU"), which include Transportes CCU Limitada ("Transportes CCU"), Comercial CCU S.A. ("Comercial CCU"), CRECCU S.A. ("CRECCU") and Fábrica de Envases de Plásticos S.A. ("Plasco").

Comercial CCU is responsible for the sale of the Company's whole portfolio of products through a single sales force in those areas where this synergic sales model is more efficient. Additionally, product distribution is handled by our subsidiary Transportes CCU. Comercial Patagonia Limitada ("Comercial Patagona") handles our sales and distribution in the Magallanes Region. In the case of our HOD service, Manantial directly handles its own sales and distribution, given the nature of the business.

As part of CCU's innovation and digital transformation initiatives, we broadened our e-commerce sales channels through the launch of a modern online sales website in Chile during 2019, called "La Barra", providing a new experience for consumers through home delivery of our portfolio. During 2022, through La Barra, we delivered products to over 73,987 households in Chile.

In Argentina, Bolivia, Paraguay and Uruguay we use our own sales force, as well as third party distributors.

Plasco, a subsidiary of CCU, produces nearly all plastic caps and injected preforms we use to produce plastic bottles in the Chile Operating segment.

Overview: International Business Operating segment

We estimate that our weighted volume market share for the International Business Operating segment was approximately 17.7%, 18.0% and 18.1% in 2020, 2021 and 2022, respectively.

We produce and/or import, sell and distribute beer under proprietary brands and licensed brands in Argentina, Bolivia, Paraguay and Uruguay. We also produce, sell and distribute cider in Argentina.

In Argentina, we are the exclusive producer and distributor of Heineken, Amstel, Sol, Grolsch, Warsteiner and Miller beer brands; and the exclusive distributor of imported Kunstmann and Blue Moon beer brands. We export Imperial, Schneider, Heineken, Amstel, Warsteiner and Miller beer to Uruguay; and Heineken to Bolivia all from Argentina. Additionally, we have the license to distribute beer under the Heineken brand through our subsidiaries in Paraguay and Bolivia.

In Uruguay, through our subsidiaries, we produce and distribute mineral water under the Nativa and Nix brands, carbonated soft drinks under the Nix brand, juices under Watt's brand, isotonic beverages under FullSport brand. Also, we export FullSport to Paraguay. Also, we distribute imported wine, from VSPT, under the brand Misiones de Rengo, Finca La Celia and Eugenio Bustos. Also, we have a license to distribute imported beer in Uruguay including the following brands: Heineken, Schneider, Imperial, Kuntsmann, Miller, Amstel and Escudo Silver.

In Paraguay, through our subsidiaries, we produce and distribute carbonated soft drinks under the brand Pulp, Puro Sol for juices and La Fuente for mineral water. Also, we have a license to produce and distribute juices under the Watt's brand and a license to distribute beer under the Heineken, Amstel, Sol, Paulaner and Kunstmann brands. We also import from Uruguay the isotonic beverage FullSport. In craft beers, we have the Sajonia brand and its varieties, which are produced locally.

In Bolivia, through our subsidiary BBO, we produce and distribute beer under the brands Real, Capital, Cordillera and Uyuni; and carbonated soft drinks under Mendocina, Sinalco and Malta Real. The latter is a soft drink with sugar based on malt, but without alcohol. We also participate in the water category under Mendocina and De la Sierra brands; and in non-alcoholic beverages under Natur-All. In addition, through BBO, we sell and distribute Heineken and Kunstmann, imported beer brands.

Overview: Wine Operating segment

VSPT produces and markets a full range of wine products for the Chilean and Argentine domestic markets and export markets, reaching over 80 countries. The weighted average volume market share was 18.9%, 19.1% and 19.9% in 2020, 2021 and 2022, respectively. The calculation of the weighted average for past periods includes markets and industries that CCU entered at a later date. In 2022, VSPT's sales amounted to approximately 36.6% of total measured domestic industry sales by volume in Chile, according to Nielsen, and 12.6% of total Chilean wine export sales by volume, when excluding bulk wine, according to Wines of Chile Association.

VSPT's primary vineyards are located in the main viticulture valleys in Chile, with production plants in the cities of Molina, Totihue, Isla de Maipo and also in Mendoza and San Juan, Argentina.

Overview: Joint Ventures and Associated Companies

CCU is equal joint owner with Maltexco S.A. (former Malterías Unidas S.A.) of Cervecería Austral, a company that produces, sells and distributes Austral beer in Chile. Additionally, Cervecería CCU has a two-year renewable license agreement, subject to compliance with the conditions established in the agreement, for the production of Austral Lager beer, returnable liter containers and kegs in Chile and a distribution agreement for the sale and marketing of all Austral products in Chile, with the exception of the Magallanes Region, where selling and distribution is carried out by Comercial Patagona Ltda.

In Colombia, CCU entered into a series of contracts and agreements with Grupo Postobón, by which the parties agreed to initiate a joint agreement for the manufacturing, commercialization and distribution of beer and malt based non-alcoholic beverages through CCC in Colombia. CCC is a 50-50 joint venture between CCU and Grupo Postobón, in which neither party exercises full control; thus, CCU uses the equity method to account for

this investment. CCC has exclusive contracts to import, produce and distribute Heineken, Amstel, Murphys, Buckler, Coors Light, Tecate and Sol in Colombia. In 2016, CCC acquired the brand and assets related to the craft beer brand “3 Cordilleras” of Artesana Beer Company S.A. As of April 2017, the Miller Lite and Miller Genuine Draft brands were incorporated by means of a license agreement for the development and/or marketing of these brands in Colombia. In August 2017, through its subsidiary CCU Inversiones II Ltda., CCU acquired 50% of the shares of ZF CC, in which Grupo Postobón holds the remaining 50%. Until November 2019, the main purpose of ZF CC was to act exclusively as an industrial user of one or more free-trade zones in Colombia, providing toll manufacturing services to CCC, which was the company that produced, marketed and distributed beer and malt beverages. Since November 2019, ZF CC is producing and selling to CCC, which continues to market and distribute our products. In February 2019, CCC launched Andina, our first mainstream beer brand produced locally in the new brewery, located north of Bogota, in the municipality of Sesquile, Cundinamarca. Also, CCC began producing in the plant our licensed global brands, including Heineken and Tecate, among others. In July 2019, CCC launched our first malt-based soft drink, Natumalta, aligned with Grupo Postobón’s leadership in soft drinks in Colombia. At the end of October of 2019, we launched Andina Light, and at the end of 2019, a new contract was signed with Coors Brewing Company D/B/A Molson Coors International (“MCI”), for the production, marketing and distribution of the Miller Lite and Miller Genuine Draft brands.

In Argentina, on April 28, 2022, CCU through its subsidiary, Compañía Cervecerías Unidas Argentina S.A. acquired 49% of the ownership of Aguas Danone de Argentina S.A. (“ADA”), which operates in the mineral waters and flavored waters business through its brands Villavicencio, Villa del Sur, Levité, Ser and Brío. This transaction included share acquisition and capital contributions. Furthermore, on April 28, 2022, the subsidiary Compañía Cervecerías Unidas Argentina S.A., acquired 49% interest on Aguas de Origen S.A. (“ADO”). It should be noted that Aguas de Origen S.A. (“ADO”), is continuing the business of Aguas Danone de Argentina S.A. Finally, on November 30, 2022, our subsidiary Compañía Cervecerías Unidas Argentina S.A. acquired an additional 1% of the shares of “ADO”, reaching a 50% interest in this company.

3) The Beverage Market¹

The Beverage Market: Chile Operating segment

The Chilean beer industry had an estimated size of 1,036 million liters in 2022. The main packaging presentations are non-returnable aluminum cans, returnable and non-returnable glass bottles, while the predominant distribution channels are the off-premise channel, the latter mainly composed by liquor stores and convenience stores, and supermarkets.

The non-alcoholic beverages market in Chile consists of both carbonated and non-carbonated beverages. The principal types of carbonated beverages are colas, non-colas and carbonated mineral bottled water. The non-carbonated beverages are fruit juices, functional drinks and non-carbonated mineral, purified and flavored bottled water. The main packaging presentations for non-alcoholic categories are non-returnable and returnable plastic bottles. In 2022, the Chilean carbonated soft drink industry had an estimated size of 2,344 million liters; the water² industry had an estimated size of 865 million liters; the nectar and juices³ industry had an estimated size of 396 million liters; and the functional drinks⁴ industry had a size of 216 million liters.

The following table sets forth Nielsen estimates as to the percentage of total carbonated soft drinks sales in Chile, represented by each of the two principal categories of carbonated soft drinks during the last three years:

Type	2020	2021	2022
Colas	60%	58%	60%
Non-colas	40%	42%	40%
Total	<u>100%</u>	<u>100%</u>	100%

¹ The source of the size of each industry is GlobalData: Quarterly Beverage Forecast, with the exception of the beer industry in Argentina, which corresponds to an internal estimate.

² Includes HOD, packaged water, flavored water and enhanced water.

³ Includes Nectars, juices and still drinks.

⁴ Includes Sports drinks, Energy drinks and iced tea.

Traditionally, beer, wine and pisco have been the principal alcoholic beverages consumed in Chile. Pisco is a distilled wine spirit, produced in the regions of Atacama and Coquimbo in the north of Chile. The spirits industry had an estimated size of 98 million liters in 2022.

The beverage excise taxes in Chile are as shown in the following table:

Category	Current Excise Tax
Beer	20.5%
Wine	20.5%
Spirits	31.5%
Sugar containing Softdrink ⁽¹⁾	18.0%
No sugar containing Softdrink ⁽²⁾	10.0%
Flavored Water	10.0%
(1) more than 15 gr / 240 ml of sugar	
(2) with 15 gr / 240 ml or less of sugar	

The Beverage Market: International Business Operating segment

In Argentina, beer and wine have been the principal alcoholic beverages consumed in this country. In 2022, the Argentine beer industry had an estimated size of 2,273 million liters; the spirits industry had an estimated size of 160 million liters; and the cider industry had an estimated size of 107 million liters.

The following table shows current nominal Argentinean excise taxes:

Category	Current Excise Tax
Beer	14.0%
Whisky	26.0%
10% - 29% alcohol content	20.0%
30% or more alcohol content	26.0%
Wine - cider	0.0%
Flavored soft drinks, mineral water and juices	4.0% - 8.0%

In Uruguay, we participate in the beer and non-alcoholic beverages categories since our entrance to the market in 2012, with both proprietary and under license brands. Later, in 2019 we added wine into our portfolio. In 2022, the Uruguayan beer industry had an estimated size of 104 million liters; the wine⁵ industry had an estimated size of 69 million liters; the carbonated soft drink industry had an estimated size of 357 million liters; the water⁶ industry had an estimated size of 463 million liters; and the nectar and juices⁷ industry had an estimated size of 37 million liters.

In Paraguay, we participate in the beer and non-alcoholic beverages categories since our entrance to the market in 2013, with both proprietary and under license brands. Later, in 2020 we added wine into our portfolio. In 2022, the Paraguayan beer industry had an estimated size of 346 million liters; the wine industry had an estimated size of 60 million liters; the carbonated soft drink industry had an estimated size of 601 million liters; the water⁶ industry had an estimated size of 433 million liters; and the nectar and juices⁶ industry had a size of 79 million liters.

In Bolivia, we participate in the beer and non-alcoholic beverages categories, with both proprietary and under license brands. Our operation in Bolivia is consolidated in our Income Statements since August 2018. In 2022, the Bolivian beer industry had an estimated size of 363 million liters; the carbonated soft drink industry had an estimated size of 1,151 million liters; and the water⁶ industry had an estimated size of 258 million liters.

⁵ Includes still wine, sparkling wine and fortified wine.

⁶ Includes HOD, packaged water, flavored water and enhanced water.

⁷ Includes Nectars, juices and still drinks.

The Beverage Market: Wine Operating segment

The Chilean wine⁸ industry had an estimated size of 262 million liters in 2022. Wines in Chile can be segmented by product type. Chilean wineries produce and sell premium, varietal and popular-priced wines within the domestic market. Premium wines and many of the varietal wines are produced from high-quality grapes, aged and packaged in glass bottles. Popular-priced wines are usually produced using non-varietal grapes and are not aged. These products are generally sold in either cartons or jug packaging.

4) Production and Marketing

Production and Marketing: Chile Operating segment

The production, marketing and sales of beverages in Chile generated net sales of CLP 1,242,763 million, CLP 1,578,152 million and CLP 1,673,349 million, in 2020, 2021 and 2022, respectively, or 66.9%, 63.5% and 61.7% of CCU's consolidated Net sales in those years. Our sales by volume in Chile decreased 2.1% in 2022.

Under each license agreement, we have the right to produce and/or sell and distribute the respective licensed products in Chile. Generally, under our license agreements, we are required to maintain certain standards of quality with respect to the production of licensed products, to achieve certain levels of marketing and, in certain cases, to fulfill minimum sales requirements. We strongly believe that we are in compliance with all of our license agreements.

Our brands Cristal and Escudo are the best-selling proprietary parent beer brands in Chile. Other relevant proprietary parent brands are: Royal Guard, our premium beer brand; Morenita, our dark beer brand; Dorada, our convenience brand; and Stones, a flavored sweetened beer with 2.5% alcohol content. From time to time, we introduce innovations and brand extensions to our most relevant brands. For example, during 2022 we introduced the following: Royal Guard Cero, Heineken Silver and Patagonia Black Lager. Additionally, we added Volcanes del Sur beer brand to our portfolio and we launched a new non-returnable glass bottle of 650 ml to complement our presence in the middle size beer market.

In October 2001, Cervecería Austral entered into a license agreement with our subsidiary Cervecería CCU to produce and sell our brand Cristal, as well as any other brand owned by or licensed to Cervecería CCU in the southern part of Chile. The agreement also permits us to commercialize and distribute the Austral brand in Chile, with the exception of the Magallanes Region, where selling and distribution is carried out by Comercial Patagona Ltda., a subsidiary of Cervecería Austral. This agreement is currently renewable for periods of two years, subject to compliance with the contract conditions.

On April 28, 2003, through our subsidiaries Cervecería CCU and CCU Argentina, we and Heineken Brouwerijen B.V. signed license and technical assistance agreements providing us with the exclusive rights to produce, sell and distribute Heineken beer in Chile and Argentina commencing June 18, 2003. On October 12, 2011, we signed with Heineken Brouwerijen B.V. the Amended and Restated versions of the Trademark License Agreements, which provide us with the exclusive rights to produce, sell and distribute Heineken beer in Chile and Argentina, in force as of January 1, 2011. These agreements have an initial term of ten years, and shall automatically be renewed each January 1 for a new period of ten years, unless either party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires. Heineken is one of the leading brands in the premium segment in Chile, the beer segment with the highest growth in recent years. In 2018, CCU launched Heineken 0.0 in Chile, the first country in Latin America to offer this non-alcoholic premium brand.

In 2013 we launched the Sol brand (from Heineken) in the north of Chile, completing the national roll out of the brand in 2014. As of 2015, we started to produce Sol beer brand in our facilities. We have an exclusive ten-year license, automatically renewable on a yearly basis, for ten-year periods (rolling contract), unless notice of non-renewal is given.

During January 2015, we launched Coors and Coors Light in Chile. The license agreement with Coors Brewing Company allows for the automatic renewal under similar conditions (rolling contract), each year for a period of five years after the initial termination date, subject to the compliance with the contract conditions. Furthermore, we import, sell and distribute Blue Moon under the same conditions.

⁸ Includes still wine, sparkling wine and fortified wine.

The following table shows our proprietary parent beer brands, brands produced under license and brands imported under license for the Chilean Market:

Premium	Mainstream	Convenience
Royal Guard	Cristal	Dorada
Royal Guard Cero ⁽²⁾	Cristal Cer0,0 ^{o(2)}	
Heineken ⁽¹⁾	Escudo	
Heineken 0.0 ⁽²⁾⁽³⁾	Morenita	
Heineken Silver ⁽³⁾	Stones	
Austral ⁽¹⁾⁽⁵⁾	Andes	
Polar Imperial ⁽¹⁾	Bavaria	
Kunstmann		
D'olbek		
Soj ⁽¹⁾		
Coors ⁽³⁾		
Blue Moon ⁽⁴⁾		
Szot ⁽⁵⁾		
Guayacán ⁽⁵⁾		
Birra Moretti		
Patagonia		
Mahina		
Edelweiss		
Volcanes del Sur		
(1) Produced under license.		
(2) Non-alcoholic beer.		
(3) Imported/Produced under license.		
(4) Imported.		
(5) Distribution contract.		

Our beer products sold in Chile are bottled or packaged in returnable and non-returnable glass bottles, aluminum cans, non-returnable plastic bottles or stainless-steel kegs at our main production facilities in the Chilean cities of Santiago, Temuco, Valdivia, and Punta Arenas.

During the last three years we sold our beer products in Chile in the following containers:

<u>Container</u>	<u>Percentage of Total Beer Products Sold</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Returnable ⁽¹⁾	17%	12%	13%
Non-returnable ⁽²⁾	82%	86%	84%
Returnable kegs ⁽³⁾	<u>1%</u>	<u>2%</u>	3%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

(1) Returnable beer containers include glass bottles of various sizes.

(2) Non-returnable beer containers include glass bottles and aluminum cans, both of assorted sizes.

(3) Returnable kegs are stainless steel containers, which have a capacity of 20, 30 and 50 liters.

The following table sets forth our beer sales volume breakdown in Chile by category, for each of the last three years:

<u>Category</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Premium	27%	43%	45%
Mainstream	69%	55%	53%
Convenience	4%	2%	2%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Our soft drinks include proprietary brands, in addition to brands produced under license from PepsiCo, Inc., Schweppes Holdings Ltd. and Promarca S.A., which are produced in four production plants (two located in Santiago, one in Temuco and one in Antofagasta).

Our subsidiary Aguas CCU produces, commercializes and distributes mineral, purified and flavored waters. We have two proprietary mineral water brands, Cachantun and Porvenir, which are bottled at their sources, located in Coinco (O'Higgins Region) and Casablanca (Valparaíso Region). We also commercialize Nestlé Pura Vida, a brand of purified water, Mas and Mas Woman, which are brands of flavored waters. Aguas CCU also distributes the imported brand Perrier. Manantial, a subsidiary of Aguas CCU, also produces, commercializes and distributes purified water with our Manantial brand, primarily in the home and office delivery (HOD) format.

In 1994, our subsidiary ECUSA and Cadbury Schweppes plc ("Cadbury Schweppes"), the latter through its subsidiaries CS Beverages Ltd. and Canada Dry Corporation Ltd., entered into license agreements for all Cadbury Schweppes products. On December 11, 1998, The Coca-Cola Company announced an agreement with Cadbury Schweppes to acquire certain of the latter's international beverage brands, including those licensed to ECUSA, and in August 1999 the agreement was reported to have been consummated. In September 2000, after more than a year's litigation, both in Chile (suits at civil courts and antitrust authorities) and England (arbitration under ICC rules), ECUSA and The Coca-Cola Company reached an agreement superseding ECUSA's previous license contracts with CS Beverages Ltd. and Canada Dry Corporation Ltd. The new agreement, referred to as the "Bottler Contract", was executed between ECUSA and Schweppes Holdings Ltd., concerning the Crush and Canada Dry brands, and was approved by the Chilean antitrust commission, thus putting an end to the proceeding regarding the Cadbury Schweppes brands issue and dismissing all complaints filed in consideration of the agreement. On January 15, 2009, the parties executed an amendment to the Bottler Contract which, among others, extended its duration until December 31, 2018, renewable for consecutive five-year periods, subject to compliance with the contract conditions. The contract was renewed until December 31, 2023.

In August 2002, we began importing, selling and distributing Gatorade, a sport drink. In March 2006, a new franchise commitment letter and exclusive bottling appointment ("Gatorade Contracts") were executed between ECUSA and Stokely Van-Camp, Inc., a subsidiary of PepsiCo, Inc., authorizing ECUSA to bottle, sell and distribute Gatorade products in Chile, for an initial term ending on March 31, 2010, automatically renewable for successive two or three-year periods if certain conditions set forth in the Gatorade Contracts were met. In October 2013, ECUSA and Stokely Van-Camp, Inc. entered into a Second Amendment to the Gatorade Contracts under which such Contracts were renewed for a period ending in December 2018, subject to automatic renewal for an additional period equal to the term of the Shareholders Agreement of Bebidas CCU-PepsiCo SpA (that is, 2043), upon satisfaction of certain conditions. Since said conditions were satisfied, the Gatorade Contracts were automatically renewed in December 2018 as stated above. Since October 2006, we have been producing Gatorade locally.

In November 2007, ECUSA signed an exclusive bottling agreement with Pepsi Lipton International Limited, authorizing ECUSA to produce, sell and distribute ready to drink tea beverages in Chile. This agreement was set to expire on March 31, 2020, however, on October 30, 2019, the parties extended its term until December 31, 2030.

The license agreement for juice products under the brand Watt's, which granted us exclusive production rights, was first signed in June 1987 and originally had a 33-year term. In February 1999, a new license agreement was signed allowing us to produce new flavors and bottle Watt's juices in non-returnable packaging (wide mouth glass and plastic bottles). A new license agreement between us and Watt's S.A. was signed in July 2004. This new contract granted us a ten-year license renewable automatically for three consecutive periods of three years if the conditions set forth in the contract were fulfilled at the date of renewal. In December 2006, we signed a joint venture agreement with Watt's S.A., under which, as of January 30, 2007, we participate in equal parts in Promarca S.A. This company owns the brands "Watt's", "Watt's Ice Frut", "Yogu Yogu", "Shake a Shake" and "Frugo", among others in Chile. Promarca S.A. granted both of its shareholders (New Ecusa S.A., a former subsidiary of ECUSA, which as of the date of this annual report has been merged into ECUSA, and Watt's Dos S.A., a subsidiary of Watt's), for an indefinite period, the exclusive licenses for the production and sale of the different product categories.

Since December 2007, through our subsidiary Aguas CCU, we produce and sell the Nestlé Pure Life brand in Chile under a license contract of the same date, with an initial term of five years, renewable for successive periods of five years if certain conditions are met. Since 2012, under the Manantial brand we carry out the business of home and office delivery of purified water in bottles with the use of dispensers (HOD).

In October 2013, CCU together with its subsidiary ECUSA executed a series of contracts and agreements with PepsiCo Inc. and affiliates, which allowed them to expand their current relationship in the non-alcoholic beverages segment with specific focus on the carbonated soft drinks, as well as extending long-term relationship duration. Pursuant to these agreements, which considered the creation of an affiliate, Bebidas CCU-PepsiCo SpA, the licenses to produce, sell and distribute in Chile Pepsi, 7up and Mirinda (Pepsi brands) and Bilz, Pap, Kem and Nobis (CCU brands) were granted to ECUSA until December 2043.

In line with our multicategory business strategy, in November 2015, we entered the ready-to-mix category through a joint operation agreement with Carozzi, for the production, commercialization, and distribution of instant powder drinks under the brands Sprim, Fructus, Vivo and Caricia. In December 2015 we started to distribute Red Bull in Chile. In line with our non-alcoholic beverage innovation initiative, we continue to strengthen Pepsi Zero (which launched late 2016 in the Chilean market), by increasing consumer interest through new packaging formats. From time to time, we and our partners introduce innovations and brand extensions to our most relevant brands. For example, in 2021, we and our partners introduced Kem Mix Tropical, Kem Xtreme Urban Blueberry, Pop Candy Flipe, Pop Candy Ambrosito, Watts Mango Light and Red Bull Red Sandia.

In November 2022, through a license with PepsiCo we added in Chile the brand Rockstar, an energy drink with natural ingredients, to strengthened our position as a leader in the energy drink category. Rockstar is among the three best-selling energy brands in the world, with a presence in the United States, Canada, the United Kingdom.

The following table shows the soft drink and water parent brands produced and/or sold and distributed by us through our non-alcoholic subsidiary ECUSA, during 2022:

Brand	Product Category	Ownership	Affiliation⁽¹⁾
Bilz	Soft Drink, Non-Cola	Proprietary	CCU
Pap	Soft Drink, Non-Cola	Proprietary	CCU
Kem	Soft Drink, Non-Cola	Proprietary	CCU
Kem Xtreme	Soft Drink, Non-Cola	Proprietary	CCU
Nobis	Soft Drink, Non-Cola	Proprietary	CCU
Canada Dry Ginger Ale	Soft Drink, Non-Cola	Licensed	Schweppes
Canada Dry Agua Tónica	Soft Drink, Non-Cola	Licensed	Schweppes
Canada Dry Limón Soda	Soft Drink, Non-Cola	Licensed	Schweppes
Crush	Soft Drink, Non-Cola	Licensed	Schweppes
Pepsi	Soft Drink, Cola	Licensed	PepsiCo
Seven-Up	Soft Drink, Non-Cola	Licensed	PepsiCo
Lipton Ice Tea	Ice Tea	Licensed	PepsiCo
Mirinda	Soft Drink, Non-Cola	Licensed	PepsiCo
Gatorade	Isotonic	Licensed	PepsiCo
Adrenaline Red	Energy	Licensed	PepsiCo
Red Bull	Energy	Licensed	Red Bull
Frugo	Fruit-flavored beverage	Licensed	Promarca
Watt's	Juice	Licensed	Promarca
Watt's Light	Juice	Licensed	Promarca
Watt's Selección	Juice	Licensed	Promarca
Cachantun	Mineral Water	Proprietary	Aguas CCU
Mas	Flavored Water	Proprietary	Aguas CCU
Mas Woman	Flavored Water	Proprietary	Aguas CCU
Porvenir	Mineral Water	Proprietary	Aguas CCU
Perrier	Mineral Water	Licensed	Nestlé
Nestlé PuraVida	Purified Water	Licensed	Nestlé & others
Manantial	HOD	Proprietary	Manantial
Vivo	Ready-to-mix	Licensed	Bebidas Carozzi CCU
Sprim	Ready-to-mix	Proprietary	Carozzi
Rockstar	Energy	Licensed	PepsiCo

⁽¹⁾ CCU indirectly owns 50% of Promarca S.A. and 50.1% of Aguas CCU. ECUSA owns 50% of Bebidas Carozzi CCU. Aguas CCU and ECUSA own 99.08% and 0.92% of Manantial, respectively.

During the last three years, we sold our non-alcoholic beverage products in the following packaging formats:

	<u>Soft drinks</u>			<u>Mineral, purified and flavored water</u>		
<u>Container</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Returnable ⁽¹⁾	17%	11%	9%	26%	22%	22%
Non-returnable ⁽²⁾	82%	88%	89%	74%	78%	78%
"Post-Mix" ⁽³⁾	1%	1%	2%	-	-	-
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

⁽¹⁾ Returnable soft drink containers include both glass and plastic bottles of assorted sizes. Returnable water containers include glass bottles of assorted sizes and returnable 20-liter jugs (HOD).

⁽²⁾ Non-returnable soft drink containers include glass and plastic bottles, and aluminum cans of assorted sizes. Non-returnable water containers include plastic bottles and certain glass bottles of assorted sizes.

⁽³⁾ Post-mix cylinders are sold specifically to on premise locations for fountain machines.

The following table shows the sales mix of our non-alcoholic beverages by category during each of the last three years:

<u>Category</u>		<u>2020</u>	<u>2021</u>	<u>2022</u>
<i>Carbonated soft drinks</i>				
Colas	Licensed	21%	19%	20%
Non-colas	Proprietary	33%	30%	29%
	Licensed	21%	21%	20%
<i>Non-carbonated soft drinks</i>				
Juices	Licensed	19%	21%	20%
Others ⁽¹⁾	Licensed	<u>6%</u>	9%	11%
<u>Soft drinks total</u>		<u>100%</u>	<u>100%</u>	<u>100%</u>
Mineral water	Proprietary	40%	43%	42%
	Licensed	0%	0%	0%
Purified water	Licensed	14%	13%	14%
Flavored water	Proprietary	20%	23%	22%
HOD		<u>26%</u>	<u>21%</u>	22%
<u>Total Bottled Water</u>		<u>100%</u>	<u>100%</u>	<u>100%</u>

(1) Includes functional drinks and teas.

After the completion of the CPCh transaction with Control in 2005, we expanded our proprietary parent brand portfolio considerably, adding brands such as Campanario in the pisco mainstream and cocktail categories, as well as Control C, Mistral, Horcón Quemado, Espíritu de los Andes and Tres Erres MOAI in the ultra-premium pisco segment, Mistral and Tres Erres in the premium pisco segment and La Serena in the popular-priced pisco category. Furthermore, from time to time we introduce new brands of piscos and cocktails extensions and flavors.

Our spirits are produced at five plants which are located in regions of Atacama and Coquimbo in the north of Chile. The bottling process is done in Ovalle's plant bottling facility and in Santiago through ECUSA. Horcón Quemado is produced and bottled in a third-party plant in the Atacama Region.

In the rum market, our proprietary parent brands are Cabo Viejo and Sierra Morena. Also, CPCh distributes Pernod Ricard products, including Chivas Regal, Ballantine's, Havana Club and Absolut, among others.

In 2018, CPCh entered the cider category with the launch of Cygan, a beverage made from green and red apples, with an alcohol content of 4.5° and 64 calories per 100 ml.

In 2020, CPCh, launched the first hard seltzer in Chile, Hard Fresh, a low calorie and 5° alcohol content drink with a soft grapefruit and raspberry flavor. Also, in 2020, CPCh started to produce their first gin with Chilean herbs, Kantal.

In 2021, CPCh included 1888 cider brand, with an alcohol content of 5°, refreshing and with a sweet taste, and Pehuenia cider brand, a craft drink made of Patagonian apples with 100% of natural ingredients. In spirits, we expanded to the Fernet category, by the exclusive distribution of Fernet Branca, a brand from Fratelli Branca. Fernet is a unique spirit made from the combination of herbs, roots and fruits macerated in alcohol.

In 2023, CPCh entered into the frozen cocktail category with the brand La Pizka, to strengthen its premium segment portfolio.

The following table shows our parent pisco, cocktail and low Alcohol-By-Volume (“ABV”) brands:

	<u>Pisco and Cocktails</u>		<u>Cider</u>	<u>Low ABV</u>
Premium	Mainstream	Convenience		
Control C	Campanario	La Serena	Cygan	Mistral Ice
Mistral	Ruta Cocktail		Pehuenia	Iceberg
MOAI	Sol de Cuba		1888	Sierra Morena Ice
Horcón Quemado	Sabor Andino Sour			Hard Fresh
Tres Erres				
Espíritu de los Andes				
La Pizka				

In June 2017, CPCh added the Peruvian brand Barsol to its portfolio through the acquisition of 40% of Americas Distilling Investments LLC, which is based in the United States and owns the Barsol brand and productive assets based in Peru.

Production and Marketing: International Business Operating segment

Our International Business Operating segment generated Net sales of CLP 402,829 million, CLP 677,945 million and CLP 782,563 million, in 2020, 2021 and 2022, respectively, representing 21.7%, 27.3% and 28.9% of CCU’s consolidated Net sales in those years. The International Operating segment includes our operations in Argentina, Bolivia, Paraguay and Uruguay.

CCU, through its subsidiary CCU Argentina, owns and operates breweries located in the cities of Salta, Santa Fe and Luján. Our main beer brands include Schneider, Imperial, Palermo, Santa Fe, Salta, and Córdoba and we hold exclusive license agreements for the production and commercialization of Miller, Heineken, Amstel and Sol. As of May of 2018, CCU Argentina’s brand portfolio also includes Isenbeck, Diosa, Iguana, Norte and Báltica, as well as the exclusive license agreements for the production and commercialization of Grolsch and Warsteiner, and no longer includes the license agreement for Budweiser. See “Item 4: Information on the Company – A. History and Development of the Company.” CCU Argentina imports the Kunstmann and Blue Moon beer brands. Furthermore, CCU Argentina exports beer to several countries, mainly under the brands Schneider, Imperial and Heineken.

On April 28, 2003, CCU Argentina and Heineken Brouwerijen B.V., a subsidiary of Heineken International B.V., signed license and technical assistance agreements that provide us with the exclusive rights to produce, sell and distribute Heineken beer in Argentina commencing June 18, 2003. On October 12, 2011, we and Heineken Brouwerijen B.V. signed the Amended and Restated versions of the Trademark License Agreements which provide us with the exclusive rights to produce, sell and distribute Heineken beer in Argentina, in force as of January 1, 2011. These agreements have an initial term of ten years, and shall automatically be renewed on January 1 of each year for a new period of ten years, unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires. Heineken beer is the second-largest brand in terms of volume in the premium segment in Argentina.

On November 28, 2012, CICSA and Heineken Brouwerijen B.V. entered into a Trademark License Agreement which granted us the exclusive rights to produce, sell and distribute Heineken beer in Paraguay. This agreement had an initial term of ten years, automatically renewable for a period of five years unless either party gave notice of its decision not to renew, in which case the agreements would be in force until the last renewal period expired.

On April 20, 2018, Bebidas del Paraguay S.A. and Heineken Brouwerijen B.V. signed a Distribution Agreement which provides us with the exclusive rights to sell and distribute Sol beer in Paraguay, effective as of January 1, 2018. This agreement has an initial term of five years and will automatically be renewed for subsequent three-year periods unless any party gives notice of its decision not to renew, in which case the agreements will be in force until expiration of the first period or the respective subsequent period. On April 20, 2018, Bebidas del Paraguay S.A. and Heineken Brouwerijen B.V. signed a Trademark License Agreement and a Distribution Agreement which provides us with the exclusive rights to produce, sell and distribute Heineken beer in

Paraguay. This agreement has an initial term of five years from May 1, 2018 and will be automatically renewed for subsequent three-year periods unless any party gives notice of its decision not to renew. Therefore, and as agreed on June 11, 2018, the Trademark License Agreement entered on November 28, 2012, by CICSA and Heineken Brouwerijen B.V. was terminated with retroactive effects as of April 30, 2018 and, in its place, Heineken Brouwerijen B.V. and CICSA entered into a supply agreement which provides CICSA the non-exclusive right to sell and supply Heineken Lager in the Paraguayan market to Bebidas del Paraguay S.A., for a period of five years beginning on April 30, 2018. On November 1, 2019, Bebidas del Paraguay S.A. and Amstel Brouwerijen B.V. signed the Distribution Agreement which provides us with the exclusive rights to distribute Amstel beer in Paraguay, effective as of October 1, 2019. This agreement has an initial term of five years, and will be automatically renew for subsequent three-year periods, unless any party gives notice of its decision not to renew, in which case the agreement will be in force until expiration of the first period or the respective subsequent period. Additionally, as of January 2023 Bebidas del Paraguay S.A. is Heineken Brouwerijen B.V. distributor of Schin beer in Paraguay.

In 2013, we started exporting Heineken to Milotur, our subsidiary in Uruguay, and in 2015 to BBO, our then associated company in Bolivia. On June 4, 2013, CICSA, Milotur and Heineken Brouwerijen B.V. signed a trademark license agreement that provides us with the exclusive rights to produce, sell and distribute Heineken beer in Uruguay, in force as of May 1, 2013. This agreement has an initial term of ten years, and automatically renews on January 1 of each year for a new period of ten years, unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires. In Uruguay, we participate in the mineral water business with the Nativa and Nix brands, in soft drinks with the Nix brand, and in Watt's branded juices and isotonic drinks with the Fullsport brand. In addition, we import Heineken, Schneider, Imperial, Miller, Amstel, Escudo Silver and Kunstmann beer.

On July 15, 2015, CICSA, BBO and Heineken Brouwerijen B.V. signed the Ancillary Trademark License Agreement which provides us with the exclusive rights to produce, sell and distribute Heineken beer in Bolivia, in force as of January 1, 2015. This agreement has an initial term of ten years and will be automatically renewed for five-year periods unless any party gives notice of its decision not to renew, in which case the agreement will be in force until the last renewal period expires.

In September 2014, CICSA began with the exclusive distribution in Argentina of imported Sol beer. The Sol beer brand is owned by Heineken. This licensing agreement has an initial term of ten years in Argentina, automatically renewable on the same terms (rolling contract), each year for a period of ten years, unless notice of non-renewal is given.

In October 2006, we signed a long-term contract with ICSA to brew, bottle and package beer in the former Ambev plant in Luján, near Buenos Aires, that was purchased by ICSA. In January 2007, we began brewing our local brands in this plant, obtaining enough production capacity to ensure future growth. In April 2008, we acquired ICSA, including the Luján plant and the brands Imperial, Bieckert and Palermo. ICSA also had a brewing contract agreement with Ambev and, under such contract CICSA brewed beer for Ambev during the peak demand season of 2008-2009.

The license agreement between CCU Argentina and Anheuser-Busch LLC (See "Item 4: Information on the Company – A. History and Development of the Company"), which provided CCU Argentina with the exclusive right to produce, package, commercialize, sell and distribute Budweiser beer in Argentina and Uruguay, had an initial term of 20 years commencing in December 1995, which in March 2008 was extended to December 2025 (CCU and ABI agreed to the early termination of the license agreement for Uruguay in 2014). In 2010, the license agreement was modified due to regulatory reasons under the context of the merger between Anheuser-Busch LLC and InBev. As a result, certain contractual restrictions were released, and rights granted to Anheuser-Busch LLC waived, both in favor of CCU Argentina. On September 6, 2017, CCU and CCU Argentina reached an agreement with ABI for the early termination of the Budweiser license in Argentina, in exchange for a portfolio of brands (Isenbeck and Diosa, which were at the time owned by SAB Miller; and Báltica, Iguana, and Norte, which were owned by ABI), representing similar volumes to Budweiser in Argentina, plus a series of payments over a three-year period. On April 27, 2018, after receiving approval from Argentina's antitrust regulators, CCU Argentina and ABI were legally obliged to close the transaction. As a result, on May 2, 2018, CCU Argentina and ABI (CCU Argentina and ABI, together identified as the "Parties") executed a transaction (the "Transaction"), which included, among other matters: (i) the early termination of the Budweiser brand license agreement in Argentina, between the parties, and (ii) the transfer to CCU Argentina of the ownership of the Isenbeck, Diosa, Norte, Iguana and Báltica brands, as well as the transfer of the licenses for Argentina of the international brands Warsteiner and Grolsch. In order to achieve an orderly transition of the aforementioned brands, the Transaction provides that ABI will carry out the production and distribution of Iguana, Norte and

Báltica on behalf of CCU Argentina, for a period of up to three years.

In August 2016, CICSA signed a license and distribution agreement with Coors Brewing Company to manufacture, package, commercialize and distribute the Miller brands in Argentina. We started to commercialize and distribute Miller Genuine Draft in April 2017, and to produce MGD in our own facilities as of May 2017.

CCU Argentina participates in the cider business, with the leading Real brand and other brands such as La Victoria and 1888. We also participate in the liquor business, under the El Abuelo brand, in addition to importing other liquors from Chile and distributing the wine brands Eugenio Bustos and La Celia. Since June 2019, we have added the Colon and Graffigna brands belonging to the Finca La Celia S.A. winery to our wine portfolio (Argentine subsidiary of Chilean subsidiary VSPT).

In 2012, in Argentina, the Company began the process of migrating to its new proprietary returnable bottle in place of the generic container currently used throughout the industry. The decision to implement this important project was based primarily on the change introduced by the main market player, who in 2011 started to replace the use of generic packaging by a proprietary container for one-liter returnable products. The proprietary container's use results in significant important changes to our logistics processes, including the adaptation of the building structure of plants, the acquisition of specific equipment, the adaptation of production lines and agreements with glass bottle and crate suppliers in order to achieve the timely supply of the inputs required for our new bottling process. The introduction of these proprietary returnable bottles resulted in significant impacts on the industry's value chain, with higher operating costs associated with the recovery and classification of packaging that significantly affects the industry's level of profitability and return on capital employed (ROCE). This transition process required significant investments between 2012 and 2017, mainly in packaging, equipment and infrastructure. To partially finance these investments, bank loans were obtained in local currency with long repayment periods, mitigating the risk of exchange rate and interest rate fluctuations thereby minimizing the fluctuation risk. Due to the Transaction, CCU Argentina and ABI made certain agreements, such as the agreement that CICSA and Quilmes, may each use, without any payment or restriction whatsoever, the one liter returnable amber bottles, denominated as "proprietary", of the other company (hereinafter the "Free Use of Bottles"). For this purpose, the Parties agreed that the term for the Free Use of Bottles will be three years, with the option to renew the term for three additional years in the event any of the Parties thereto has fulfilled certain investments in bottle requirements. At the end of the three- or six-year term, each party will be permanently authorized to use the other party's proprietary bottles for up to 10% of its total bottled product (current authorization allows such use up to 0.5%). This agreement is favorable to CCU Argentina, as it will allow the company to obtain operational efficiencies.

In 2011, the Company started to export Schneider beer to Paraguay through Bebidas del Paraguay S.A., and in 2013 to Uruguay through Milotur. In Paraguay we participate in the beer and non-alcoholic categories since our entrance to the market in 2013, with the introduction of new brands and the acquisition of the craft beer brand Sajonia.

In 2018, the Company increased its stake from 34% to 51% in BBO. In Bolivia, CCU participates in the non-alcoholic beverages and beer business, with two plants located in the cities of Santa Cruz de la Sierra and Warnes. It also participates in the non-alcoholic beverage industry through the brand Natur-all, and in the carbonated soft drinks segment through the brands Mendocina, Sinalco and Malta Real. The latter is a soft drink with sugar based on malt, but without alcohol. BBO, with Mendocina and De La Sierra, also participates in the water category. In beers, it has the brands Real, Capital, Cordillera and Uyuni. In addition, sell and distribute Heineken and Kunstmann, imported beer brands.

Through our subsidiary, Compañía Cervecerías Unidas Argentina S.A., we acquired 50% of the ownership of Aguas Danone de Argentina S.A., which is involved in the business of mineral waters and flavored waters through its brands Villavicencio, Villa del Sur, Levité, Ser and Brío. This acquisition, which does not consolidate operationally, is in line with our strategy of being a regional multi-category beverage company. By the end of 2022, this business represents volumes of more than 5 million hectoliters.

At present we produce and market premium, medium-priced and popular-priced beer brands in the International Business Operating segment, which includes Argentina, Bolivia, Paraguay and Uruguay.

The following table shows our proprietary parent beer brands, brands produced under license and brands imported under license for the Argentinean market:

<u>Premium</u>	<u>Mainstream</u>	<u>Convenience</u>
Heineken ⁽¹⁾	Salta	Córdoba
Sol ⁽¹⁾	Santa Fe	Palermo
Kunstmann ⁽²⁾	Schneider	Bieckert
Imperial	Norte	Báltica
Amstel ⁽¹⁾	Isenbeck	Diosa
Salta Cautiva		Iguana
Miller Genuine Draft		
Grolsch ⁽¹⁾		
Warsteiner ⁽¹⁾		
Blue Moon ⁽²⁾		

⁽¹⁾ Licensed.
⁽²⁾ Imported.

The following table shows our proprietary parent beer, wine, water and soft drinks brands, produced and/or imported under license for the market in Uruguay:

<u>Brand</u>	<u>Product Category</u>	<u>Ownership</u>	<u>Affiliation</u>
Heineken	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Amstel	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Schneider	Beer	Proprietary ⁽¹⁾	CCU
Kunstmann	Beer	Licensed ⁽¹⁾	CCU
Imperial	Beer	Proprietary ⁽¹⁾	CCU
Escudo Silver	Beer	Proprietary ⁽¹⁾	CCU
Miller	Beer	Licensed ⁽¹⁾	Coors Brewing Company
Misiones de Rengo	Wine	Proprietary ⁽¹⁾	CCU
Eugenio Bustos	Wine	Proprietary ⁽¹⁾	CCU
Finca La Celia	Wine	Proprietary ⁽¹⁾	CCU
Nix	Soft Drink	Proprietary	CCU
Watt's	Juice	Licensed ⁽²⁾	Promarca
Nativa	Water	Proprietary	CCU
Nix	Water	Proprietary	CCU
FullSport	Sport Drink	Proprietary	CCU

⁽¹⁾ Imported

⁽²⁾ CCU indirectly owns 50% of Promarca.

The following table shows our proprietary parent beer and soft drinks brands, produced and/or imported under license for the market in Paraguay:

<u>Brand</u>	<u>Product Category</u>	<u>Ownership</u>	<u>Affiliation</u>
Heineken	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Amstel	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Paulaner	Beer	Licensed ⁽¹⁾	Paulaner Brauerei GmbH & Co KG
Kunstmann	Beer	Licensed ⁽¹⁾	CCU
Sajonia	Beer	Proprietary	CCU
Sol	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Pulp	Soft Drink	Proprietary	CCU
Schin	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Puro Sol	Juice	Proprietary	CCU
Watt's	Juice	Licensed ⁽²⁾	Promarca
La Fuente	Mineral Water	Proprietary	CCU
FullSport	Sport Drink	Proprietary ⁽¹⁾	CCU

(1) Imported.

(2) CCU indirectly owns 50% of Promarca.

The following table shows our proprietary parent beer and soft drinks brands, produced and/or imported under license for the market in Bolivia:

<u>Brand</u>	<u>Product</u>	<u>Category</u>	<u>Affiliation</u>
Heineken	Beer	Licensed ⁽¹⁾	Heineken Brouwerijen B.V.
Cordillera	Beer	Proprietary	CCU
Real	Beer	Proprietary	CCU
Capital	Beer	Proprietary	CCU
Uyuni	Beer	Proprietary	CCU
Kuntsmann	Beer	Licensed ⁽¹⁾	CCU
Mendocina	Soft Drink	Proprietary	CCU
Sinalco	Soft Drink	Licensed	Sinalco
De la Sierra	Water	Proprietary	CCU
Mendocina	Water	Proprietary	CCU
Malta Real	Malta based beverage	Proprietary	CCU
Natur-All	Non-alcoholic beverage	Proprietary	CCU

(1) Imported.

The following table sets forth our beer sales volume in Argentina by category during each of the last three years, including exports to other countries:

<u>Category</u>	<u>Argentina</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Premium	35%	35%	36%
Mainstream	44%	47%	48%
Convenience	21%	18%	15%
Total	<u>100%</u>	<u>100%</u>	100%

Our beer products are bottled or packaged in returnable and non-returnable glass bottles, aluminum cans and stainless steel kegs at our production facilities. During the last three years, we sold our beer products in Argentina in the following packaging formats:

<u>Container</u>	<u>Percentage of Total Beer Sold in Argentina</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Returnable ⁽¹⁾	43%	45%	44%
Non-returnable ⁽²⁾	56%	54%	55%
Returnable kegs ⁽³⁾	1%	1%	1%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

⁽¹⁾ Returnable beer containers include glass bottles of various sizes.

⁽²⁾ Non-returnable beer containers include glass bottles and aluminum cans, both of assorted sizes.

⁽³⁾ Returnable kegs refer to stainless steel containers in assorted sizes.

Production and Marketing: Wine Operating segment

VSPT is one of Chile's largest producers and distributors of wine in terms of sales volume and Net sales. Our Wine Operating segment generated Net sales of CLP 235,210 million, CLP 261,620 million and CLP 296,350 million, in 2020, 2021 and 2022, respectively, or 12.7%, 10.5% and 10.9% of CCU's consolidated Net sales in those years.

VSPT is composed of six different wineries in Chile and two in Argentina. Its main vineyards are located in Molina, approximately 200 kilometers south of Santiago. The VSPT estate in Molina is one of the largest single-site vineyards in Chile with an area of 1,058 hectares. As of December 31, 2022, VSPT's vineyards covered an aggregate of 3,901 hectares in Chile, distributed among 12 different plantations. The winery also has

321 hectares under long-term leases. In Argentina, VSPT has another 943 planted hectares located in the province of Mendoza and San Juan.

The following table indicates the breakdown of Wine Operating segment's volume in the domestic and export markets, including sales from FLC and Graffigna in Argentina:

<u>Year</u>	Chilean <u>Domestic Volume</u>	Argentinean <u>Export Volume</u> ⁽¹⁾	<u>Total Volume</u>
		(in millions of liters)	
2020	76	11	66
2021	82	11	65
2022	78	13	66

⁽¹⁾ Includes Argentinean operations but excludes bulk sales.

Viña San Pedro, Viña Tarapacá, Viña Leyda, Viña Santa Helena, Viña Misiones de Rengo, Viña Mar in Chile and Finca La Celia and Graffigna in Argentina, produce and market premium, varietal and popular-priced wines.

The principal brands are set forth below:

Brand		Icon	Premium	Varietal	Popular-Priced
Viña San Pedro	Altair	X			
	Sideral	X			
	Cabo de Hornos	X			
	Kankana del Elqui	X			
	Tierras Moradas	X			
	1865 Selected Vineyard		X		
	1865 Selected Blend		X		
	1865 Selected Collection		X		
	Castillo de Molina		X		
	Épica		X		
	35 South			X	
	Urmeneta			X	
	Gato Negro			X	
	Gato				X
	Manquehuito				X
	San Pedro Exportación				X
	9Lives		X		
Viña Tarapacá	Gran Reserva Etiqueta Azul	X			
	Gran Reserva Etiqueta Negra		X		
	Tarapacá Gran Reserva		X		
	Gran Tarapacá			X	
	Tarapacá Reserva		X		
	Tarapacá Varietal			X	
	León de Tarapacá			X	
Viña Santa Helena	Santa Helena Gran Reserva		X		
	Santa Helena Reserva		X		
	Santa Helena Varietal				X
	Santa Helena Gran Vino				X
	Santa Helena Dulce				X
Alpaca	Alpaca Orgánico		X		
	Alpaca Premium		X		
	Alpaca Varietal			X	
Viña Misiones de Rengo	Misiones de Rengo Black		X		
	Misiones de Rengo Cuvée		X		
	Misiones de Rengo Reserva		X		
	Misiones de Rengo Varietal			X	
	Misiones de Rengo Espumante		X		
Viña Mar	Misión		X		
	Viña Mar		X	X	
Viña Leyda	Viña Mar Espumante		X		
	Leyda Lot	X			
	Leyda Reserva		X		
La Celia	Leyda Single Vineyard		X		
	La Celia Supremo	X			
	La Celia		X		
	La Consulta		X		
	La Finca			X	
Graffigna	Eugenio Bustos			X	
	Graffigna		X		
	Graffigna GR		X		
	Colón			X	
	Colón Selecto			X	

The following table presents our breakdown of total sales volume in thousands of liters by category of the Wine

Operating segment during 2022:

	Chilean	Argentinean		
<u>Category</u>	<u>Domestic</u>		<u>Export</u> ⁽¹⁾	<u>Total</u>
			(in thousands of liters)	
Premium	11,778	664	6,691	19,133
Varietal	7,994	12,427	53,600	74,021
Popular-Priced	58,012	187	5,981	64,180
Bulk	-	40	436	476
Total	77,785	13,317	66,709	157,810

⁽¹⁾ Includes Argentinean operations and bulk wine.

Domestic Market. Our Chilean domestic wine is packaged in glass bottles, cans, cartons, and bag-in-box containers at VSPT's production facilities in Molina and Isla de Maipo. The following chart shows our packaging mix for domestic wine sales for the last three years:

<u>Container</u>	<u>Percentage of Total Domestic Wine Sold in Chile</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Carton	48%	43%	40%
Glass Bottles	52%	57%	60%
Bag-in-Box	-	-	-
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Export Market. According to industry sources, exports of Chilean wine increased from approximately 311 million liters in 2001 to 832 million liters in 2022, at a compounded annual growth rate of 4.8%. During 2021 and 2022, Chilean wine exports reached 867 million liters and 832 million liters, respectively. We believe that Chilean wine exports have grown steadily due to their comparatively low prices and positive international image, as well as due to external factors, such as low wine production in the Northern Hemisphere in recent years.

VSPT exported from Chile 64 million liters of wine in 2020, 62 million liters of wine in 2021 and 64 million liters of wine in 2022. During 2022, VSPT exported wine to more than 80 countries worldwide. Exports accounted for net sales of CLP 127,160 million, CLP 128,821 million and CLP 150,163 million, in the last three years, respectively. In 2022, VSPT's primary export markets included Japan, Brazil, Finland, Paraguay, the Netherlands, Colombia and China.

Most exported wine is sold in glass bottles, except for a certain quantity of unbranded wine that is occasionally sold in bulk, as well as some wine that is sold in bag-in-box containers. The following chart shows our packaging mix for export Chilean wine volume in the last three years:

<u>Container</u>	<u>Percentage of Total Export Wine Volume from Chile</u>		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
Glass Bottles	90%	91%	92%
Bulk	-	-	-
Bag in box	10%	9%	8%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

5) Raw Materials and other Supplies

The main raw materials that we use are sugar and other sweeteners, soft drink concentrates, fruit pulps, malt, rice, hops, grapes and water. The sugar and fruit pulps that we use are from local and international origin suppliers. We obtain our supply of malt mainly through long-term contracts with malt suppliers from several countries. Rice is sourced mainly from international suppliers.

Water is essential in our production. We obtain all of our water from wells located at our plants and/or from public utilities. The water is treated at facilities located at our plants to remove impurities and to adjust the characteristics of the water before it is used in the production process.

We own two mineral water sources in Chile from which the Cachantun and Porvenir brand mineral water products are obtained. These water springs are located in two areas near Santiago: Coinco and Casablanca, respectively. All of our mineral water products are bottled at their respective sources and distributed throughout the country. Purified water is produced with water pumped from our wells and treated in the plant.

The most relevant packaging materials are glass bottles, aluminum cans, PET bottles, caps, films, labels, corrugated cases and folding cartons. Long-term contracts are signed with the main strategic suppliers.

Glass bottles used in our packaging are purchased from the main local glass suppliers. During 2022, all of our aluminum cans were purchased from global suppliers. We buy our labels, films and corrugated cartons mainly from local suppliers. The majority of our polyethylene terephthalate ("PET") resins are imported from Asia. Bottles and injected preforms are produced by our subsidiary Plasco.

We maintain testing facilities at each of our plants and factories where raw materials are analyzed according to our standards. Additionally, the samples are analyzed at various stages of production to ensure product quality. For example, samples of Heineken beer are periodically sent to the Heineken facilities in The Netherlands to verify the quality of the product. Samples of Nestlé Pure Life water are sent to Perrier in France, and samples of Pepsi are analyzed by PepsiCo either at our plants or at the point of sale. See "Item 4: Information on the Company – A. History and Development of the Company."

Prices of our main raw materials used in the production are tied to the USD and price of commodities, and have fluctuated in Chilean and Argentine peso terms due to general commodity price fluctuations in the international markets as well as to the variation of the Chilean and Argentine peso against the USD. In addition, from time to time, prices of grapes and wine have varied depending on fluctuations in supply and demand factors.

Standard and customary commercial terms and conditions are widely used in all our contracts and supply agreements. Strategic alliances and supplier diversification allow us to reduce dependency on a single supplier of raw and packaging materials.

VSPT's main raw and packaging materials are purchased and harvested grapes, purchased wine, glass bottles, carton containers, corks and cardboard boxes. VSPT obtained approximately 45.0% of the grapes used for export wines from our own vineyards during 2022. Of the wine sold in the domestic market, approximately 12.1% are grapes from our vineyards.

VSPT has various alternative sources of supply, which can be used when they are favorable. VSPT's glass bottles are mainly purchased from local suppliers; however, when prices have been favorable, VSPT has purchased glass bottles from other local and international suppliers. Carton containers are purchased from international suppliers and are assembled in VSPT's own automated packing lines.

6) Sales, Transportation and Distribution

Sales, Transportation and Distribution: Chile Operating segment

We distribute all of our products in Chile directly to retail, supermarket and wholesale customers. This system enables us to maintain a high frequency of contact with our customers, obtain more timely and accurate marketing-related information, and maintain good working relationships with our retail customers.

After production, bottling and packaging, our beverages are either stored at one of our production facilities or transported to a network of 29 owned or leased distribution centers that are located throughout Chile. Products are generally shipped from the region of production to the closest distribution center, allowing us to minimize our transportation and delivery costs.

Product distribution is carried out by Transportes CCU throughout the country or by Comercial Patagona in the Magallanes Region.

Beginning in October 2001, all of the distribution centers and transportation companies used to store and deliver all of our products are managed on a consolidated basis by Transportes CCU.

Comercial Patagona is a subsidiary of Cervecería Austral and, as of July 2002, is responsible for the sale and distribution of our products and those of Cervecería Austral in the Magallanes Region. Comercial Patagona reaches 1,181 points of sale.

We distribute our products throughout Chile to:

- off-premise retail: small and medium-sized retail outlets, which in turn sell our products to consumers for take-out consumption;
- on premise retail: retail establishments such as restaurants, hotels and bars for on-premises consumption;
- wholesalers;
- supermarket chains; and
- e-commerce

In the last three years, the percentage mix of the above distribution channels for our products in Chile was as follows:

<u>Percentage of Total Products Sold</u>			
Distribution Channels	<u>2020</u>	<u>2021</u>	<u>2022</u>
Off-premise retail	42%	42%	42%
On-premise retail	6%	7%	9%
Wholesalers	20%	20%	19%
Supermarkets	30%	30%	29%
E-Commerce	1%	1%	1%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

In October 2005, we launched Comercial CCU, a subsidiary responsible for a single sales force dedicated to selling our beverages, in order to capture synergies and focus on sales execution. Originally, this plan was piloted in rural areas and small cities in southern Chile. As of 2008, the territory covered by Comercial CCU expanded to include the north of Chile from Arica to Copiapó/Vallenar, and the south, from Curicó to Coyhaique except for the city of Concepción.

As of August 2016, following the restructuring in Chile that encompassed combining the route-to-market of the beer and non-alcoholic categories in the whole country, Comercial CCU started to cover the beer and non-alcoholic category in the Metropolitan Region including the capital Santiago, and several other large cities such as Viña del Mar, Rancagua, La Serena, and Concepción.

Together with Comercial CCU. In all, we have a total sales force of 971 people, reaching 118,368 points of sale, related to the Chile Operating segment.

In 2019, as previously mentioned, we broadened our remote sales platforms through the launch of a modern e-commerce website in Chile, “La Barra”, reaching 73,987 households with our online portfolio in 2022 (www.labarra.cl). None of our customers accounted for more than 2.5% of our total sales by volume, with the exception of four large supermarket chains that represented in the aggregate 26.5% of our total sales by volume. None of these supermarket chains individually represented more than 10.0% of our total sales by volume.

Our customers make payment for our products either in cash or checks at the time of delivery or in accordance with one of several types of credit arrangements that we offer. Sales through credit arrangements accounted for 35.6%, 36.0% and 37.7% of our sales in Chile during 2020, 2021 and 2022, respectively. Losses on credit sales in Chile have not been significant.

Sales, Transportation and Distribution: International Business Operating segment

In Argentina, after production, bottling and packaging, our beer is either stored at the production facilities or transported to a network of seven distribution centers leased or owned by us.

As of December 31, 2022, we have the capacity to reach 217,591 points of sale in Argentina with our direct and indirect sales force. Approximately 68% of our beer in Argentina is sold and/or distributed through third-party sales and distribution chains, including two independent Coca-Cola bottlers who distribute our products mainly in the north and south of the country, representing in the aggregate 20% of our total sales by volume. We have a direct sales force which sells our beer products to customers within San Juan, Mendoza, Córdoba, Santa Fé, Rosario, and Buenos Aires City, in addition to 75 regional and national supermarket chains throughout the country. None of our retail customers individually accounted for more than 5% of our total beer sales by volume.

Looking for greater operational efficiency, during 2016 and 2017 we modified our route to market, moving volume from direct sales to wholesalers within the outer Buenos Aires Metropolitan Area and Salta.

In Argentina, though most beer is sold through wholesalers and distributors, we also sell our products to retailers and supermarket chains. In the last three years, the percentage mix of the above distribution channels for our beer products in Argentina was as follows:

<u>Argentina</u>			
<u>Distribution Channels</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Wholesalers/distributors	70%	70%	68%
Retailers	12%	11%	12%
Supermarkets	<u>18%</u>	<u>19%</u>	<u>20%</u>
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

In Uruguay our commercial distribution system reaches the whole country and all supermarkets. During 2016, as a result of restructuring, we changed from a direct sales system in Montevideo to an indirect sales system. In 2022, we maintained approximately 17,800 points of sale.

In the last three years, the percentage mix of the distribution channels for our beer and non-alcoholic products in Uruguay was as follows:

<u>Uruguay</u>			
<u>Distribution Channels</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Indirect	85%	85%	85%
Retailers	-	-	-
Supermarkets	15%	15%	15%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

In Paraguay, we have six distribution centers and a direct sales force. Together with a network of distributors and wholesalers, we reach a total of 32,228 points of sale, which allows us to have national coverage with our products.

In the last three years, the percentage mix of the above distribution channels for our beer and non-alcoholic products in Paraguay was as follows:

<u>Paraguay</u>			
<u>Distribution Channels</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Indirect	7%	8%	7%
Retailers	70%	70%	72%
Supermarkets	23%	22%	21%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

In Bolivia, we have four distribution centers and a direct sales force. We reach a total of 19,695 points of sale, which allows us to have national coverage with our products. The percentage mix of the above distribution channels for our beer and non-alcoholic products in Bolivia was as follows:

<u>Bolivia</u>			
<u>Distribution Channels</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Off-premise retail	28%	26%	26%
On-premise retail	6%	8%	7%
Wholesalers	62%	61%	61%
Supermarkets	4%	5%	6%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Our International Business segment customers make payments for our products either in cash or checks at the time of delivery or in accordance with one of several types of credit arrangements that we offer. In Argentina, sales through credit arrangements accounted for 88% of total sales during 2020, and 89% of total sales during 2021 and 2022. In Bolivia, sales through credit arrangements accounted for 10%, 11% and 13% of total sales during 2020, 2021 and 2022, respectively. In Uruguay, sales through credit arrangements accounted for 100% of total sales during 2020, 2021 and 2022. In Paraguay, sales through credit arrangements accounted for 47%, 44% and 46% of total sales during 2020, 2021 and 2022, respectively. Losses on sales through credit arrangements in the International Business segment have not been significant.

Sales, Transportation and Distribution: Wine Operating segment

Domestic. After production, bottling, and packaging, wine is either stored at the production facilities or transported to one of our 29 distribution centers located throughout Chile. VSPT wines are distributed and sold in Chile through our sales and distribution network, under the same system and payment terms as all our other products.

We distribute our wine products throughout Chile in the territories not covered by Comercial CCU or Comercial Patagona, with our own sales force, to:

- off-premise retail: small and medium-sized retail outlets, which in turn sell wine to consumers for take-out consumption;
- on premise retail: retail establishments such as restaurants, hotels and bars for on-premises consumption;
- wholesalers;
- supermarket chains; and
- e-commerce

For the last three years, the percentage mix of the above distribution channels for our wine products in Chile was as follows:

<u>Distribution Channels</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Off-premise retail	32%	33%	33%
On-premise retail	3%	4%	5%
Wholesalers	29%	28%	26%
Supermarkets	35%	35%	36%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

We reach a total of 31,341 points of sale with our dedicated sales force of 75 people, together with the sales force of Comercial CCU.

Export. VSPT has a presence in more than 80 countries. In order to increase its presence in the international market, VSPT has distribution agreements with key distributors, such as Pernod Ricard in Sweden, Finland and Norway; Asahi in Japan; Interfood and EPICE in Brazil; and Delta Wines in The Netherlands. In Canada we have distribution agreements with Phillipe Dandurand wines and Mark Anthony Group, in Korea with Keumyang and Hitejinro, as well as agreements with other distributors.

Our Wine Operating segment customers make payment for our products either in cash or checks at the time of delivery or in accordance with one of several types of credit arrangements that we offer. Sales through credit arrangements accounted for 82.0%, 78.9% and 78.3% of total sales during 2020, 2021 and 2022, respectively. Losses on credit sales have not been significant.

7) Seasonality

Seasonality: Chile Operating segment

As a result of the seasonality of our different beverages, our sales and production volumes are normally at their lowest in the second and third calendar quarters and at their highest in the first and fourth calendar quarters (i.e., those months corresponding to the holidays as well as the summer vacation season in Chile).

The following table shows our annual sales volume of beer, non-alcoholic beverages and spirits in Chile, excluding exports, by quarter in the last three years:

Seasonality Chile Operating segment

<u>Year</u>	<u>Quarter</u>	<u>Sales Volume</u> (millions of liters)	<u>% of Annual Sales Volume</u>
2020	1 st quarter	599.7	29%
	2 nd quarter	339.0	17%
	3 rd quarter	438,4	21%
	4 th quarter	671.2	33%
	Total	2,048.4	100%
2021	1 st quarter	624.9	26%
	2 nd quarter	475.2	20%
	3 rd quarter	554.9	23%
	4 th quarter	734.7	31%
	Total	2,389.7	100%
2022	1 st quarter	672.1	29%
	2 nd quarter	459.3	20%
	3 rd quarter	530.1	23%
	4 th quarter	677.2	29%
	Total	2,338.8	100%

Seasonality: International Business Operating segment

As a result of the seasonality of the beverage industry with respect to the categories in which we participate, our sales and production volumes are normally at their lowest in the second and third calendar quarters and at their highest in the first and fourth quarters (i.e., the highest selling quarters correspond to the summer and holiday seasons in the region).

The following table shows the annual sales volume for the International Business operating segment, including exports, during each quarter in the last three years:

Seasonality International Business Operating segment

<u>Year</u>	<u>Quarter</u>	<u>Sales Volume</u> <u>(millions of liters)</u>	<u>% of Annual Sales Volume</u>
2020	1st quarter	234.1	27%
	2nd quarter	143.3	16%
	3rd quarter	192.6	22%
	4th quarter	308.4	35%
	Total	878.4	100%
2021	1st quarter	246.2	26%
	2nd quarter	162.9	17%
	3rd quarter	231.7	25%
	4th quarter	301.7	32%
	Total	942.4	100%
2022	1st quarter	265.6	28%
	2nd quarter	160.2	17%
	3rd quarter	228.6	24%
	4th quarter	298.3	31%
	Total	952.7	100%

Seasonality: Wine Operating segment

As a result of the seasonality of the beverage industry with respect to the categories in which we participate, our sales and production volumes are normally at their lowest in the first and fourth calendar quarters and at their highest in the second and third quarters (i.e., the highest selling quarters correspond to autumn and winter in the Southern Hemisphere).

The following table shows the annual sales volume for the Wine Operating segment during each quarter in the last three years:

Seasonality Wine Operating segment

<u>Year</u>	<u>Quarter</u>	<u>Sales Volume</u> (millions of liters)	<u>% of Annual Sales Volume</u>
2020	1 st quarter	30.2	20%
	2 nd quarter	38.5	25%
	3 rd quarter	46.9	31%
	4 th quarter	38.2	25%
	Total	153.8	100%
2021	1 st quarter	35.3	22%
	2 nd quarter	41.3	26%
	3 rd quarter	43.4	27%
	4 th quarter	38.2	24%
	Total	158.3	100%
2022	1 st quarter	35.2	22%
	2 nd quarter	41.1	26%
	3 rd quarter	43.7	28%
	4 th quarter	<u>37.3</u>	<u>24%</u>
	Total	<u>157.3</u>	<u>100%</u>

8) Geographical Markets

Chile is our primary market in terms of sales, followed by Argentina. In 2020, 2021 and 2022, Chile represented 77%, 72% and 70%, respectively, of CCU's consolidated Net sales, while Argentina, in the same time periods, represented 18%, 25% and 26%, respectively.

	Net Sales for the year		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
		(millions of CLP)	
Chile ⁽¹⁾	1,436,790	1,781,697	1,896,472
Argentina ⁽²⁾	338,215	612,603	700,322
Uruguay	19,484	21,643	28,962
Paraguay	39,245	48,287	65,639
Bolivia	23,860	20,482	20,040
Total	<u>1,857,594</u>	<u>2,484,712</u>	<u>2,711,435</u>

⁽¹⁾ Includes revenue from Net sales of the SSU and eliminations between geographical operations. In addition, includes Net sales of the Wine Operating segment.

⁽²⁾ Includes revenue from Net sales from the subsidiaries Finca La Celia S.A. and Los Huemules S.R.L. which are presented in Wine Operating segment and Chile Operating segment, respectively.

CCU's net sales are primarily generated in the domestic beverage market in the countries in which we have operations in Latin America. In 2020, 2021 and 2022, the domestic market represented 93%, 95% and 94%, respectively, of CCU's consolidated net sales in each of these years.

	Net Sales for the year		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
		(millions of CLP)	
Domestic	1,729,519	2,354,364	2,559,607
Exports	128,074	130,348	151,828
Total	<u>1,857,594</u>	<u>2,484,712</u>	<u>2,711,435</u>

CCU's Wine Operating segment exports wine from Chile and Argentina to over 80 countries around the world. The following table provides the distribution of Wine Operating segment's exports in 2022 by market:

<u>Market</u>	<u>Volume ⁽¹⁾</u>	<u>Percentage of Total Exports</u>
	(thousands of liters)	
Europe	19,740	30%
Latin America	19,719	30%
USA and Canada	4,925	7%
Asia and Oceania	21,693	33%
Others	196	0%
Total	<u>66,273</u>	<u>100%</u>

⁽¹⁾ Includes Argentinean operations, excludes bulk wine.

9) Competition

Competition: Chile Operating segment

The beer market in Chile is characterized by a wide range of local and international beer brands. Our largest competitor in the beer business is Cervecería Chile S.A. (a subsidiary of ABI). Cervecería Chile S.A.'s primary beer brands are Becker, Corona, Báltica, Stella Artois and Budweiser. Following the execution of a distribution agreement in November 2020, Cervecería Chile S.A. distributes its products through the distribution network of Embotelladora Andina S.A. ("Embotelladora Andina") and Coca-Cola Embonor S.A. ("Embonor"). Both companies are the main licensees and bottlers of The Coca-Cola Company's products in Chile. Prior to November 2020, Cervecería Chile distributed its products through direct distribution and wholesalers.

Another relevant player in the beer market in Chile is Viña Concha y Toro S.A. ("Concha y Toro"), which imports Miller Genuine Draft and Estrella Damm since 2018. Concha y Toro also owns a majority stake in Southern Brewing Company, the brewer of Kross beer. Finally, in the beer market, we also compete with a large number of craft breweries, and distributors/importers of international beers.

In the non-alcoholic categories, our main competitors are companies that produce, bottle and distribute non-alcoholic beverages in Chile under licenses from The Coca-Cola Company and its affiliates. Thus, the two main players in the carbonated soft drinks beverage business in Chile are Embotelladora Andina and Embonor. Our main competitor in the mineral, purified and flavored water business is Vital Aguas S.A., a subsidiary of Embotelladora Andina and Embonor. Our principal competitor in the juice, iced tea and sport drinks business is also Vital Jugos S.A., a subsidiary of Embotelladora Andina and Embonor.

The spirits market in Chile is characterized by a wide range of locally produced and imported products. Our largest competitor is Cooperativa Agrícola Písquera Elqui Limitada ("Capel"), which produces pisco locally and imports a number of spirits. As of mid-2019, Capel's products began to be distributed by Embotelladora Andina and Embonor. We also compete against Diageo Chile Limitada, which imports premium spirits such as Johnnie Walker whiskey and Smirnoff vodka, among others. As of mid-2018, Diageo's products started to be distributed by Embotelladora Andina and Embonor. Finally, we also compete against several other smaller-size importers of international brands, as well as local producers of pisco and other spirits.

The following chart shows estimates of our market share in the Chile Operating segment for the last three years:

Year	Chile Operating segment Volume market share ⁽¹⁾
2020	45.2%
2021	46.2%
2022	45.2%

(1) Source: Nielsen. The calculation of the weighted average for past periods includes markets and industries that CCU entered at a later date. Excludes HOD and powder drinks. 2021 and 2022 also excludes energy drinks.

Competition: International Business Operating segment

One of the most relevant markets in the International Business Operating segment is the beer market in Argentina, where we compete with Quilmes, a subsidiary of ABI), leader in the beer market in that country. Quilmes' main brands are Brahma, Quilmes, Corona, Stella Artois, Budweiser and Patagonia.

Quilmes' large size allows it to improve economies of scale in the production and distribution of beer in Argentina. Quilmes' current operation is the result of a series of acquisitions and mergers of brands and assets of the main breweries in the world and the region.

In addition, in the other countries that encompass the International Business Operating segment, these are Paraguay, Uruguay, and Bolivia, where we have multi-category operations, we compete mainly in the beer category with ABI subsidiaries, and in the non-alcoholic beverages' categories, we compete mainly with companies that produce, bottle and distribute products of The Coca Cola Company and PepsiCo, Inc.

The following table shows estimates of the market share of our International Business Operating segment including: beer in Argentina; beer, carbonated soft drinks, juices and nectars and mineral water in Uruguay; beer, carbonated soft drinks, juices and nectars and mineral water in Paraguay; and beer, malt and carbonated soft drinks in Bolivia:

<u>Year</u>	<u>International Business Operating Segment Volume Market Share</u> ⁽¹⁾
2020	17.7%
2021	18.0%
2022	18.1%

(1) Sources: Ernst and Young for Argentina. ID Retail for Uruguay, CCR for Paraguay (internal estimates for waters), Ciesmori for Bolivia (internal estimates for carbonated soft drinks). The calculation of the weighted average for past periods includes markets and industries that CCU entered at a later date. In 2021 and 2022, market share does not consider flavored waters in Uruguay.

Competition: Wine Operating segment

The wine industry, both in the domestic and export markets, is characterized by having a large number of participants with different business scales. Thus, VSPT's biggest competitors in the Chilean domestic market are Viña Concha y Toro and Viña Santa Rita S.A. ("Santa Rita"). Following the execution of a distribution agreement in November 2021, Santa Rita distributes its products through the distribution network of Embotelladora Andina and Embonor. Other relevant wineries in the Chilean domestic market are Bodegas y Viñedos Santa Carolina S.A., Viña Undurraga S.A., Viña Cousiño Macul S.A. and viña Montes. At an international level, VSPT competes with Chilean producers and with wine producers around the world.

The following table shows estimates of the volume market share of our Wine Operating segment in Chile (excluding bulk wine sales) for the last three years:

<u>Year</u>	<u>Wine Operating segment Volume market share</u> ⁽¹⁾
2020	18.9%
2021	19.1%
2022	19.9%

(1) According to Nielsen figures for Chilean domestic wine and Viñas de Chile for export figures from Chile. The calculation of the weighted average for past periods includes markets and industries that CCU entered at a later date.

10) Government Regulation

Government Regulation in Chile

We are subject to the full range of governmental regulation and supervision generally applicable to companies engaged in business in Chile. These regulations include labor laws, social security laws, public health, consumer protection, environmental laws, securities laws, and antitrust laws. In addition, regulations exist to ensure healthy and safe conditions in facilities for the production, bottling, and distribution of beverages. For a more detailed discussion of environmental laws, see “Item 4. Information on the Company – E. Environmental Matters.”

Regulations specifically concerning the production and distribution of “alcoholic beverages” are contained in Chilean Law N° 18,455 and its Ordinance, which set the standards for human consumption of such beverages, by minutely describing the different types of alcohol; the minimum requirements that must be met by each class of beverage; raw materials and additives that may be used in their manufacture; their packaging and the information that must be provided by their labels; and the procedure for their importation, among others.

Additional regulations concerning wine origin denominations are contained in Decree N° 464 of the Ministry of Agriculture, published on May 26, 1995, as amended, which also laid out the wine-growing regions and set rules regarding grape varieties, vintage year, labeling and selling requirements; and Law N° 20,089, which creates the National Certification System for Organic Agricultural Products, which establishes the conditions for the commercialization of products under the denomination of origin of organic or its equivalents. Additionally, Pisco origin denominations, also applicable to us, are regulated by Decree N° 521 published on May 27, 2000 by the Ministry of Agriculture, and likewise contains provisions relating to pisco producing regions, raw material standards, manufacturing procedures, packaging and labeling.

The large-scale production of alcoholic beverages does not need any licenses or permits other than those required for the general run of commercial and industrial enterprises engaged in the manufacture of consumer commodities.

According to Law N° 19,925 published in 2004, which amended and restated the Act on Sale and Consumption of Alcoholic Beverages (former Law N° 17,105), all establishments dealing in alcoholic beverages, whether wholesale or retail, require a special municipal license, the cost of which is fixed by the law and varies according to the nature of the outlet or point of sale (i.e. liquor store, tavern, restaurant, hotel, etc.). We are in possession of all licenses necessary for our wholesale operations.

Law N° 19,925 also set opening and closing hours; limited geographical areas for the sale of alcohol; reduced the maximum number of licenses to be granted by zones and population; increased criminal liability for selling alcohol to persons under eighteen years of age; and tightened the restrictions, imposing prison sentences and higher fines, among others, for violations formerly deemed lighter. One of its most important innovations was to forbid the sale of alcohol to minors at all outlets, and not just for on-premises drinking (the only exception retained is the case of children who are served meals when accompanied by their parents).

Alcoholic beverages are also subject to the provisions of Law N° 21,363 published on August 6, 2021, which established restrictions and warnings about the consumption of alcohol on labeling and promotional materials (which will become effective one year after the regulatory decree of the law is published); the obligation to inform the amount of calories on labels (which will become effective on August 6, 2023); time restriction for TV and radio advertising and prohibited promotional activities or advertising of alcohol in relation to sport activities (which will become effective 36 months after the complementary regulation of the Law is published). This law and regulations could affect our alcoholic beverages portfolio and certain marketing activities.

The regulatory agency for alcoholic beverages is the Servicio Agrícola y Ganadero (“SAG”).

The production, bottling and marketing of non-alcoholic beverages is subject to applicable sanitary legislation and regulations, particularly the Sanitary Code and the Food Ordinance (the *Reglamento Sanitario de los Alimentos*).

Non-alcoholic beverages are also subject to the provisions of Law N° 20,606 on Nutritional Composition of Food and Advertising enacted in 2012, Decree N° 13 of the Ministry of Health which was published on June 26, 2015, amending the Food Ordinance referred to above, Law N° 20,869 on Food Advertising, published on November 13, 2015, and Supreme Decree N° 1 of the of Ministry of Health published on December 11, 2017 and effective as of June 11, 2018, which set certain restrictions on and requirements for the advertising, labeling and marketing of foods that are qualified as “high” in calories or any of the defined critical nutrients, such as

sodium, sugar and saturated fats.

Law N° 19,937, published in 2004, and fully operative by February 2006, established the structure and powers for the current Sanitary Authority. The Ministry of Health's Regional Offices, which constitute the Sanitary Authorities, inspect plants on a regular basis, taking samples for analysis, directing the adoption of new safety procedures and applying fines and other penalties for infringement of regulations.

The production and distribution of mineral water is also subject to special regulation, Supreme Decree N° 106 of Ministry of Health published on June 14, 1997, as amended, as well as the Food Ordinance referred to above. Mineral water may only be bottled directly from sources, which have been designated for such purpose by a Supreme Decree signed by the President of Chile. The competent Sanitary Authority provides a certification of the data necessary to achieve such a designation. All of our facilities have received the required designation.

Independently of the products manufactured or services provided in each plant or facility, the premises are also regularly inspected by the Sanitary Authorities, regarding sanitary and environmental conditions, labor safety, and related matters.

There are currently no material legal or administrative proceedings pending against us in Chile with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our businesses in Chile.

Government Regulation in Argentina

We are subject to the full range of governmental regulation and supervision generally applicable to companies engaged in business in Argentina, including social security laws, public health, consumer protection and environmental laws, securities laws and antitrust laws. As closely held corporations, our subsidiaries in Argentina are principally governed by Law N° 19,550 on commercial companies included in the Civil and Commercial Code.

National Law N° 18,284 (the Argentine Food Code, or the "Food Code") regulates the manufacturing, packaging, import, export and marketing of food and beverages. The Food Code provides specific standards with which manufacturing plants must comply and regulates the production of food and beverages mentioned in the Food Code. The Food Code also specifies the different methods in which beer may be bottled as well as the information to be provided on labels. National Law N° 24,788, enacted in March 1997, and its Regulatory Decree N° 688/2009 as amended and supplemented, regulates the sale and consumption of alcoholic beverages and its advertising and establishes the national minimum age requirements for the purchase of alcoholic beverages. Under this Law, the sale of alcoholic beverages is not permitted to persons under 18 years of age, and the health authorities of each province undertake the enforcement of the Food Code. In the City of Buenos Aires and many provinces of Argentina, local law restricts the sale of alcoholic beverages, particularly between the hours of 11 p.m. and 8 a.m., and establishes harsh penalties for infringement. Additionally, Law N° 5,708 also establishes further advertising requirements for the City of Buenos Aires. Resolutions issued by the "Instituto Nacional de Vitivinicultura regarding wine are also applicable. In the province of Mendoza, the Resolutions issued by the "Departamento General de Irrigación" and Law N° 430 and Law N° 322, regulate the administration and management of water. Finally, Law N° 27,642 set forth the requirement to include information on advertising and front labels of soft drink containers containing excess sugars, sodium, saturated fat, total fat and calories.

There are currently no material legal or administrative proceedings pending against us in Argentina with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our business in Argentina.

Government Regulation in Uruguay

In Uruguay, we are subject to the full range of governmental regulation and supervision generally applicable to companies engaged in business in said country. As a closely held corporation, our subsidiaries are principally governed by Law N° 16,060, which regulates all commercial companies.

The main applicable laws are Decree N° 315/94 containing the National Bromatological Regulations, Code of Children and Adolescents regulating aspects related to sale and advertising of alcoholic beverages, Law N° 17,849 and its Regulatory Decree N° 260/07 regulating Integrated Packaging Management System,

Mercosur Technical Regulations for labeling of packaged food, Law N° 18,159 regulates the promotion and defense of competition, Law N° 19,196 governing the criminal liability of employers for breach of occupational safety rules when it threatens or causes damage to the lives of workers, Law N° 19,855 regulating problematic consumption of alcoholic beverages, and Decree N° 272/18, effective as of March 1, 2020, with respect to food labeling and its Regulatory Decree N° 63/2020.

There are currently no material legal or administrative proceedings pending against us in Uruguay with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our business in Uruguay.

Government Regulation in Paraguay

In Paraguay, Distribuidora del Paraguay S.A. and Bebidas del Paraguay S.A. are governed by the laws of the Republic of Paraguay, in particular: Law N° 1,034/83 of Merchants, and articles 1,048 to 1,159 of Law N° 1,183/85 Civil Code and its subsequent amendments, Law N° 388/94 establishes provisions on incorporation, capital stock and powers of the assembly with respect to corporations and its subsequent amendments, Law N° 3,228/07 amends article 5 of Law N° 388/94, which amends article 1,051 of Law N° 1,183/85 Civil Code; Law N° 6,380/19 on Modernization and Simplification of the National Tax System, Law N° 5,895/17 which establishes transparency rules in the corporate governance of companies incorporated by shares and Law N° 6,399 amending Law N° 5,895/17, Decree N° 9,043/17 and its subsequent amendments, which regulates Law N° 5,895/17 and establishes fines in case of non-compliance, Law N° 6,446/19 which creates the Administrative Registry of Persons and Legal Structures and the Administrative Registry of Final Beneficiaries of Paraguay, Decree N° 3,241/20 which regulates Law N° 6,446/2019 referred to above, Law N° 213/93 establishing the Labor Code, and Law N° 294/1993 on Environmental Impact Assessment.

In addition, due to the specific nature of its corporate purpose, Bebidas del Paraguay S.A. is subject to the provisions of Law N° 836/80 Health Code, Law N° 1,334/98 on Consumer and User Protection and its subsequent amendments, Law N° 1,333/98 on Advertising and Promotion of Tobacco and Alcoholic Beverages, Law N° 1,642/00 prohibiting the sale of alcoholic beverages to minors and prohibiting their consumption on public roads, and Executive Decree N° 1,635/99 and Resolution of the Ministry of Public Health and Social Welfare N° 643/12 regulating aspects related to the registration of food products and amendments thereto, among others.

There are currently no material legal or administrative proceedings pending against us in Paraguay with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our business in Paraguay.

Government Regulation in Bolivia

BBO is a closely held corporation governed by the laws of the Plurinational State of Bolivia, in particular by Chapter V (Corporations) of Decree Law N° 14,379 Commercial Code, which establishes provisions on the constitution of companies, rights and obligations of the shareholders, the administration and control bodies of the company, as well as the classification of the shares, issuance rules and records.

In addition, in view of the corporate purpose of BBO and the commercial activities carried out in Bolivia, regarding the production, import, export and marketing of alcoholic and non-alcoholic beverages, the following rules are applicable: Law N° 1,990 or General Customs Law and Supreme Decrees N° 27,947 and N° 572 amending Supreme Decree N° 25,870 that contains the regulation of the General Customs Law, both regulate the regime of imports and exports, Law N° 2,061 of the National Service of Agricultural Health and Food Safety ("SENASAG"), regulating entities responsible for administering the agricultural health and food safety regime in the country, Resolution N° 15/2018 that contains the regulation for the classification and registration of food, issued by SENASAG, Law N° 259 on control of sale and consumption of alcoholic beverages, and Supreme Decree N° 29,519 that regulates competition and consumer protection.

There are currently no material legal or administrative proceedings pending against us in Bolivia with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our business in Bolivia.

Government Regulation in Colombia

CCC and ZF CC are simplified stock corporations governed by the laws of the Republic of Colombia, in particular, with respect to their corporate existence and operation, Law N° 1,258 of 2008, Law N° 222 of 1995 and the Colombian Commercial Code.

Furthermore, ZF CC must comply with the free zone regime, including Law N° 1,004 of 2005, Decree N° 2,147 of 2016 amended by Decree N° 278 of 2021, Decree N° 1,165 of 2019, Resolution N° 46 of 2019 and the rules that modify or regulate it, and its corresponding resolution of declaration of existence issued by the Customs Authority as well as its general development master plan approved by the Ministry of Commerce, Industry and Tourism. Likewise, the provisions of article 11 of Law N° 2,277 of 2022, and other rules that regulate it, must also be complied with. In tax matters, article 240-1 of the Tax Statute applies to this company, modified by Law N° 2,277 of 2022, which regulates the income tax rates applicable to free trade zone users.

In addition, the specific rules relating to the activities and business that each company carries out are applicable to these companies, the main ones being: Law N° 9 of 1979, which establishes the conditions that raw materials for the production of alcoholic beverages must satisfy, Law N° 124 of 1994, which regulates the sale and consumption of alcoholic beverages and their advertising and establishes that the minimum age for the purchase of alcoholic beverages at the national level is 18 years of age, Decree N° 1,686 of 2012, which sets forth the sanitary requirements for the production, packaging, advertising, transportation, import and marketing of alcoholic beverages destined for human consumption, Decree N° 780 of 2016, which establishes, in the field of alcoholic beverages, the obligation to emphasize in advertising and related legends the prohibition of the sale of alcoholic beverages to minors, as well as the specifications that must be included in their packaging and labels, Decree N° 1,506 of 2014, Decree N° 216 of 2019 and Circular N° 486 of 2016, establishing the health requirements associated with the manufacture, processing, packaging, storage, distribution, marketing, sale, import or export of alcoholic beverages, Law N° 223 of 1995 and Law N° 1,816 of 2016 regulating local taxes applicable to the production and distribution of alcoholic beverages (including beer) in the Colombian territory, article 475 of the Tax Statute which determines the taxable base of the Sales Tax (VAT), Decree N° 1,366 of 2020, which establishes provisions for granting sanitary registration of alcoholic beverages manufactured and marketed by micro-entrepreneurs and certification in good manufacturing practices, and Decree N° 162 of 2021, amending Decree N° 1,686 of 2012. Furthermore, considering that CCC produces a soft drink, it must comply with Resolution N° 2,674 of 2013, general food regulation, and the frontal labeling regulations pursuant to Decree N° 810 of 2021 (effective as of December 2022) and Law N° 2,120 of 2021. On December 13, 2022, the Ministry of Health and Social Protection issued Resolution N° 2,492 of 2022, in implementation of article 5 of Law N° 2,120 of 2021, pursuant to which the Government, through the Ministry of Health and Social Protection, shall regulate the technical parameters of labeling, with the power to define the form, content, figure, proportion, symbols, texts, maximum values, colors, size and location on the packaging of products. Such Resolution N° 2,492 of 2022 amended articles 2, 3, 16, 25, 32 and 37 of Decree N° 810 of 2021 and sets forth a transition period to comply with such new enacted regulation.

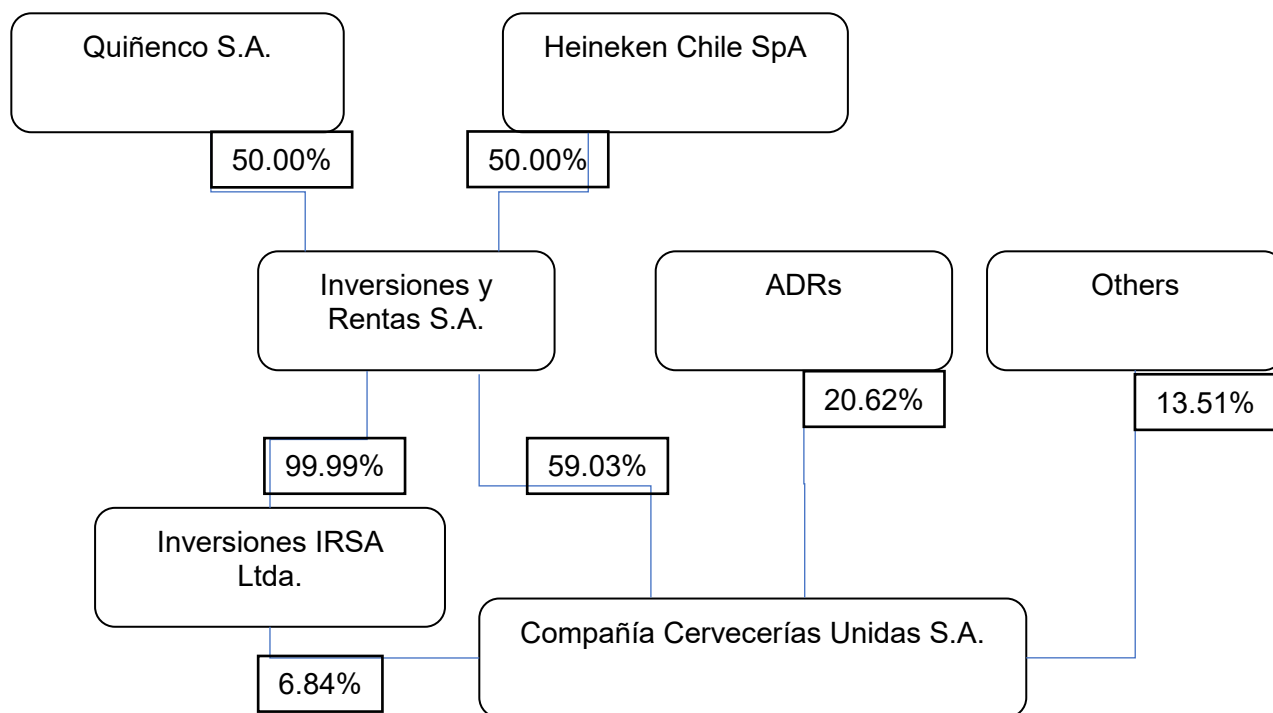
There are currently no material legal or administrative proceedings pending against us in Colombia with respect to any regulatory matter. We believe that we comply in all material respects with all applicable statutory and administrative regulations with respect to our business in Colombia.

Government Regulation in United Kingdom

Finally, VSPT UK Ltd., as a public limited company incorporated in the United Kingdom, is governed by the Companies Act 2006, the Income and Corporation Taxes Act 1988, the Food Safety Act 1990, and the Data Protection Act 2018.

C. Organizational Structure

Ownership Structure as of March 31, 2023



We are controlled by IRSA, which as of March 31, 2023 and as of the date of this annual report, directly and indirectly owned 65.87% of our shares of common stock.

IRSA, since 1986, was a joint venture between Quiñenco and the Schörghuber Group through its wholly owned subsidiary FHI of the Netherlands. In April 2003, the Schörghuber Group sold FHI to Heineken Americas B.V., a subsidiary of Heineken International B.V. FHI and Heineken International B.V. formed Heineken Chile Ltda., through which 50% of IRSA shares were held. On December 30, 2003, FHI merged into Heineken Americas B.V. In 2022, Heineken Chile Ltda. became Heineken Chile SpA, a Chilean corporation (*sociedad por acciones*) whose current controller is Heineken International B.V., a Dutch limited liability company, subsidiary of Heineken N.V. The majority shareholder of Heineken N.V. is the Dutch company Heineken Holding N.V., a Dutch subsidiary of L'Arche Green N.V., which is a subsidiary of L'Arche Holdings B.V., the latter ultimately controlled by Mrs. C.L. de Carvalho-Heineken. Currently, Quiñenco and Heineken Chile SpA, are the only shareholders of IRSA, each with a 50% equity interest.

Quiñenco is the holding company of one of the largest and most diversified business conglomerates in Chile, with investments in various sectors of the Chilean economy. Apart from CCU, Quiñenco's principal holdings include Banco de Chile (a leading financial institution in Chile), Invexans S.A. (the largest shareholder of the French cable producer Nexans S.A.), Empresa Nacional de Energía Enx S.A. (the second-largest fuel distributor in Chile), Compañía Sud Americana de Vapores S.A. (main shareholder of Hapag-Lloyd A.G., one of the largest container ship liners worldwide), and Sociedad Matriz SAAM S.A. (one of the main port operators in South America and the leading tugboat operator in America).

Heineken, the Dutch brewer, is the second largest brewery in the world which markets and sells more than 300 brands in 190 countries, and it has more than 85,000 employees worldwide. Heineken group's beer volume was 257 million hectoliters during 2022.

The following table provides our significant subsidiaries as of December 2022:

<u>Subsidiaries</u>	<u>Country</u>	<u>Total Ownership Interest</u>
Cervecería CCU	Chile	100.00%
CCU Argentina	Argentina	99.99%
ECUSA	Chile	99.98%
VSPT ⁽¹⁾	Chile	84.68%

⁽¹⁾ Compañía Cervecerías Unidas S.A. indirectly, through CCU Inversiones S.A., has an aggregate 84.70% controlling interest in VSPT.

D. Property, Plants and Equipment

Set forth below is information concerning our production facilities as of December 31, 2022, all of which are owned and operated by us or our subsidiaries.

For the Chile Operating segment, we had an aggregated Supply Capacity per month of 358 million liters, including Manantial, with a Utilized Capacity during peak month of 70.8%. Utilized Capacity During Peak Month is equal to production output as a percentage of Nominal Installed Production Capacity during our peak month for each respective plant. The annual Nominal Installed Capacity for this segment is 48.6 million hectoliters. Our Chile Operating segment total facilities size is 1,016,137 square meters (total built area including warehousing logistics activities related to the production process). Supply Capacity per month is defined as nominal installed production capacity for the current product/packaging mix during 25 days per month and 3 shifts per day. The calculated slack (spare) capacity does not necessarily indicate real slack capacity. The real production capacity is less than the nominal installed production capacity as adjustments are required for real machinery performance, packaging mix, availability of raw materials and bottles, seasonality within the months and other factors. As a result, we believe that the peak monthly capacity utilization rates shown above understate real capacity utilization and that slack capacity is overstated.

Set forth below is a list of our 16 principal production facilities:

Chile Operating segment	
Location	Type of Plant
Santiago- Quilicura	Beer
Valdivia	Beer
Temuco	Mixed
Antofagasta	Non-alcoholic beverages
Coinco	Non-alcoholic beverages
Santiago -Renca Modelo	Non-alcoholic beverages
Santiago -Embotelladora CCU Renca	Non-alcoholic beverages
Casablanca	Non-alcoholic beverages
Coronel (Manantial)	Non-alcoholic beverages (HOD)
Santiago- Quilicura (Manantial)	Non-alcoholic beverages (HOD)
Puerto Montt (Manantial)	Non-alcoholic beverages (HOD)
Pisco Elqui	Spirits
Sotaquí	Spirits
Monte Patria	Spirits
Salamanca	Spirits
Ovalle	Spirits

For the International Business Operating segment, we had an aggregated Supply Capacity per month of 121.3 million liters with a Utilized Capacity during peak month of 84.8%. The annual Nominal Installed Capacity for the International business is 13.3 million hectoliters.

Our International Business Operating segment total facilities size is 403,657 square meters (total built area including warehousing logistics activities).

Set forth below is a list of our 10 principal production facilities:

International Business Operating segment		
Location	Country	Type of Plant
Buenos Aires (Luján)	Argentina	Beer
Santa Fé	Argentina	Beer
Salta	Argentina	Beer
Sajonia	Paraguay	Beer
Warnes	Bolivia	Mixed
Pan de Azúcar	Uruguay	Non-alcoholic beverages
San Antonio	Paraguay	Non-alcoholic beverages
Santa Cruz de la Sierra	Bolivia	Non-alcoholic beverages
Allen	Argentina	Cider
Ciudadela	Argentina	Cider

For the Wine Operating segment, we had an aggregated Nominal Filling Capacity of 80,040 liters per hour and a Storage Capacity in Tanks and Barrels of 120,1 million liters. The total facilities size is 153,706 square meters.

Set forth below is a list of our five principal production and two storage facilities:

Wine Operating segment		
Location	Country	Type of Plant
Molina	Chile	Wine Production
Totihue	Chile	Wine Production
Isla de Maipo	Chile	Wine Production
Finca La Celia	Argentina	Wine Production
San Juan	Argentina	Wine Production
Lontué	Chile	Wine Storage
Viña Mar	Chile	Wine Storage

Our four principal production facilities through joint ventures are set forth below (see “Item 4: Information on the Company – B. Business Overview – Overview – Joint Ventures and Associated Companies”):

Joint Ventures		
Location	Country	Type of Plant
Punta Arenas	Chile	Beer ⁽¹⁾
Sesquille	Colombia	Beer ⁽²⁾
Mendoza	Argentina	Water ⁽³⁾
Buenos Aires	Argentina	Water ⁽³⁾

(1) Production in the Punta Arenas facility is under licensing agreements and, accordingly, we do not consolidate this facility.

(2) In February 2019, CCU through its joint venture with Grupo Postobón, started beer production at the new three million hectoliter plant. Accordingly, we do not consolidate this facility.

(3) Compañía Cervecerías Unidas Argentina S.A. holds a 50% ownership interest in Aguas de Origen S.A.

In addition to our production plants listed above, we have 38 owned and 12 leased distribution centers in the countries in which we operate:

Own Distribution Centers	Country	Leased Distribution Centers	Country
Arica	Chile	Illapel	Chile
Iquique	Chile	La Vara	Chile
Calama	Chile	Castro	Chile
Copiapo	Chile	San Antonio	Chile
Coquimbo	Chile	Katuete	Paraguay
Ovalle	Chile	Coronel Oviedo	Paraguay
Llay Llay	Chile	Liberación	Paraguay
Curauma	Chile	Trinidad	Bolivia
Santiago Sur	Chile	Cochabamba	Bolivia
Santiago Quilicura	Chile	Pilar	Argentina
Santiago Modelo	Chile	Campana	Argentina
Santiago Embotelladora CCU Renca	Chile	Monte Vera	Argentina
Rancagua	Chile		
Talca	Chile		
Chillan	Chile		
Talcahuano	Chile		
Los Angeles	Chile		
Valdivia	Chile		
Osorno	Chile		
Puerto Montt	Chile		
Coyhaique	Chile		
Temuco	Chile		
Antofagasta	Chile		
Villarrica	Chile		
Punta Arenas	Chile		
Sauce Viejo	Argentina		
Alianza	Argentina		
Cordoba	Argentina		
Rosario	Argentina		
Munro	Argentina		
Mendoza	Argentina		
San Juan	Argentina		
Pan de Azúcar	Uruguay		
Encarnación	Paraguay		
San Antonio	Paraguay		
Ciudad del Este	Paraguay		
La Paz	Bolivia		
Santa Cruz de la Sierra	Bolivia		

E. Environmental Matters

Our operations are subject to both national and local regulations in Chile in relation to environmental protection. Regarding human health, the fundamental law in Chile is the Health Code, which establishes minimum health standards and regulates air and water quality, as well as sanitary landfills. The local Sanitary Authority is the governmental entity in charge of the enforcement of these rules and has the authority to impose fines. Additionally, the Ministry of the Environment is in charge of the design and application of environmental policies, plans and programs for the protection of the environment and the Superintendence of the Environment has exclusive authority to execute, organize and coordinate the oversight of the various environmental management instruments, including the environmental impact statement and the environmental impact assessment, both with their respective environmental qualification resolutions, which must be submitted for approval to the environmental evaluation service. In addition, the Superintendence of the Environment is responsible for overseeing compliance with the measures of any environmental prevention and/or decontamination plans, the content of the environmental quality standards and emission standards, management plans, when applicable, and all other environmental instruments established by law.

The environmental framework is governed by Law N° 19,300, enacted in 1994, as amended, which includes not only environmental protection rules but also rules concerning the preservation of natural resources. Among other matters, it created the environmental impact assessment system, which requires any project or major amendment of an industrial activity that may affect the environment to evaluate its possible environmental impact, in order to fulfill related regulations and to implement mitigation, compensation and restoration measures.

Law N° 19,300 also created a mechanism that establishes sources emission limits and environmental quality standards developed and detailed by specific regulations. In this sense, there is a special regulation for wastewater discharges into sewage systems, and another regulation for wastewater discharges into superficial water bodies. We comply with this law and related regulations in all material respects.

On this topic, on June 1, 2016 Law N° 20,920 was enacted and established a framework for waste management and extended producer responsibility, and stimulation of recycling ("REP Law"), with the objective of lowering the generation of waste of priority products as determined by the bill and fostering recycling of the waste. On November 30, 2017, the Regulations on Procedures of the REP Law were published. During 2019, regulations were issued that established the collection, valorization and other associated obligations for tires, which were finally published in January 2021, and on March 16, 2021, the collection, valorization and other associated obligations for packaging materials were published.

Additionally, on August 13, 2021 Law N° 21,368 was published, which regulates single-use plastic products and plastic bottles, and strengthens returnability. The bill requires (i) that disposable plastic bottles that are commercialized must be manufactured containing a percentage of plastic that has been collected and recycled within the country in the proportions to be established by means of a regulation to be issued within 18 months as of the date of publication of the law, with a minimum of 15% in 2025 (the above regulation is still pending); (ii) retail businesses (including e-commerce and delivery applications) to have returnable plastic bottles for beverages (excluding alcoholic and dairy products), effective for supermarkets 6 months as of the date of publication of the law and two years for the rest of the retailers; and (iii) prohibits establishments that sell food from using any kind of non-recyclable single-use containers, on premise and for deliveries, with effective dates depending on the establishment and the kind of plastic used.

On June 13, 2022 Law N° 21,455, Climate Change Framework Law, was published. This law aims to establish principles, governance, management instruments and adequate financing mechanisms, to allow for an economic development low in greenhouse gas emissions, reduce vulnerability, establish a carbon neutral goal by law, and increase resilience, all to guarantee the compliance of climate change international commitments made by Chile.

In 2009 we implemented our 2010-2020 Environmental Vision for our operations in Chile and Argentina, which outlined clear goals in three lines of action: (i) management of greenhouse gas emissions, (ii) waste management and (iii) water management. These goals, along with other environmental initiatives, aim for CCU to be an active player in the fight against climate change and a contribution to the circular economy.

Specifically, between 2010 and 2020 we met the proposed goals: we reduced greenhouse gas emissions by 35.7% per liter produced (the goal was 20%), we reduced the use of water per liter produced by 48.6% (the goal was 33%) and in solid industrial waste recovery we reached 99.4% (the goal was 100%). With these achievements, the company renewed its commitment to 2030 with additional and more challenging goals. These objectives make up the 2030 Environmental Vision plan, which also has a regional scope, involving operations in Chile, Argentina, Bolivia, Paraguay and Uruguay.

In 2022, we advanced with our goal to achieve the 2030 Environmental Vision plan with a 37.5% reduction in greenhouse gas emissions per liter produced (the goal is 50%); a 47.2% decrease in water consumption per liter produced (the goal is 60%); and a 99.5% recovery of industrial solid waste (the goal is 100%). Additionally, we reached a 32.9% use of electricity from renewable sources (the goal is 75%), 99.95% use of reusable, recyclable or compostable packaging (the goal is 100%) and 29.9% use of packaging with recycled material (the goal is 50%).

There are currently no material legal or administrative proceedings pending against us in Chile with respect to any environmental matter. We believe that we are complying in all material respects with all applicable environmental regulations.

In Argentina, there are several statutes imposing obligations on companies regarding environmental matters at the municipal, provincial and federal levels in accordance with the General Environmental Protection Framework (Law N° 25,675), which establishes the Basic Environmental Protection Budgets, forming the fundamentals to develop all legislation and national environmental policy. In many cases, private entities operating public utilities such as water supply and sewage are in charge of controlling and enforcing those regulations. Examples of the latest regulations promulgated are: (i) the National Register of Chemical Substances (Decree N° 900/12), which aims to improve the traceability of chemical substances by means of strict control of all chemical substances that enter or leave the industrial plant, (ii) Decree N° 801/2015 regarding the global system of classification and labeling of chemical products, which based on Decree N° 3,359/2015 was implemented in April 2016 for pure substances, and in January 2017 for mixed substances, and (iii) Law N° 26,190 the National Regime for the Use and Promotion of Renewable Sources of Energy, which was modified by Law N° 27,191 and regulated by Decree N° 531/2016, with the objective to gradually implement the Use of Renewable Sources of Energy in the plants.

Another important federal environmental legislation in Argentina is the Hazardous Waste Act (Law N° 24,051), which is supplemented by additional provincial legislation, to enforce the provisions of the Hazardous Waste Act when specific federal tests indicate the need to do so. The application of the provisions of the Hazardous Waste Act depends upon the magnitude of the public health risk and whether those conditions exist in more than one province. Hazardous waste is defined broadly and includes any residue that may cause harm, directly or indirectly, to human beings that may pollute the soil, water, atmosphere or the environment in general. Generally, claims involving hazardous waste give rise to strict liability in the event of damage to third parties. In addition, each province in which we operate facilities has enacted environmental legislation with broad and generic goals, as well as water codes and related agencies to regulate the use of water and the disposal of effluents in the water.

Over the last several years CCU Argentina has implemented a complete program for the treatment of its industrial waste, which involves the separation, collection, transportation and reusing of the generated solid waste, in compliance with the Industrial Waste Act (Law N° 25,612), as well as wastewater treatment plants. The waste program is part of our constant effort to improve environmental conditions.

Notwithstanding the foregoing, the regulation of matters related to environmental protection is not as well developed in Argentina as in the United States and certain other countries. Accordingly, we anticipate that additional laws and regulations will be enacted over time with respect to environmental matters.

While we believe that we will continue to be in compliance with all applicable environmental regulations, we cannot assure you that future legislative or regulatory developments will not impose restrictions on us, which could result in material adverse effects on our businesses, results of operations and our financial condition. There are currently no material legal or administrative proceedings pending against us in Argentina with respect to any regulatory matter. We believe that we are complying in all material respects with all applicable statutory and administrative regulations with respect to our business in Argentina.

In Argentina, our commitment to our 2030 Environmental Vision plan, which establishes an even more challenging plan that includes three new areas of action. Thus, we commit ourselves by 2030 we aim to: (i) continue reducing greenhouse gas emissions per liter produced to achieve a 50% reduction, (ii) continue

optimizing water consumption per liter produced, until achieving a 60% reduction, (iii) value 100% of industrial solid waste, (iv) use 75% renewable electrical energy, (v) use 100% reusable, recyclable or compostable packaging, and (vi) aspire to our containers are made on average with 50% recycled material. Since we began this commitment, we have, as of December 31, 2022, reduced greenhouse gas emissions by more than 40%, reduced water consumption by 53%, and achieved a 99.7% recovery rate for solid industrial waste. In addition, 34% of our energy comes from renewable sources; 99% of our containers and packaging are reusable, recyclable or compostable, and more than 30% of them are made from recycled material. Our commitment to the planet is a priority, so we will continue to move towards a circular economy.

ITEM 4A: Unresolved Staff Comments

Not applicable.

ITEM 5: Operating and Financial Review and Prospects

Overview

We face certain key challenges and risks associated with our business, as highlighted in Item 3.D. Risk Factors.

The analysis of our results is based on financial statements prepared in accordance with IFRS as issued by the IASB. The three most recent years are considered in the discussion below.

A. ADJUSTED OPERATING RESULT

The following discussion should be read in conjunction with our consolidated financial statements and the notes included thereto in this annual report, and with “Item 11: Quantitative and Qualitative Disclosures about Market Risk”, the latter related with the Company’s hedge policy. In the following discussion, CLP amounts have been rounded to the nearest million pesos, unless otherwise indicated. Certain amounts (including percentage amounts) which appear herein have been rounded and may not sum to the totals shown.

We evaluate the performance of the segments based on several indicators, including Adjusted Operating Result, Adjusted Operating Result Before Depreciation and Amortization (ORBDA), ORBDA margin (% of ORBDA of total revenues for the Operating segment), volumes and sales revenues. Sales between segments are conducted using terms and conditions at current market rates.

Adjusted Operating Result and ORBDA are non-IFRS financial measures. Adjusted Operating Result reflects a subtotal in “Note 6” under Operating segment’s additional information (page F-43). A non-IFRS financial measure does not have a standardized meaning prescribed by either IFRS or U.S. GAAP. For management purposes, Adjusted Operating Result is defined as Net income before other gains (losses), net financial expenses, equity and income of joint ventures, foreign currency exchange differences, result as per adjustment units and income taxes (or alternatively, Adjusted Operating Result can be defined as “Income from operational activities” excluding “Other gains/(losses)”). For management purposes, ORBDA is defined as Adjusted Operating Result before depreciation and amortization.

The Company believes that the use of “Adjusted Operating Result” provides investors with a better understanding of the day-to-day performance of the Company, because elements included under “Other gains/(losses)” such as impacts derived from derivative contracts and marketable securities are not considered part of the core business of each Operating segment and therefore are managed at the corporate level. The performance of each Operating segment is assessed by this measure, and for the same reason this measure is used by each segment’s Chief Operating Decision Maker to assess the performance of the Operating segments. This measure eliminates items that have less bearing on our operating performance and thus highlights trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company believes that disclosure of Adjusted Operating Result provides useful information to investors and financial analysts in their review of our operating performance and their comparison of operating performance to the operating performance of other companies in the beverage industry, but it may not be comparable to similarly titled indicators used by other companies. Further, the Company believes that the use of ORBDA provides useful information to investors and analysts in their review of financial results as it is easily comparable to other similar figures disclosed by other companies to calculate financial ratios in order to have

comparable measures used in the industry. Neither Adjusted Operating Result nor ORBDA are substitutes for IFRS measures of earnings.

Adjusted Operating Result and ORBDA have important limitations as analytical tools. For example, they do not reflect (a) our cash expenditures or future requirements for capital expenditures or contractual commitments; (b) changes in, or cash requirements needed for, our working capital needs; (c) the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; or (d) tax payments or distributions to our parent to make payments with respect to taxes attributable to us that represent a reduction in cash available to us. Although we consider the items excluded in the calculation of non-IFRS measures to be less relevant to the evaluation of our performance, some of these items may continue to take place and accordingly may reduce the cash available to us.

The following table presents the Net sales and Adjusted Operating Result, and the relevant percentage as a component of Net sales, for each of our Operating segments. Starting from the third quarter of 2016, the Company has incorporated into the Chile Operating segment the business activities performed by the Strategic Service Units (SSU), which include Transportes CCU, Comercial CCU, CRECCU and Plasco. Prior to December 2015, the revenue and expenses of the Strategic Service Units were reported under Others.

	Year Ended December 31,					
	<u>2020</u>		<u>2021</u>		<u>2022</u>	
	(in millions of CLP, except percentages)					
Net sales						
Chile Operating segment ⁽¹⁾	1,242,763	66.9%	1,578,152	63.5%	1,673,349	61.7%
International Business Operating segment ⁽²⁾	402,829	21.7%	677,945	27.3%	782,563	28.9%
Wine Operating segment ⁽³⁾	235,210	12.7%	261,620	10.5%	296,350	10.9%
Other/eliminations ⁽⁵⁾	(23,208)	(1.2)%	(33,004)	(1.3)%	(40,828)	(1.5)%
Total	1,857,594	100.0%	2,484,712	100.0%	2,711,435	100.0%
Adjusted Operating Result⁽⁴⁾						
Chile Operating segment ⁽¹⁾	174,662	93.6%	261,534	81.5%	156,753	67.7%
International Business Operating segment ⁽²⁾	(1,351)	(0.7)%	56,564	17.6%	62,913	27.2%
Wine Operating segment ⁽³⁾	31,529	16.9%	33,679	10.5%	39,046	16.9%
Other/eliminations ⁽⁵⁾	(18,249)	(9.8)%	(30,897)	(9.6)%	(27,282)	(11.8)%
Total	186,591	100.0%	320,881	100.0%	231,431	100.0%
Volume (in million liters)						
Chile Operating segment ⁽¹⁾	2,048.4	66.7%	2,389.7	68.9%	2,338.8	68.1%
International Business Operating segment ⁽²⁾	878.4	28.6%	942.4	27.2%	952.7	27.8%
Wine Operating segment ⁽³⁾	153.8	5.0%	158.3	4.6%	157.3	4.6%
Other/eliminations ⁽⁵⁾	(11.3)	(0.3)%	(20.6)	(0.7)%	(16.7)	(0.5)%
Total	3,069.3	100.0%	3,469.8	100.0%	3,432.1	100.0%

(1) Includes beers, non-alcoholic beverages, spirits and shared services units in Chile.

(2) Includes beers, cider, non-alcoholic beverages, malt and spirits in Argentina, Bolivia, Paraguay and Uruguay.

(3) Includes domestic volumes in Chile and Argentina and export wine sales to more 80 countries.

(4) Defined, for management purposes, as Net income before other gains (losses), net financial expenses, equity and income of joint ventures, foreign currency exchange differences, results as per adjustment units and income taxes.

(5) Considers the non-allocated corporate overhead expenses and eliminations of transactions and volumes between operating segments.

The following is a reconciliation of our Net income; the most directly comparable IFRS measure to Adjusted Operating Result and ORBDA for the years ended December 31, 2020, 2021 and 2022.

	For the years ended December 31,		
	<u>2020</u>	<u>2021</u>	<u>2022</u>
	(in million CLP)		
Net income of year	108,195	219,051	135,484
Add (Subtract):			
Other gains (losses)	11,410	(9,590)	12,670
Financial Income	(3,451)	(14,264)	(22,871)
Financial costs	28,714	35,660	75,931
Share of net loss of joint ventures and associates accounted for using the equity method	8,437	(226)	10,978
Foreign currency exchange differences	(2,552)	10,149	20,173
Result as per adjustment units	429	(2,529)	(1,199)
Income taxes	35,408	82,630	264
Adjusted Operating result⁽¹⁾	186,591	320,881	231,431
Exceptional Item (EI)	-	-	-
Adjusted Operating result before (EI)	186,591	320,881	231,431
Depreciation and amortization	109,814	124,117	126,498
ORBDA before (EI)	296,405	444,998	357,929
Exceptional Item (EI)	-	-	-
ORBDA⁽²⁾	296,405	444,998	357,929

(1) Defined, for management purposes, as Net income before other gains (losses), net financial expenses, equity and income of joint ventures, foreign currency exchange differences, results as per adjustment units and income taxes.

(2) Defined, for management purposes, as Adjusted Operating Result before depreciation and amortization.

The following table presents our Income statement for the periods noted below:

	Year Ended December 31,					
	<u>2020</u>		<u>2021</u>		<u>2022</u>	
	(millions of CLP, except percentages)					
Net sales	1,857,594	100.0%	2,484,712	100.0%	2,711,435	100.0%
Cost of sales	(984,036)	53.0%	(1,291,560)	52.0%	(1,514,925)	55.9%
Gross profit	873,558	47.0%	1,193,152	48.0%	1,196,510	44.1%
Other income by function	19,296	1.0%	11,808	0.5%	5,285	0.2%
Other expenses ⁽¹⁾	(1,473)	0.1%	(1,903)	0.1%	(2,440)	0.1%
Exceptional Items (EI)	-	-	-	0.0%		
MSD&A ⁽²⁾	(704,790)	37.9%	(882,177)	35.5%	(967,924)	35.7%
Adjusted Operating Result ⁽³⁾	186,591	10.0%	320,881	12.9%	231,431	8.5%
Net Financial Expenses	(25,263)	1.4%	(21,397)	0.9%	(53,060)	2.0%
Results as per adjustment units	(429)	0.0%	2,529	0.1%	1,199	0.0%
Gain (loss) on exchange differences	2,552	0.1%	(10,149)	0.4%	(20,173)	0.7%
Share of net income(loss) of joint ventures and associates accounted for using the equity method	(8,437)	0.5%	226	0.0%	(10,978)	0.4%
Other gains/(losses)	(11,410)	0.6%	9,590	0.4%	(12,670)	0.5%
Income before taxes	143,603	7.7%	301,680	12.1%	135,748	5.0%
Income tax expense	(35,408)	1.9%	(82,630)	3.3%	(264)	0.0%
Net income for the year	108,195	5.8%	219,051	8.8%	135,484	5.0%
Attributable to:						
Equity Holders of Parent company	96,152	5.2%	199,163	8.0%	118,168	4.4%
Non-controlling interest	12,043	0.6%	19,888	0.8%	17,316	0.6%

(1) Other expenses are part of the 'Other expenses by function' as presented in the Consolidated Statement of Income. These Other expenses mainly consist of losses related to the sales and write off of fixed assets.

(2) MSD&A, included Marketing, Selling, Distribution and Administrative expenses.

(3) Defined, for management purposes, as Net income before other gains (losses), net financial expenses, equity and income of joint ventures, foreign currency exchange differences, results as per adjustment units and income taxes.

FISCAL YEAR ENDED DECEMBER 31, 2022 COMPARED TO FISCAL YEAR ENDED DECEMBER 31, 2021

The main highlights of the consolidated Income Statement for the fiscal year ended 2022 were: (a) Net sales grew 9.1%, driven by 10.3% higher average prices in CLP terms, while volumes contracted 1.1%; (b) a 40.7% decline in Net income, mainly due to sharp negative external effects coming from: (i) the depreciation of our main local currencies against the USD, impacting our USD-linked costs, (ii) higher prices in raw and packaging materials and energy, and (iii) higher inflation; (c) a contraction of 27.9% in Adjusted Operating Result, explained by a 40.1% decrease in the Chile Operating segment, partially offset by a 11.2% increase in the International Business Operating segment, and a 15.9% rise in the Wine Operating segment.

It is important to mention that 2021 was a particularly positive year for volumes and financial results, due to a strong consumption recovery from extraordinary liquidity, especially in Chile.

Net Sales

Our net sales increased 9.1%, from CLP 2,484,712 million in 2021, to CLP 2,711,435 million in 2022, primarily as a result of a 10.3% increase in average prices in Chilean pesos, while volumes declined 1.1% reaching 34.3 million hectoliters.

Sales volume contracted 2.1% and 0.6% in the Chile and Wine Operating segments, respectively, mostly attributable to a strong comparison base and a weaker consumption. The International Business segment grew 1.1% in volumes, mostly driven by a resilient beer industry in Argentina. The 10.3% increase in average price (measured in CLP) was explained by: (i) an 8.3% increase in prices in the Chile Operating segment, as described below, (ii) a 14.2% increase in the International Business Operating segment, (iii) an increase of 13.9% in average prices in the Wine operating segment, mainly caused by the positive impact on export revenues from the depreciation of the CLP versus the USD.

The main drivers of the change in net sales attributable to each of our operating segments for 2022 compared to 2021 are described below:

Chile: Net sales increased by 6.0% from CLP 1,578,152 million in 2021 to CLP 1,673,349 million in 2022, due to an expansion of 8.3% in average prices, while volumes declined 2.1%. The contraction in sales volume, as mentioned above, was attributable to a high comparison base and a weaker consumption environment. The better prices were associated with the implementation of revenue management initiatives, partially compensated by negative mix effects in the portfolio.

International Business: Net sales increased 15.4% from CLP 677,945 million in 2021 to CLP 782,563 million in 2022, due to 14.2% increase in average prices together with 1.1% increase in sales volume. The higher prices were mainly associated with revenue management initiatives in all our geographies.

Wine: Net sales increased 13.3% from CLP 261,620 million in 2021 to CLP 296,350 million in 2022, due to a 13.9% rise in average prices, while sales volume decreased 0.6%. The greater prices were mainly caused by the positive impact on export revenues from the depreciation of the CLP versus the USD, and revenue management initiatives in our domestic markets.

Cost of Sales

Cost of sales consists primarily of the cost of raw materials, packaging, labor costs for production, personnel, depreciation of assets related to production, depreciation of returnable packaging, licensing fees, bottle breakage, utilities, and the costs of operating and maintaining plants and equipment.

Our cost of sales in 2022 increased 17.3% from CLP 1,291,560 million in 2021 to CLP 1,514,925 million in 2022, primarily due to a 18.6% increase in cost of sales per hectoliter, while sales volumes decreased 1.1%. The higher cost of sales per hectoliter mainly reflected the negative external effects mentioned above.

The change in cost of sales for our operating segments for 2022 is described below:

Chile: Cost of sales increased 19.9% from CLP 810,803 million in 2021 to CLP 972,143 million in 2022, primarily due to (i) higher costs in raw and packaging materials, mainly aluminum, PET, malt, and sugar, together with higher energy costs; (ii) the 14.9% average devaluation of the CLP against the USD, which negatively impacts our USD denominated costs; and (iii) inflationary pressures. Cost of sales as a percentage of net sales in the Chilean operating segment increased from 51.4% in 2021, to 58.1% in 2022.

International Business: Cost of sales in the International Business operating segment increased 14.1% in CLP from CLP 341,082 million in 2021 to CLP 389,026 million in 2022, mainly driven by a higher cost in raw and packaging materials, a higher inflation, and the negative impact from the 72.1% devaluation of the ARS against the USD in our USD-linked costs. Nonetheless, Cost of sales as a percentage of net sales in the International Business Operating segment decreased from 50.3% in 2021, to 49.7% in 2022 as Net sales rose above the Cost of sales.

Wine: Cost of sales in the Wine Operating segment increased 14.8% from CLP 159,494 million in 2021, to CLP 183,138 million in 2022, mainly associated with higher costs in packaging materials and inflationary pressures. Cost of sales as a percentage of net sales in this segment increased from 61.0% in 2021, to 61.8% in 2022.

Gross Profit

Our gross profit remained practically flat, increasing 0.3% from CLP 1,193,152 million in 2021 to CLP 1,196,510 million in 2022, driven by the changes in Net sales and Cost of sales during such periods described above.

Marketing, Selling, Distribution and Administrative Expenses (MSD&A expenses)

MSD&A expenses primarily include advertising and promotional expenses, selling expenses, distribution costs such as product transportation costs, services provided by third parties and other administrative expenses.

MSD&A expenses increased 9.7%, from CLP 882,177 million in 2021, to CLP 967,924 million in 2022. The increase in MSD&A expenses was mostly driven by higher distribution costs across all our Operating segments, due to greater oil prices, and a higher inflation. Nonetheless, as a percentage of Net sales, our MSD&A expenses grew from 35.5% in 2021 to 35.7% in 2022, due to efficiencies that helped to compensate an inflationary scenario.

The MSD&A expenses performance of each Operating segment during 2022 is described below:

Chile: MSD&A expenses increased 7.4% from CLP 506,892 million in 2021, to CLP 544,220 million in 2022 consistent with higher distribution costs and inflationary pressures. As a percentage of Net sales, MSD&A expenses increased from 32.1% in 2021, to 32.5% in 2022 that helped to compensate strong expense pressures.

International Business: MSD&A expenses increased 15.2% in CLP, from CLP 288,303 million in 2021, to CLP 332,194 million in 2022, primarily due to the negative impact from the inflation in Argentina. Nonetheless, as a percentage of Net sales, MSD&A expenses were almost flat decreasing from 42.5% in 2021, to 42.4% in 2022, in part due to efficiencies.

Wine: MSD&A expenses grew 8.8% from CLP 69,052 million in 2021, to CLP 75,132 million in 2022, mainly due to higher distribution and marketing expenses. As a percentage of Net sales, MSD&A expenses improved from 26.4% in 2021, to 25.4% in 2022 due to top line growth and efficiencies.

Other Income by Function

Other income by function decreased 55.2% from CLP 11,808 million in 2021, to CLP 5,285 million in 2022. The variation is primarily attributable to our operations in Argentina, associated with lower income related with “the Transaction” between CCU Argentina and ABI (for more information see “Note 1 - Letter D” of our Consolidated Financial Statements as of December 2022 included herein).

Other Expenses

Other expenses increased 21.2% from CLP 1,903 million in 2021 to CLP 2,440 million in 2022, mainly due to assets write-offs.

Adjusted Operating Result

As a result of the above, our Adjusted Operating Result decreased 27.9% from CLP 320,881 million in 2021, to CLP 231,431 million in 2022, and our Adjusted Operating Result as a percentage of Net sales declined from 12.9% to 8.5% in the same period.

The Adjusted Operating Result performance of each of our Operating segments for 2022 is described below:

Chile: The Adjusted Operating Result declined 40.1% from CLP 261,534 million in 2021, to CLP 156,753 million in 2022. Consequently, the Adjusted Operating Result margin decreased from 16.6% to 9.4% in the same period, mainly explained by lower volumes and sharp negative external effects that impacted our costs and expenses. The latter was not able to be offset with revenue management efforts and efficiencies.

International Business: The Adjusted Operating Result increased 11.2%, from CLP 56,564 million in 2021, to CLP 62,913 million in 2022. The Adjusted Operating Result margin declined from 8.3% to 8.0% in the same period, caused by cost and expenses pressures that were not able to be compensated with volume expansion, revenue management initiatives and efficiencies.

Wine: The Adjusted Operating Result increased 15.9% from CLP 33,679 million in 2021, to CLP 39,046 million in 2022. The Adjusted Operating Result margin grew from 12.9% to 13.2% in the same period, attributable to the positive effects from the depreciation of the CLP against the USD and its positive impact on export revenues, and efficiencies.

Other: The Adjusted Operating Result for Others reached a loss of CLP 27,282 million in 2022, from a higher loss of CLP 30,897 million in 2021, mainly due to non-recurrent technological expenses in 2021, associated with the implementation of a new Enterprise Resource Planning ("ERP") platform.

Net Financial Expenses

Our Net Financial Expenses grew 148.0% from a loss of CLP 21,397 million in 2021, to a loss of CLP 53,060 million in 2022, mainly explained by a higher debt.

Share of net income(loss) of joint ventures and associates accounted for using the equity method

Our Share of net income(loss) of joint ventures and associates decreased from a gain of CLP 226 million in 2021, to a loss of CLP 10,978 million in 2022, mainly due to a worse financial result in our JV in Colombia and the incorporation in 2022 of the results of Aguas Danone de Argentina S.A., which posted losses during the year.

Foreign currency exchange differences

Our Foreign currency exchange differences increased from a loss of CLP 10,149 million in 2021, to a loss of CLP 20,173 million in 2022, primarily explained by the effect of the devaluation of the ARS on our consolidated results.

Result as per adjustment units

Our result as per adjustment units declined from a gain of CLP 2,529 million in 2021, to a gain of CLP 1,199 million in 2022.

Income tax expense

Our income tax expense declined 99.7% from CLP 82,630 million in 2021, to CLP 264 million in 2022, mostly explained by both a lower taxable income and a better result on Tax effect of permanent differences, net (for more information see "Note 25 - Income taxes" of our Consolidated Financial Statements as of December 2022 included herein).

Net income attributable to equity holders of the parent company

Our net income attributable to equity holders of the parent company decreased 40.7% from CLP 199,163 million in 2021, to CLP 118,168 million in 2022, mainly explained by reasons described above.

Net income attributable to Non-controlling interests

Net income attributable to non-controlling interests dropped 12.9% from CLP 19,888 million in 2021, to CLP 17,316 million in 2022, mainly due to a lower financial result in some of our non-controlling interest companies (for more information see "Note 29 – Non-controlling Interests" of our Consolidated Financial Statements as of December 2022 included herein).

FISCAL YEAR ENDED DECEMBER 31, 2021 COMPARED TO FISCAL YEAR ENDED DECEMBER 31, 2020

See “Item 5. Operating and Financial Review and Prospects” in our Annual Report on Form 20-F for the fiscal year ended December 31, 2021 for a comparative discussion for the years ended December 31, 2021 and 2020.

B. Liquidity and Capital Resources

Our cash flow from operations and working capital are our primary sources to meet both our short-term and long-term obligations. In the opinion of our management, they are sufficient for those purposes.

The principal component of cash flows generated by operating activities in 2022 were amounts collected from clients net of payments to suppliers of CLP 843,182 million compared to CLP 1,090,657 million in 2021 and CLP 861,376 million in 2020.

The cash generated by our operating activities, which amounted to CLP 280,670 million, CLP 293,356 million and CLP 45,937 during the years 2020, 2021 and 2022, respectively.

In 2022, our cash flows from financing activities totaled inflows of CLP 537,101 million compared to outflows of 233,644 million in 2021 and inflows of CLP 64,750 million in 2020. The principal components of cash flows used in financing activities proceeds from short-term and long-term borrowings of CLP 783,122 million in 2022 (CLP 100,226 million in 2021 and CLP 269,337 million in 2020), other cash movement inflows of CLP 130 million in 2022 (inflows of CLP 6,130 million in 2021 and inflows of CLP 449 million in 2020) and proceeds from capital contribution inflows of CLP 1,648 million (CLP 0 million in 2021 and 2020). Partially offset by dividends paid of CLP 158,321 million in 2022, including dividends paid relating to minority interests (274,136 million in 2021 and 102,136 in 2020), of loan payments of CLP 79,351 million in 2022 (CLP 46,051 million in 2021 and CLP 95,956 million in 2020), and of financial leasing payments of CLP 9,664 million in 2022 (CLP 7,631 million in 2021 and CLP 6,857 million in 2020). Additionally, in 2022, we paid an amount of CLP 438 million for the acquisition of an additional interest in Viña San Pedro Tarapacá S.A. (CLP 12,207 million for the acquisition of an additional interest in Viña San Pedro Tarapacá S.A. and Sáenz Briones y Cía in 2021 and CLP 87 million for the acquisition of an additional interest in Sajonia Brewing Company S.R.L. in 2020).

In 2022, our cash used in investment activities totaled CLP 236,457 million compared to CLP 178,993 million in 2021 and CLP 140,545 million in 2020. The principal components of cash used in investment activities in 2022 consisted of capital expenditures of CLP 203,603 million (CLP 171,854 million in 2021 and CLP 122,787 million in 2020) and payments made to acquire interests in joint ventures, in non-controlling interests and to obtain control of subsidiaries or other businesses of CLP 36,466 million (CLP 5,792 million in 2021 and CLP 20,315 million in 2020). As of December 31, 2022, we had CLP 584,966 million (CLP 156,235 million in 2021 and CLP 217,032 million in 2020) in cash, overnight deposits, bank balances, time deposits and investments in mutual funds, which do not include CLP 12,116 million (CLP 109,333 million in 2021 and CLP 179,357 million in 2020) corresponding to securities purchased under resale agreements. Indebtedness, including accrued interest, amounted to CLP 1,372,558 million as of December 31, 2022.

As of December 31, 2022, short-term indebtedness included:

- CLP 134,737 million of short-term bank borrowings,
- CLP 30,871 million of bonds payable, and
- CLP 9,121 million of financial lease obligations.

As of December 31, 2022, long-term indebtedness, excluding the current portion, comprised:

- CLP 84,840 million of long-term obligations to banks,
- CLP 1,081,683 million of long-term obligations to the public represented by bonds, and
- CLP 31,307 million of long-term financial lease obligations.

In April 2009 the Company issued and placed a series of notes ("H" Series) in the local market for UF 2 million. In August 2018, the Company issued and placed a series of notes ("J" Series) in the local market for UF 3 million. In June 2020, the Company issued and placed two series of notes ("L" Series and "M" Series) in the local market for UF 3 million and UF 2 million. Also, in June 2020, VSPT issued and placed a series of notes ("D" Series) in the local market for UF 1.5 million. In January 2022, the Company issued and placed in the international market a 10-year bond for an amount of USD 600 million, subject to Rule 144A and Regulation S of the Securities Act of the United States of America of 1933. Additionally, in April 2022, the Company issued and placed a series of notes ("P" Series) in the local market for UF 2 million. Finally, in December 2022, the Company issued and placed a series of notes ("R" Series) in the local market for UF 4 million. The current conditions of the bonds are as follows:

	"H" Series	"J" Series	"L" Series	"M" Series	"D" Series	"P" Series	"R" Series
UF amount	2 million	3 million	3 million	2 million	1.5 Million	2 million	4 million
Term	21 years	25 years	7 years	10 years	5 Years	10 Years	20 Years
Amortization	Semi-annual since year 11	Bullet	Semi-annual since year 4	Bullet	Bullet	Bullet	Bullet
Interest Rate	UF+4.25%	UF+2.90%	UF +1.20%	UF +1.60%	UF +1.00%	UF +3.35%	UF +2.70%

144 A

USD amount	600 million
Term	10 years
Amortization	Bullet
Interest Rate	3.35%

As of December 31, 2022, the Company's recently described series of notes ("H", "J", "L", "M", "P" and "R") required that we maintain certain financial ratios. The most significant covenants required CCU to maintain a consolidated interest coverage ratio of ORBDA (as calculated by CCU in accordance with particular debt instruments in order to measure such instruments' financial covenants) to interest expenses higher than 3.00; to maintain a consolidated leverage ratio (the ratio of adjusted liabilities to adjusted equity) lower than 1.50; to maintain a consolidated financial leverage ratio (the ratio of net financial debt to adjusted equity) lower than 1.50; and a minimum consolidated adjusted equity of CLP 312,516.75 million. Furthermore, we were required to maintain a ratio of our unpledged assets over our unsecured liabilities of at least 1.2. The definition of, and calculation mechanics for "H" Series covenants were established when we first entered into this debt instrument, and were based on Chilean GAAP, which are no longer in use since the Company adopted IFRS, as issued by the IASB. For that reason, the Company in 2010 adapted, with the consent of its creditors, these requirements to the new accounting standards and principles (for more information see "Note 21 – Other Financial Liabilities" of our Consolidated Financial Statements as of December 2022 included herein).

At December 31, 2022, CCU met all of its financial debt covenants and had a consolidated interest coverage ratio of 4.71, a consolidated leverage ratio of 1.49 and consolidated financial leverage ratio of 0.51 (the ratio is 0.49 excluding financial lease obligations). The consolidated adjusted equity attributable to equity holders of the parent company as of December 31, 2022 was CLP 1,324,190 million. Our ratio of unpledged assets over unsecured liabilities was 2.62 (the ratio is 2.66 if IFRS-16 is not applied and 2.70 excluding financial lease obligations). As of December 31, 2022, the subsidiary VSPT was in compliance with the financial covenants required for the "D" series (for more information see "Note 21 – Other Financial Liabilities" of our Consolidated Financial Statements as of December 2022 included herein).

Regarding bank loans in CLP, the main loans are: Compañía Cervecerías Unidas S.A. CLP 40,000 million, and CLP 90,000 million; CPCH CLP 16,000 million; and CCK CLP 6,750 million. As of December 31, 2022, the Subsidiary and CCU were in compliance with the financial covenants and specific requirements of these loans.

None of our indebtedness, or that of our subsidiaries, contains any term that restricts our ability to pay dividends other than the requirement to maintain a minimum consolidated equity.

The following table summarizes our principal payment obligations in millions of CLP by interest rate structure, financial instrument and currency, with their respective maturity dates and related weighted-average interest rates:

To hedge our market risks, we hold debt obligations in various currencies and enter into derivatives contracts. See “Item 11: Quantitative and Qualitative Disclosure about Market Risk”.

<u>Interest - Bearing Debts⁽¹⁾ as of December 31, 2022</u>									
(millions of CLP, except percentages)									
Contractual Flows Maturities									
<u>Fixed Rate</u>		<u>Average Int.Rate</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Thereafter</u>	<u>TOTAL</u>
CLP (UF) ⁽²⁾	Bonds	2.5%	33,534	46,196	98,016	44,504	30,753	521,508	774,511
CLP (USD) ⁽³⁾	Bonds	3.4%	17,203	17,203	17,203	17,203	17,203	590,929	676,942
CLP (UF) ⁽²⁾	Bank	3.4%	7,513	4,771	4,771	2,173	2,173	24,695	46,095
CLP	Bank	6.9%	137,382	7,487	12,301	5,384	66,430	-	228,984
USD	Bank	9.7%	4,690	588	588	154	154	1,366	7,539
EUR	Bank	1.5%	59	-	-	-	-	-	59
ARS	Bank	26.1%	293	101	101	-	-	-	494
BOB	Bank	5.1%	1,872	1,197	1,197	1,866	1,866	7,545	15,542
UYU	Bank	0.8%	131	84	84	24	-	-	323
TOTAL ⁽³⁾			202,676	77,625	134,260	71,306	118,578	1,146,044	1,750,490
TOTAL			202,676	77,625	134,260	71,306	118,578	1,146,044	1,750,490

(1) Including long-term debt obligations and capital lease obligations.

(2) UF as of December 31, 2022.

(3) USD as of December 31, 2022.

(4) Includes Capital Lease Obligations for an amount of CLP 52,081 million.

To hedge our market risks, we hold debt obligations in various currencies and enter into derivatives contracts. See “Item 11: Quantitative and Qualitative Disclosure about Market Risk”.

Our treasury policy is to invest in highly liquid financial instruments issued by first-class financial institutions. Investments are made primarily in USD and CLP. As of December 31, 2022, we had invested CLP 417,745 million in time deposits, mutual funds and securities purchased under resale agreements (Repos). The following table summarizes financial instruments, including time deposits, mutual funds and securities purchased under resale agreements (Repos), held by us as of December 31, 2022:

Short-Term Financial Instruments	
	(in millions of CLP)
Time deposits	389,303
Mutual Funds	16,325
Repos	12,116
Total	417,745

Capital Expenditures

In 2023, we expect to invest CLP 172,258 million, mainly consisting of (i) CLP 90,608 million in production assets, (ii) CLP 31,752 million in returnable packaging, (iii) CLP 23,080 million in marketing assets (fridges and coolers) and, (iv) CLP 12,172 million in distribution assets. Of the total investment planned for 2023, CLP 128,067 million will be allocated in Chile.

Our plans for capital expenditures through the period 2023-2026 are displayed in the following table:

	2023	2024	2025	2026
		(in millions of CLP)		
Chile	128,067	139,709	132,519	76,451
Abroad	44,191	41,135	34,295	31,319
Total	172,258	180,844	166,814	107,770

For the years 2023-2026, we will continue focusing on ensuring that we have the production capacity, in Chile and the other geographies where we operate, optimizing our distribution system and facilities, investing in marketing assets and returnable packaging. Capital expenditures also include investments related to improve the condition of our facilities, in order to ensure the wellbeing and safety of our employees, suppliers and customer, while we will continue focusing in our sustainability agenda.

We cannot ensure that we will make any of these proposed capital expenditures at the anticipated level or at all. Moreover, given the current highly uncertain business environment, associated with the post economic impact from the COVID-19 pandemic, the estimated figures presented above could differ. Our capital investment program is subject to revision from time to time due to changes in market conditions for our products, general economic conditions in the countries where we operate, interest rates, inflation and foreign exchange rates, competitive conditions and other factors. In addition, we are analyzing the possibility of making acquisitions in the same or related beverage businesses, either in Chile or in other countries of South America's southern cone.

The financing of our investments comes mostly from cash flow from operations generated by the Company, supplemented with debt from the local and international financial markets, always considering in maintaining a healthy financial profile.

C. Research and Development

Innovation is the driver that allows CCU to meet constantly evolving demand. Our research and development efforts to continuously satisfy the market by introducing new products and brands, although significant, do not involve material expenditures, as we have a close relationship with the companies that own the brands subject to license contracts. The relationship with the license owners is a constant resource in these matters as well as in the application of production best practices, providing access to the “state of the art” techniques and knowledge in the industry.

In 2003, we entered into two technical agreements with Heineken Brouwerijen B.V. for assistance regarding all technical issues related to the production and bottling of Heineken Lager, one for Chile and the other for Argentina.

In May 2005, we entered into a technical assistance agreement with Heineken Technical Services B.V. (currently Heineken Supply Chain B.V.) for certain operational aspects of our breweries, with an initial term of one year, renewable for subsequent periods of one year each. See “Item 6: Directors, Senior Management and Employees” and “Item 7: Major Shareholders and Related Party Transactions”.

In addition to brands and production techniques, the Company constantly invests in new technologies and digital transformation in order to compete in a challenging environment and to adapt to new consumer trends. In this regard, during 2019 we started updating our operational platforms and developed artificial intelligence tools to optimize the use of information in the sale and distribution processes, among other initiatives. During 2020, we invested to enhance and expand our e-commerce platforms, in order to improve our consumers’ experience, and we improved our marketing strategy through internally developed digital tools. In 2021, we launched the proprietary B2B platform “Mi Carro “ in Chile, a sales digital platform oriented to our retail clients. In addition, we continued with the regional expansion of our B2C platform “La Barra”. In 2022, advancements were made in developing proprietary machine-learning algorithms. These algorithms have been employed to analyze customer potential and optimize targeting strategies effectively. Logistic algorithms have been successfully piloted to streamline distribution processes, and in-house forecasting tools have been designed to enhance sales predictions. These initiatives collectively demonstrate a strong commitment to innovation and driving sustainable growth.

D. Trend Information

The Chilean economy posted a GDP growth of 2.4% in 2022, an inflation rate of 12.8% (measured as CPI variation), and an average unemployment rate of 7.8%. These figures represent a more negative economic environment in terms of economic activity and inflation, when compared to 2021, when GDP expanded 11.7%, and inflation reached 7.2%, largely attributable to the extraordinary level of liquidity from governmental aid and pension fund withdrawals that boosted consumption. Also, from a historical perspective, 2022’s GDP growth compares unfavorably versus the average GDP growth of 3.2% between 2010 and 2022, while unemployment rate is in line with the 7.4% average reached during the same period. In terms of inflation, 2022’s figure largely surpassed the 7.2%, posted in 2021 and the 10-year average of 4.2% reached between 2010 and 2022.

The low single-digit GDP growth in Chile was attributable to an expected deceleration after a sharp growth in 2021. In addition, inflation increased double-digits, triggering a more restrictive monetary policy by the Central Bank, which negatively impacted economic growth. In line with this, our volumes in the Chile Operating segment contracted 2.1% and our costs and expenses suffered the effects of higher inflation.

As of the date of this annual report, GDP growth expectations are weaker for 2023, implying a mild recession. Although our consolidated volumes have been resilient to weaker macroeconomic conditions in the past, we cannot assure that the consumption of our products will not be affected in the future. Furthermore, the conditions in particular sectors of the economy may have different impacts in our business and factors such as competition and changes in relative prices among the various types of beverages can affect the consumption of our products.

The exchange rate between the CLP and the USD has been subject to nominal devaluations and appreciations in the past and may be subject to fluctuations in the future. For example, when comparing the average exchange rates for each period, the Chilean peso appreciated by 4.7% and 1.1% in 2017, and 2018, respectively, and

depreciated by 9.5% and 12.7%, in 2019 and 2020, respectively, while it appreciated 4.0% in 2021. In 2022, the Chilean peso depreciated 14.8%. When comparing the exchange rate as of the end of each period, the Chilean peso appreciated by 8.2% in 2017, depreciated 13.0% in 2018, depreciated 7.8% in 2019, appreciated 5.0% in 2020, and depreciated 18.8% in 2021 and 1.3% in 2022.

In 2022, the price of our main raw and packaging materials, such as malt, sugar, aluminum and PET, as well as oil prices, posted an upward trend in line with the main commodities around the world, generating cost pressure in our operations. We purchase these raw materials from local producers, in the countries where we operate, or in the international market. The prices of these materials are subject to volatility caused by market conditions, and have experienced significant fluctuations over time reflecting global supply and demand for commodities as well as other factors, such as fluctuations in exchange rates, climate and social events, geopolitical conflicts, like the Russian invasion of Ukraine, and supply restrictions derived from the COVID-19 pandemic, over which we have no control. In addition, disruptions on international trade logistics have caused delays and difficulties on export shipments including significant increases in freights.

Although we historically have been able to implement price increases in response to increases in raw material costs, we cannot assure you that our ability to recover increases in the cost of raw materials will continue in the future. If we are unable to raise prices in response to higher raw material costs, any future increases in raw material costs may reduce our margins and profitability if we are not able to offset such cost increases through efficiency improvements or other measures.

In addition, as of the date of this report, there are a number of bills that have either been approved, or being discussed in the Chilean Congress that could impact our operation. For further information and a description of these bills, see “Item 3: Key Information – Risk Factors – Risk Relating to Our Business – Water supply is essential to the development of our businesses;” “Item 3: Key Information – Risk Factors – Risk Relating to Our Business – Possible regulations for labeling materials and the advertising of alcoholic beverages and other food products in the countries in which we operate could adversely affect us;” and “Item 3: Key Information – Risk Factors – Risk Relating to Our Business – New applicable environmental regulations could affect our business.”

In 2022, the Argentine economy expanded 5.2% and the Argentine peso continued with a depreciation trend against the USD, posting a 36.9% depreciation on average, and 72.1% as of the end of each period. A weaker Argentine peso against the USD may negatively affect our consolidated financial results due to most of our raw material costs in Argentina are indexed to the USD. Our Argentine subsidiaries use the Argentine peso as their functional currency and their financial statements are translated to CLP for consolidation purposes, which may produce variations to the Company’s consolidated net income and shareholders’ equity, due to translation effects.

Argentina has faced in the past, and continues to face, high inflation rates. The increase in inflationary risk may also erode macroeconomic growth and limit the availability of financing, causing a negative impact on our operations. In the years 2018, 2019, 2020, 2021 and 2022, inflation in Argentina was approximately 48%, 54%, 36%, 51% and 95%, respectively. Consequently, given that the cumulative inflation rate exceeded 100% in the last three years, Argentina, as prescribed by IAS 29, was declared (and continues to be) a hyperinflationary economy as of July 1, 2018 (for more information see “Note 2” of our Consolidated Financial Statements as of December 2022 included herein).

In 2020, 2021 and 2022, in an attempt to curb increasing inflation, the Argentine government applied various methods to directly and indirectly regulate price increases of various consumer goods, including beer. As of the date of this report, we are party to agreements with the Argentine government that require us to sell our products at a previously agreed-upon price. We cannot assure you that these measures will change nor the extent to which they will impact our business and results of operations.

As of the date of this report, there are several restrictions on the pricing of our products, the transfer of currency and repatriation of capital that could affect our subsidiaries’ ability to make payments and could in turn adversely affect our business and results of operations.

E. Critical Accounting Policies and Practices

A summary of our significant accounting policies is included in Notes 2 and 3 to our audited consolidated financial statements, which are included in this annual report. The preparation of consolidated financial statements requires estimates and assumptions from Management affecting the amounts included in the consolidated financial statements and their related notes. The estimates made and the assumptions used by the Company are based on historical experience, changes in the industry and the information supplied by external qualified sources. Nevertheless, final results could differ from the estimates under certain conditions.

Significant estimates and accounting policies are defined as those that are important to correctly reflect the Company's financial position and income, and/or those that require a high level of judgment by management.

Our primary estimates and professional judgments relate to the following concepts:

- a. The valuation of goodwill acquired to determine the existence of losses due to potential impairment.
- b. The valuation of commercial trademarks to determine the existence of losses due to potential impairment.
- c. The assumptions used in the current calculation of liabilities and obligations to employees.
- d. Useful lives of property, plant and equipment and intangibles.
- e. The assumptions used for calculating the fair value of financial instruments.
- f. The likelihood of occurrence and amounts estimated in an uncertain or contingent matter.
- g. The valuation of current Biological assets.

Such estimates are based on the best available information of the events analyzed to date in our consolidated financial statements. However, it is possible that events that occur in the future may result in adjustments to such estimates, which would be recorded prospectively.

During the year ended on December 31, 2022, there have been no changes in the use of accounting principles or relevant changes in any accounting estimates with regard to previous years that have materially affected our consolidated financial statements (for more information see "Note 21 – Other Financial Liabilities" of our Consolidated Financial Statements as of December 2022 included herein).

ITEM 6: Directors, Senior Management and Employees

A. Directors and Senior Management

The following table sets forth certain information with respect to the members of our Board of Directors:

	Directors	Position	Position Held Since	At CCU Since
Board of Directors	Andrónico Luksic	Chairman of the Board	April 2013 (Chairman), November 1986 (Director)	November 1986
	Carlos Molina	Vice Chairman of the Board	May 2018 (Vice Chairman) April 2012 (Director)	April 2012
	Francisco Pérez	Director	July 1998	February 1991
	Vittorio Corbo	Director	April 2012	April 2012
	Pablo Granifo	Director	April 2013	April 2013
	Rodrigo Hinzpeter	Director	July 2015	July 2015
	Rory Cullinan	Director	May 2018	May 2018
	Marc Gross	Director	May 2020	May 2020
	María Gabriela Cadenas ⁽¹⁾	Director	October 2022	October 2022
	José Miguel Barros ⁽²⁾	Director	April 2016	April 2016

(1) Elected by the Board of Directors on October 5, 2022.

(2) Resigned as director of Compañía Cervecerías Unidas S.A., effective October 1, 2022.

Andrónico Luksic (69), was appointed chairman of the board of Compañía Cervecerías Unidas S.A. in April 2013 and he has served as a director since November 1986. He is currently a member of the board of directors of Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A., Compañía Cervecerías Unidas Argentina S.A., La Barra S.A., Central Cervecera de Colombia S.A.S. and Zona Franca Central Cervecera S.A.S. He is currently chairman of the boards of Quiñenco and LQ Inversiones Financieras S.A., vice-chairman of the boards of Banco de Chile and Compañía Sud Americana de Vapores S.A., as well as a member of the board of directors of Antofagasta PLC and several other companies and institutions. In addition, Mr. Luksic is Trustee Emeritus of Babson College, a member of the Harvard Global Advisory Council, the Columbia Global Leadership Council, the International Advisory Board of the Blavatnik School of Government at Oxford University, the International Advisory Boards of both the Tsinghua University School of Economics and Management and the Fudan University School of Management, and the Americas Executive Board of the MIT Sloan School of Management. He is widely experienced in corporate governance, with more than 35 years in directive positions in companies from different sectors and countries. Within the social perspective of sustainability and human development, he is the founder and director, among other positions, of the non-governmental organizations “Amparo y Justicia”, “Oportunidad” and “Te Apoyamos”, as well as the start-up program “Impulso Chileno”. He also promoted Chilean presence at academic institutions such as Harvard, MIT, Columbia and Tsinghua, and has participated in the World Economic Forum, a global initiative for public-private cooperation, which among its main areas of focus includes environmental, social and governance (“ESG”) principles, climate change and employment issues.

Carlos Molina (66), has served as director of Compañía Cervecerías Unidas S.A. since April 2012 and as vice-chairman of the board since May 2018. He is also a member of the board of directors of Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A., Compañía Cervecerías Unidas Argentina S.A., Viña San Pedro Tarapacá S.A. and Compañía Pisquera de Chile S.A. He has over 30 years of management and strategic consulting experience in multiple industries, especially in beverages and consumer goods across the Americas. In beverages, his roles have included business development for Heineken Americas; planning and strategy for Femsa Cerveza; and board member of Kaiser in Brazil. Prior to these roles, Mr. Molina was a partner in Booz, Allen & Hamilton, a global business consulting firm. Mr. Molina meets the independence criteria under the Securities Exchange Act of 1934, as amended, the Sarbanes-Oxley Act of 2002 and the corporate governance rules of the New York Stock Exchange, and therefore holds the position of member of the audit committee. Mr. Molina has a BBA (Bachelor of Business Administration) from the University of Houston, and an MBA from the University of Texas. At CCU, he is involved in the monitoring of environmental goals, such as to reduce emissions and water consumption, waste valorization, as well as matters related to community relations

challenges. Mr. Molina has expertise in corporate governance, finance, accounting, auditing, risk management and mergers and acquisitions.

María Gabriela Cadenas (44), was appointed director of Compañía Cervecerías Unidas S.A. in October 2022. She is member of the board of Cervecera CCU Chile Limitada and Embotelladoras Chilenas Unidas S.A. Additionally, she is senior vice president digital and technology, Americas – the Heineken company. She is a technology and business executive with more than 20 years of experience leading business transformation in industries such as consulting, telecommunications, financial services, pharmaceuticals and mass consumption. She has with a strong track record of accelerating business growth by combining emerging technologies, business process optimization and shared services. Ms. Cadenas holds a degree in Systems Engineering from Universidad Metropolitana de Caracas, Venezuela and an MBA from Universidad Politécnica de Madrid, Spain. She has been recognized twice by HITEC Top 50, as leaders in Technology and Hispanic Digital Transformation. She has experience in the systemic approach to corporate sustainability, which aims to not only provide visibility and explain indicators, but also to aid organizations in maintaining sustainable activity in the long term, considering economic, environmental and social aspects (carbon footprint, water usage, equity and inclusion, responsible consumption, circularity and community development, among others).

Francisco Pérez (65), has served as director of Compañía Cervecerías Unidas S.A. since July 1998 and previously, between 1991 and 1998, he held the position of chief executive officer of said company. In 1998 he was appointed chief executive officer of Quiñenco, a position he holds to date. He is a member of the board of several companies, including Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A., Viña San Pedro Tarapacá S.A., Compañía Cervecerías Unidas Argentina S.A., Compañía Pisquera de Chile S.A., Inversiones y Rentas S.A., Banco de Chile, Banchile Corredores de Seguros S.A., LQ Inversiones Financieras S.A., Sociedad Matriz SAAM S.A., Nexans S.A., Hapag Lloyd and Invexans Limited. He is also chairman of the board of Compañía Sud Americana de Vapores S.A., Empresa Nacional de Energía Enx S.A., Invexans S.A. and Tech Pack S.A. He received a degree in Business Administration from the Pontificia Universidad Católica de Chile and a Master's degree in Business Administration from the University of Chicago. He plays an active role towards relevant advances in matters related to sustainability in the boards of the companies in which he participates. For instance, Sociedad Matriz SAAM S.A. is leading the use of electric propulsion in the global tugboat industry; Hapag Lloyd is actively participating in the shipping industry's transition to fuels with lower GHG emissions; and Nexans S.A. is one of the major enablers of global energy transition through the provision of high voltage cables. In addition, he has served as an academic at the School of Management of the Catholic University of Chile, is a columnist for the Chilean newspaper "La Tercera" and frequently participates in forums, speaking about economics, management and leadership, both in Chile and abroad.

Vittorio Corbo (80), has held the position of member of the directors' committee of Compañía Cervecerías Unidas S.A., in his capacity as independent director, since he was elected director in April 2012, which he currently chairs. He is chairman of Vittorio Corbo y Asociados Limitada, member of the MIT Sloan Latin American Advisory Council, of the International Advisory Council of the Center for Social and Economic Research (CASE) of Warsaw, Poland, and member of the Public Opinion Committee of the Centro de Estudios Públicos (CEP) in Santiago, Chile and a Fellow of the International Economic Association. He was president of the Central Bank of Chile between 2003 and 2007, director of Banco Santander S.A. (Spain) between the years 2011-2014, chairman of the board of Banco Santander Chile between 2014 and 2018, and director of the Santander-México Group, Banco Santander Chile and ENDESA Chile. He is an economic advisor to large companies as well as family offices. He held senior management positions at the World Bank in Washington DC and has provided numerous consultancies to the World Bank, the Inter-American Development Bank, the U.S. Agency for International Development, the Canadian International Development Agency, the Swedish International Development Cooperation Agency, the Foundation for Advanced Studies in International Development and the Organisation for Economic Cooperation and Development, as well as governments and central banks in Latin America. He was Professor of Economics in Canada, the United States and Chile. Mr. Corbo meets the independence criteria under the Securities Exchange Act of 1934, as amended, the Sarbanes-Oxley Act of 2002 and the corporate governance rules of the New York Stock Exchange, and therefore holds the position of member of the audit committee. Mr. Corbo holds a degree (in Business Administration) Economics from the Universidad de Chile and a Ph.D. in Economics from MIT. At the Central Bank of Chile, he led the modernization of its governance, strengthening transparency, internal control and risk management, at a time when the institution suffered a crisis due to information leaks, which required strengthening cybersecurity and risk management in order to protect the autonomy of the Central Bank of Chile. At Banco Santander, he was an active member of the Risk Committee and was the driving force behind the creation of a whistleblower

channel and the bank's corporate responsibility policy. He was also a member of the Presidential Advisory Council against conflicts of interest, influence peddling and corruption. He is also a member of the Advisory Board of the "Aportes Foundation", that supports the management and sustainability of social development institutions. At CCU, he is involved in the follow-up of the goals established by the board of directors in environmental matters, such as to reduce emissions and water consumption, waste valorization, as well as matters related to the challenges of community relations.

Pablo Granifo (64), has served as director of Compañía Cervecerías Unidas S.A. since April 2013. He has been the chairman of the board of Banco de Chile since 2007 and chairman of the board of Viña San Pedro Tarapacá S.A. since 2013. He is a member of the board of Cervecera CCU Chile Limitada and Embotelladoras Chilenas Unidas S.A. Additionally, he is chairman of the boards of Banchile Asesorías Financieras S.A., Socofin S.A., and Banchile Administradora General de Fondos S.A., and member of the executive committee of Banchile Corredores de Seguros Limitada and of the board of Empresa Nacional de Energía Enx S.A. Mr. Granifo holds a degree in Business Administration from the Pontificia Universidad Católica de Chile. As chairman of Banco de Chile, he has actively participated in the incorporation of ESG variables in the Bank's management. Thus, in recent years he has promoted the publication of policies on sustainability, inclusion, non-discrimination and respect for diversity, as well as policies related to environmental care, among others. Moreover, from his role in the Association of Banks and Financial Institutions in Chile, Mr. Granifo has witnessed the evolution and importance of sustainability management, promoting the protection of personal data and the importance of promoting a culture of strong cybersecurity within companies and citizens in general.

Rodrigo Hinzpeter (57), has served as director of Compañía Cervecerías Unidas S.A. since July 2015. He is also member of the board of Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A., Compañía Cervecerías Unidas Argentina S.A. and Inversiones y Rentas S.A. He is a director of Empresa Nacional de Energía Enx S.A., Enx Corp. (UK), Enx CL Ltd. (UK), Invexans S.A., Invexans Limited (UK) and Tech Pack S.A. Through these positions he has acquired experience in the energy sector, commercial and manufacturing sectors. Since 2014 he has been the general counsel of Quiñenco Before that he was Secretary of Interior Affairs (2010-2012) and, later, the Secretary of Defense of the Government of Chile (2012-2014). He holds a Law degree from the Pontificia Universidad Católica de Chile. Through his presence on the aforementioned boards, he has acquired experience in sustainability matters, participating in corporate initiatives aimed at improving and promoting the development of sustainability in various areas of the company.

Rory Cullinan (63), has served as director of Compañía Cervecerías Unidas S.A. since May 2018. He is also a member of the board of directors of Cervecera CCU Chile Limitada and Embotelladoras Chilenas Unidas S.A. Mr. Cullinan has wide experience across different markets and sectors, working in Europe, Africa, America and Russia. Mr. Cullinan held various positions in the Royal Bank of Scotland, including as executive chairman of the Investment Bank. He is currently advisor to several companies. Mr. Cullinan has substantial experience in governance in the regulated finance industry and he was a key player in reforming governance and transparency at the Royal Bank of Scotland in the financial crisis of 2008, interacting with regulatory entities, governments and investors. Moreover, he has governance experience in public companies. He also has experience as a member of the board of two water utility companies, which involves long-term sustainability planning.

Marc Gross (65), has served as director of Compañía Cervecerías Unidas S.A. since May 2020. He is also a member of the board of directors of Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A. and Compañía Cervecerías Unidas Argentina S.A. Mr. Gross has worked for Danone Group and Sara Lee. In 1995, Mr. Gross joined Heineken and worked in Greece as plant director. In 1999, he became regional operations & supply chain director Europe for Heineken and in 2002 took over the position of managing director of Heineken Netherland. In June 2005, he was appointed chief supply chain officer and member of the Global Executive Team. In this position, he was responsible for the supply chain, including manufacturing, worldwide as well as for R&D. During the period of 2010 until 2015, he held the position of chief executive officer of Empaque Mexico. From 2012 until 2017, he also served as non-executive director of Keonys, a high tech company in France. Since June 2020, Mr. Gross is principal advisor to the Executive Board of Directors of SHV for their global operations. Mr. Gross graduated as engineer from Ecole Nationale Supérieure des Arts et Métiers Paris, France and from Technical University Aachen, Germany. He was responsible within the Heineken Company for the implementation of its end-to-end Supply Chain sustainability agenda (encompassing scopes 1, 2 and 3).

José Miguel Barros (59), was appointed director of Compañía Cervecerías Unidas S.A. in April 2016 and he served as a member of the board until October 2022. He was member of the board of various subsidiaries, including Cervecería CCU Chile Limitada and Embotelladoras Chilenas Unidas S.A., and is still a member of the board of Viña San Pedro Tarapacá S.A. and Compañía Pisquera de Chile S.A. He is director of international subsidiaries of LarrainVial S.A. and currently a member of the board of directors of Lipigas S.A., Construmart S.A., Multiexport Foods S.A. and Stel Chile S.A. Mr. Barros holds a degree in Business Administration from the Pontificia Universidad Católica de Chile and graduated from the PADE of ESE Business School, Universidad de Los Andes.

Our Board of Directors, in addition to its individual experience in sustainability issues, shares a common experience, which is to monitor and promote the initiatives of the CCU 2030 Environmental Vision plan, particularly our goals to reduce emissions and water consumption, waste valorization, as well as matters related to the challenges of community relations, among others.

The principal business activities of our current and former 2021 and 2022 directors are summarized in the following table:

<u>Directors</u>	<u>Business Activities</u>
Andrónico Luksic	Chairman of Compañía Cervecerías Unidas S.A.
Carlos Molina	Director of Companies
Francisco Pérez	Quiñenco's CEO
Vittorio Corbo	Economist and Director of Companies
Pablo Granifo	Chairman of Banco de Chile and VSPT
Rodrigo Hinzpeter	General Counsel of Quiñenco
Rory Cullinan	Director of Companies
Marc Gross	Ex Chief Supply Chain Officer of Heineken
María Gabriela Cadenas ⁽¹⁾	Senior Vice President Digital and Technology, Americas – The Heineken Company
<i>José Miguel Barros⁽²⁾</i>	<i>Partner of LarrainVial</i>

(1) Elected by the Board of Directors on October 5, 2022.

(2) Resigned as director of Compañía Cervecerías Unidas S.A., effective October 1, 2022.

The shareholders' meeting held on April 14, 2021 elected as directors, for a term of three years, Messrs. Andrónico Luksic, Francisco Pérez, Carlos Molina, Vittorio Corbo, Pablo Granifo, Rodrigo Hinzpeter, José Miguel Barros, Marc Gross and Rory Cullinan.

On October 5, 2022, due to the resignation of director Mr. José Miguel Barros effective as of October 1, 2022, the board of directors appointed, pursuant to article 32 of the Chilean Corporations Act, Ms. María Gabriela Cadenas to the vacant position until the next ordinary shareholders' meeting.

Therefore, the next shareholders' meeting held on April 12, 2023 elected as directors, for a term of three years, Messrs. Andrónico Luksic, Francisco Pérez, Carlos Molina, Vittorio Corbo, Pablo Granifo, Rodrigo Hinzpeter, Marc Gross, Rory Cullinan and María Gabriela Cadenas.

None of our directors is party to a service contract with us or any of our subsidiaries that provides for benefits upon termination.

The following table sets forth certain information with respect to our senior management as registered with the CMF (also referred as principal executive officers), as of April 2023:

Senior Management	Position	Position Held Since	At Company Since
Patricio Jottar	Chief Executive Officer	July 1998	July 1998
Gabriela Ugalde	Chief Human Resources Officer	April 2018	April 2018
Barbara Wolff	Corporate and Sustainability Affairs Officer	October 2022	May 2008
Felipe Dubernet	Chief Financial Officer	February 2014	May 2011
Felipe Benavides	General Counsel	March 2015	March 2015
Juan Boned	General Controller	August 2021	August 2021
Antonio Cruz	Corporate Development Manager	June 2017	June 2017
Francisco Diharasarri ⁽¹⁾	General Manager CCU Chile	October 2003	June 1985
Julio Freyre	General Manager CCU Argentina	August 2021	October 2003
Sebastián Landi	International Business Manager	November 2019	November 2019
Pedro Herane	General Manager VSPT	April 2013	May 2010
Domingo Jiménez	General Manager CPCCh	August 2018	May 2004
Juan Martin Vannicola	Corporate Industrial Processes Manager	April 2020	April 2020
Martín Rodríguez ⁽²⁾	Transformation Manager	March 2015	March 2015

(1) On July 31, 2023, Francisco Diharasarri will retire from his position of General Manager in CCU Chile. In his replacement, his direct reports, the senior executives Matías Bebin and Eduardo Ffrench-Davis, will assume the General Manager positions of Cervecería CCU Chile Limitada and Embotelladoras Chilenas Unidas S.A., respectively. They will report directly to Patricio Jottar, CEO of Compañía Cervecerías Unidas S.A.

(2) Martín Rodríguez was the Transformation Manager until March 31, 2023.

Patricio Jottar (60), has served as our Chief Executive Officer since 1998. Mr. Jottar is on the board of directors of a number of CCU's subsidiaries and affiliated companies, including, among others: Cervecería CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A., Compañía Cervecerías Unidas Argentina S.A., Viña San Pedro Tarapacá S.A., Aguas CCU-Nestlé Chile S.A., Cervecería Kunstmann S.A., Bebidas CCU-Pepsico SpA, Bebidas del Paraguay S.A., Central Cervecería de Colombia S.A.S., Zona Franca Central Cervecería S.A.S. and Distribuidora del Paraguay S.A. He is also chairman of the board of Compañía Pisquera de Chile S.A. and Promarca S.A. Prior to joining the Company, he was chief executive officer of Santander Chile Holding. Mr. Jottar holds a degree in Business Administration from the Pontificia Universidad Católica de Chile and a Master's degree in Economics and Business Administration from the Instituto de Estudios Superiores de la Empresa, in Barcelona, Spain.

Felipe Dubernet (53), has been our Chief Financial Officer since February 2014. He joined the Company in May 2011 and was the procurement officer until January 2014. He is currently a member of the board of several subsidiaries, including Aguas CCU-Nestlé Chile S.A., Comercial CCU S.A., Fábrica de Envases de Plásticos S.A. and Transportes CCU Limitada, among others. He is also chairman of the board of CRECCU S.A. Prior to joining us, he worked for 15 years at Unilever holding several positions in Supply Chain and Finance in Chile, Brazil and the United States. He holds a degree in Civil Engineering from the Pontificia Universidad Católica de Chile.

Juan Boned (52), joined CCU as General Controller in August 2021. He is also the current chairman of the board of Fábrica de Envases Plásticos S.A. Previously, he worked in the beverage category with SABMiller in the areas of finance, procurement, client services, tele-sales and transformation, working in emerging and mature markets in Latin America and Europe. Prior to joining CCU, from 2017 to 2019 he served as Global Head of Shared Services at Heineken and from 2019 through August 2021 he served as CFO for the start-up of Heineken's business in Peru. He holds a degree in Public Accounting from the University of Buenos Aires and a MBA from the International University of Cataluña.

Gabriela Ugalde (57), joined CCU as Chief Human Resources Officer in April 2018. Previously, she had been in charge of Organizational Development at Quiñenco since 2014. During her career she has worked for multinational and local companies, including Nestlé, CMR Falabella, Banco Itaú and Banco de Chile, where she has held management positions in the Human Resources Department. She received a degree in Psychology from the Pontificia Universidad Católica de Chile and a Master's degree from the same university.

Felipe Benavides (47), has been our General Counsel since March 2015. He is currently a member of the board of Millahue S.A., Aguas CCU-Nestlé Chile S.A., Transportes CCU Limitada and Fábrica de Envases Plásticos S.A. in Chile; Andrimar S.A., Coralina S.A., Marzurel S.A. and Milotur S.A. in Uruguay; Bebidas del Paraguay S.A. and Distribuidora del Paraguay S.A. in Paraguay; Bebidas Bolivianas BBO S.A. in Bolivia; and Central Cervecera de Colombia S.A.S. and Zona Franca Central Cervecera S.A.S. in Colombia. Previously, he was the general counsel at SMU S.A. from 2013 to March 2015. He was also a senior associate at Cariola, Diez, Pérez Cotapos and an international associate for Debevoise & Plimpton LLP (New York). He received his Law degree from the Pontificia Universidad Católica de Chile and an LLM from Duke University.

Barbara Wolff (47), has been our Corporate and Sustainability Affairs Officer since October 2022 and has been at the Company, specifically in VSPT Wine Group, since 2008. She is currently a member of the board of directors of the Beer Trade Union ACECHI and CRECCU S.A. She led Corporate Affairs, Sustainability, and Innovation at VSPT Wine Group before joining us. She has a degree in Business and Administration from Universidad Adolfo Ibáñez.

Antonio Cruz (41) joined CCU as Corporate Development Manager in June 2017. He is currently a member of the board of Bebidas del Paraguay S.A., Distribuidora del Paraguay S.A. in Paraguay; Bebidas Bolivianas BBO S.A. in Bolivia; as well as Andrimar S.A., Coralina S.A., Marzurel S.A. and Milotur S.A. in Uruguay. He has been with CCU since June 2015, and before joining us, he worked at Quiñenco within its Business Development division. He holds a degree in Business Administration from the Pontificia Universidad Católica de Chile and a MBA from Columbia University in New York.

Francisco Diharasarri (62), is the General Manager of CCU Chile and has been with the Company since 1985. Previously, he was general manager of Embotelladoras Chilenas Unidas S.A. and before that he was general manager of Cervecería CCU and general manager of Fábrica de Envases Plásticos S.A. He is also currently the chairman of the board of Aguas CCU-Nestlé Chile S.A., Transportes CCU Limitada, Comercial CCU S.A., La Barra S.A., CRECCU S.A., Bebidas Ecusa SpA, Bebidas CCU-Pepsico SpA, and Bebidas Carozzi CCU SpA, and is also member of the board of Cervecería Austral S.A. and Promarca S.A., among others. He received a degree in Civil Engineering from the Universidad de Chile.

Julio Freyre (58), has been the General Manager of Compañía Cervecerías Unidas Argentina S.A. since August 2021, and of Compañía Industrial Cervecera S.A. He is also a board member of the above companies. Between 2007 and 2012 he also held the position of operations manager and between 2012 and 2014 he had regional responsibility over the administrative/financial operations of Argentina, Uruguay and Paraguay. Previously, he was the manager of administration, finance and development of Compañía Cervecerías Unidas Argentina S.A. from 2003 to 2007. Prior to joining the Company, he worked at Anheuser-Busch for ten years. He received a Bachelor's degree in Business Administration from the Catholic University of Uruguay and an MBA from Saint Joseph's University in Philadelphia.

Sebastián Landi (48), has been our International Business Manager since November 2019. He is the chairman of the board of Andrimar S.A., Coralina S.A., Marzurel S.A., Milotur S.A. in Uruguay and in Paraguay of Bebidas del Paraguay S.A. He is also vice-chairman of Bebidas Bolivianas BBO S.A. and a member of the board of Distribuidora del Paraguay S.A. Previously, he worked at Clorox since 2004, where he held various positions in marketing and then as general manager of Peru and finally as general manager for Argentina, Paraguay & Uruguay. He is a chemical engineer and holds a Master's degree in Strategic Marketing.

Domingo Jiménez (43), is the General Manager of Compañía Pisquera de Chile S.A. He is also chairman of the board of D&D SpA and a member of the board of La Barra S.A. Previously, he was the finance director at Cervecera CCU Chile Limitada. He has been with the Company since 2004, working in different subsidiaries, as well as Heineken Americas and Heineken USA. He received a degree in Business Administration from the Pontificia Universidad Católica de Chile.

Pedro Herane (53), has been the General Manager of Viña San Pedro Tarapacá S.A. since April 2013. He is currently the chairman of the board of Finca La Celia S.A. and member of the board of La Barra S.A. Prior to his current position, he was the commercial manager in charge of the domestic market at Viña San Pedro Tarapacá S.A. Prior to joining CCU, he held the position of senior group manager at Procter & Gamble, where he worked for ten years in multiple positions in Chile, Latin America and United States. He received a Bachelor's degree in Business from University Adolfo Ibáñez in Chile and a Master's degree in Marketing and Communications from the Paris School of Management (ESCP – EAP) in France.

Juan Martin Vannicola (43), has been the Corporate Industrial Processes Manager since April 2020. He is currently a member of the board of Fábrica de Envases Plásticos S.A. Previously, he held various supply chain positions at Heineken since 2009. He worked in the Netherlands as Global Logistics consultant, in the USA as regional logistics manager of the Americas, and in Greece as supply chain director, in charge of breweries, malteries, water plants and the distribution operations. He holds an Industrial Engineering degree from Instituto Tecnológico de Buenos Aires, Argentina. He also graduated from the Logistics Management Program in the Eindhoven University of Technology, the Netherlands.

Martín Rodríguez (62), was our Transformation Manager and was with the Company from 2015 until March 2023. He was a member of the board of directors of CRECCU S.A. and La Barra S.A. until March and April 2023, respectively. Previously, he was a M&A manager and strategic development manager at Quiñenco, where he held various positions since 1999. He also was a board member of Cervecera CCU Chile Limitada, Embotelladoras Chilenas Unidas S.A. and Foods Compañía de Alimentos CCU S.A. until March 2015. He holds a degree in Business Administration from the Pontificia Universidad Católica de Chile and he has an MBA from UCLA as well as a Master's degree in Economics from the Pontificia Universidad Católica de Chile.

Our senior managers are full time employees; therefore, they do not perform principal business activities outside the Company.

B. Compensation

The board of directors' gross compensation is determined by the shareholders at the annual shareholders' meeting. As approved at the annual shareholders' meeting held on April 13, 2022, the directors' monthly remuneration, for their attendance to meetings, independent of the number of meetings held in each period, was fixed at UF 100 per director, and UF 200 for the chairman, plus an amount equivalent to 3% of the distributed dividends, for the board as a whole, at a rate of one-ninth for each director and in proportion to the time each one served as such during the year 2022. If the distributed dividends exceed 50% of the Net income attributable to equity holders of the parent company, the board of directors' variable remuneration shall be calculated over a maximum of 50% of such net income. Those directors that are members of the directors' committee (see "Item 6.C. Board Practices – Directors' Committee") receive a monthly gross remuneration of UF 50 for attendance to directors' committee meetings, independent of the number of meetings held in such period, plus the amount that, as the percentage of the dividends, is required to complete one third of the total remuneration a director is entitled to, pursuant to Article 50 bis of Law N° 18,046 and Regulation N° 1,956 of the CMF. Directors that are members and observers of the audit committee receive a monthly gross remuneration for attendance to audit committee meetings, regardless of the number of meetings held in the period, of UF 50. UF stands for "Unidad de Fomento" which is an inflation linked accounting unit used in Chile. As of March 31, 2023, its value corresponded to CLP 35,575.48.

The described gross compensation for board members was also approved for 2023 at the shareholders' meeting held on April 12, 2023.

In 2022, the total compensation paid by us and our subsidiaries to each of our directors for services rendered was as follows:

<u>Director</u>	<u>Attendance</u>	<u>Dividend Participation</u> ⁽³⁾		<u>Total</u>
	<u>Meetings</u> <u>fee</u> ⁽³⁾	<u>2021</u> ⁽⁴⁾	<u>2022</u> ⁽⁵⁾	
		(in thousands of CLP)		
Andrónico Luksic Craig	163,011	122,738	118,859	404,608
Carlos Molina Solís	264,146	261,393	118,859	644,398
Francisco Pérez Mackenna	280,325	261,393	118,859	660,577
Vittorio Corbo Lioi	77,427	233,384	118,859	429,670
Pablo Granifo Lavín	189,725	178,757	118,859	487,341
Rodrigo Hinzpeter Kirberg	190,694	122,738	118,859	432,291
Rory Cullinan	142,050	122,738	118,859	383,647
Marc Gross	180,287	122,738	118,859	421,884
María Gabriela Cadenas ⁽¹⁾	27,814	-	29,715	57,529
José Miguel Barros van Hövell tot Westerflie ⁽²⁾	165,069	150,747	89,144	404,960
Total	1,680,548	1,576,626	1,069,731	4,326,905

(1) Includes meetings fee attendance and dividend participation in 2022.

(2) Resigned as director of Compañía Cervecerías Unidas S.A., effective October 1, 2022.

(3) Includes the remuneration for members of the audit and directors' committees.

(4) Charged to 2021's distributable Net Income. Considering the final dividend paid in 2022.

(5) Charged to 2022's distributable Net Income. Considering the interim dividend paid in 2022.

For the year ended December 31, 2022, the aggregate amount of compensation paid by us to all our directors was CLP 4,327 million.

For the year ended December 31, 2022 the aggregate amount of compensation paid to our senior managers registered at the CMF was CLP 9,183 million. The Company grants to the Chief Executives annual bonuses, which have an optional and variable nature, not contractual and assigned according to compliance of individual and corporate goals and based on the incomes of the year. We are not required under Chilean law to disclose to our shareholders or otherwise make public information as to the compensation of our individual senior managers.

We do not maintain any stock option, pension or retirement programs for our directors or senior managers.

C. Board Practices

We are managed by our board of directors which, in accordance with our bylaws (Estatutos), is formed by nine directors who are elected at the annual shareholders' meeting. The entire board of directors is elected for three years and may be re-elected. The board of directors may appoint replacements to fill any vacancies that occur during periods between annual shareholders' meetings. If such vacancy occurs, the entire board of directors must be renewed at the next following shareholders' meeting.

The shareholders' meeting held on April 14, 2021 elected as directors, for a term of three years, Messrs. Andrónico Luksic, Francisco Pérez, Carlos Molina, Vittorio Corbo, Pablo Granifo, Rodrigo Hinzpeter, José Miguel Barros, Marc Gross and Rory Cullinan.

On October 5, 2022, due to the resignation of director Mr. José Miguel Barros effective as of October 1, 2022, the board of directors appointed, pursuant to article 32 of the Chilean Corporations Act, Ms. María Gabriela Cadenas to the vacant position until the next ordinary shareholders' meeting.

Therefore, at the shareholders' meeting held on April 12, 2023. Messrs. Andrónico Luksic, Francisco Pérez, Carlos Molina, Vittorio Corbo, Pablo Granifo, Rodrigo Hinzpeter, Marc Gross, Rory Cullinan and Ms. María Gabriela Cadenas were elected as directors, for a term of three years.

None of our directors is party to a service contract with us or any of our subsidiaries that provides for benefits upon termination.

Our Chief Executive Officer and other senior managers are appointed by the board of directors and hold office at the discretion of the board of directors. There are regularly scheduled meetings of the board of directors once a month; extraordinary meetings are specially summoned by the Chairman, at the request of one or more board members where prior qualification of the necessity of such meeting has been met and, in any case, if requested by the absolute majority of the directors. The board of directors does not have an executive committee.

1) Directors' Committee

The director's committee discussions, agreements, and organization are regulated, in every applicable matter, by the Chilean Corporations Act provisions relating to board of directors' meetings. The directors' committee shall inform the board of directors about the manner in which it will request information and about its resolutions.

In addition to the general liabilities imputable to any director, the directors that compose the directors' committee shall, in the exercise of their duties, be jointly and severally liable for any damage caused to the corporation or the shareholders.

According to the Chilean Securities Market Law and the Chilean Corporations Act, corporations whose market capitalization reaches or exceeds UF 1.5 million (as of March 31, 2023 approximately CLP 53,363 million) and at least 12.5% of its outstanding shares with voting rights are in the possession of shareholders that individually control or possess less than 10% of such shares, shall designate a "comité de directores" or "directors' committee" and appoint at least one independent director. The directors' committee shall be composed of three members and at least one member shall be independent. If the market capitalization or stock percentage falls below this threshold, the obligation to designate a directors' committee no longer applies. However, corporations which do not meet these requirements may voluntarily assume the obligations concerning the directors' committee, in which case they shall strictly follow the provisions of the Chilean Corporations Act.

Pursuant to the Chilean Corporations Act, as amended, including Law N° 21,314 published on April 13, 2021, the powers and duties of the directors' committee are as follows:

- to examine the independent accountants' reports, the balance sheets, and other financial statements submitted by the corporation's managers or liquidators to the shareholders, and issue an opinion about them prior to their submission for shareholder approval;

- to propose to the board of directors the independent accountants and the risk rating agencies, which the board must then propose to the shareholders. Should the board of directors disagree with the proposal of the directors' committee, the board shall be entitled to make its own proposal, submitting both to the shareholders for their consideration;
- to examine the documentation concerning related-party transactions of the Company and its subsidiaries, and to produce a written report on such transactions. A copy of the report shall be delivered to the board, and shall be read at the board meeting in which the transaction is presented for approval or rejection;
- to propose to the board of directors a general policy aimed at managing conflicts of interest, and requiring them to issue an opinion regarding the usual practice policy established pursuant to the second paragraph of Article 147 of Chapter XVI of the Chilean Corporations Act.
- to examine the managers', principal executive officers' and employees' remuneration policies and compensation plans;
- to prepare an annual report of the performance of its duties, including the principal recommendations to shareholders;
- to advise the board of directors as to the suitability of retaining the independent accounting firm to provide non-audit services, which are not prohibited by the Chilean Securities Market Law, if the nature of such services could impair the accountants independence from the company; and
- all other matters contemplated in our bylaws or entrusted to the directors' committee by a shareholders' meeting or the board of directors.

Regarding related party transactions mentioned in the third bullet point above, Chapter XVI of the Chilean Corporations Act applies to open stock corporations and its subsidiaries, while dispositions of Articles N° 44, 89 and 93 of the Chilean Corporations Act, are applicable only to closely held corporations, which are not subsidiaries of an open stock corporation. See "Item 7: Major Shareholders and Related Party Transactions".

Pursuant to the Chilean Corporations Act, as amended by Law N° 21,314 referred to above, the CMF may, by means of a general rule, establish the requirements and conditions that directors must meet in order to be considered independent directors. Notwithstanding the foregoing, no person shall be considered independent who, at any time during the previous eighteen months:

1. Maintained any relationship, interest or economic, professional, credit or commercial dependence, of a nature and relevant volume, with the company, other companies of the financial conglomerate to which the company belongs, its comptroller, or principal executive officer of any one of them, or was a director, manager, administrator, principal executive officer or advisor of such companies;
2. Was a close relative (i.e., parents, father/mother in law, sisters, brothers, sisters/brothers in law), to any one of the persons referred to in 1 above;
3. Was a director, manager, administrator or principal executive officer of non-profit organizations that received contributions or large donations from any individual referred to in clause 1 above;
4. Was a partner or shareholder that possessed or controlled, directly or indirectly, 10% or more of the company's capital; a director; manager; administrator or principal executive officer of entities who had provided consulting or legal services, for relevant amounts, or of external audit, to the persons referred to in 1 above; or
5. Was a partner or shareholder who possessed or controlled, directly or indirectly, 10% or more of the company's capital; a director; manager; administrator or principal executive officer of principal competitors, suppliers or clients of the company.

Should there be more than three directors entitled to participate in the directors' committee, the board of directors shall elect the members of the directors' committee by unanimous vote. Should the board of directors fail to reach an agreement, preference to be appointed to the committee shall be given to directors elected with the highest percentage of votes cast by shareholders that individually control or possess less than 10% of the company's shares. If there is only one independent director, such director shall appoint the other members of the committee among non-independent directors. Such directors shall be entitled to exercise full powers as members of the committee. The chairman of the board of directors shall not be entitled

to be appointed as a member of the committee nor any of its subcommittees, unless he is an independent director.

To be elected as independent director, the candidates must be proposed by shareholders that represent 1% or more of the shares of the company, at least 10 days prior to the date of the shareholders' meeting called to that end.

The candidate who obtains the highest number of votes shall be elected as independent director.

Following the election of a new board of directors at the shareholders' meeting held on April 14, 2021, Mr. Vittorio Corbo, elected as independent director in accordance with Article N° 50 bis of the Chilean Corporations Act, at the board meeting held the same date, appointed as members of our directors' committee Messrs. Carlos Molina and Francisco Pérez.

Additionally, following the election of a new board of directors at the shareholders' meeting held on April 12, 2023, Mr. Vittorio Corbo, elected as independent director in accordance with Article N° 50 bis of the Chilean Corporations Act, at the board meeting held the same date, appointed as members of our directors' committee Messrs. Carlos Molina and Francisco Pérez. Therefore, the current members of the directors' committee are Messrs. Vittorio Corbo, Francisco Pérez and Carlos Molina.

The members of the directors' committee receive a remuneration the amount of which is established annually by the shareholders, taking into consideration the duties that the directors' committee members shall perform, which shall not be less than a third of the remuneration of a director.

The compensation of our directors' committee members, as approved at the shareholders' meeting held on April 12, 2023, consists (effective as of May 2023) of a monthly gross remuneration for attendance to directors' committee meetings, independent of the number of meetings held in each period, of UF 50 (as of March 31, 2023, approximately CLP 1,779 thousand), plus the amount required to complete the remaining third of the remuneration of a director.

The same remuneration package was approved for 2021 and 2022 at the shareholders' meetings held on April 14, 2021 and April 13, 2022, respectively.

The shareholders shall determine the budget of the directors' committee and those of its advisors, which, pursuant to Chilean Corporations Act, shall not be less than the aggregate amount of the annual remuneration of the committee members. The directors' committee shall be allowed to request the recruitment of professionals to fulfill its duties within the limits imposed by the budget. The activities of the directors' committee, the annual report of the performance of its duties and its expenses, including its advisors' expenses, shall be included in the annual report and conveyed to the shareholders. The budget of the directors' committee and its advisors, approved at the shareholders' meetings held on April 14, 2021, April 13, 2022 and April 12, 2023, is equal to the aggregate amount of the annual remuneration of the committee members.

2) Audit Committee

In accordance with provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act") and the corporate governance rules of the New York Stock Exchange ("NYSE Rules") applicable to us as a foreign private issuer with securities listed on a U.S. national exchange, we have an audit committee.

Following the election of a new board at the shareholders' meeting held on April 14, 2021, the board of directors, at the meeting held the same date, appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee, both of whom meet the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that directors Messrs. José Miguel Barros and Francisco Pérez shall participate in the audit committee's meetings as observers.

Effective October 1, 2022, Mr. José Miguel Barros resigned as director and therefore to its observer status at the audit committee.

Following the election of a new board at the shareholders' meeting held on April 12, 2023, the board of directors, at the meeting held the same date, appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee, both of whom meet the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that director Mr. Francisco Pérez shall participate in the audit committee's meetings as observer.

The duties of the audit committee are:

- To be responsible for the hiring, remuneration and supervision of the work of public accounting firms hired to prepare or issue audit reports or review or certify such reports. The external auditors shall report directly to the audit committee regarding such matters.
- Resolve disputes that arise between our administration and the external auditors with regard to financial reports.
- Grant approval prior to the contracting of non-audit services provided by the external auditors.
- Establish a procedure for receiving and responding to complaints received with regard to accounting, accounting controls or other auditing matters whereby employees may anonymously and confidentially report their concerns related to these matters.
- Establish an annual budget for expenses and hiring of external consultants.

The audit committee meets regularly and also holds meetings with our managers, our comptroller, and our internal and external auditors in order to discuss a variety of topics related to its duties.

As approved at the shareholders' meeting of Compañía Cervecerías Unidas S.A. held on April 12, 2023, members and observers of the audit committee are entitled to receive (with effect as of May 2023) a compensation consisting of a monthly gross remuneration for their attendance to audit committee meetings, independent of the number of meetings held in each period, of UF 50 (as of March 31, 2023, approximately CLP 1,779 thousand). The same compensation was approved at the shareholders' meeting held on April 14, 2021 and April 13, 2022.

The total annual budget for operating cost and advisors of the audit committee, approved at each of the shareholders' meetings referred to above, amounts to UF 2,000.

D. Employees

The following table shows the breakdown of our employees with indefinite contract by operating segments as of December 31 for each of the years listed below:

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Chile	4,770	5,000	5,053
International Business	2,583	2,585	2,502
Wine	1,280	1,352	1,395
Others ⁽¹⁾	418	409	404
Total	<u>9,051</u>	<u>9,346</u>	<u>9,354</u>

(1) Includes corporate head office functions only.

The following table shows the breakdown of all our employees by type of contract as of December 31, 2022:

Type of contract	Women	Men	Total
Indefinite	1,626	7,728	9,354
Fixed Term	53	768	821
Work or task	90	248	338
Consolidated Total	1,769	8,744	10,513

All employees whose contracts are terminated for reasons other than misconduct are entitled by law to receive a severance payment. In the last three years, we made severance payments in the amounts of, CLP 4,806 million, CLP 11,186 million and CLP 12,808 million, respectively.

In Chile, permanent employees are entitled to a basic severance payment, as required by law, of one month's salary for each year, or six-month portion thereof, worked. This condition is subject to a limitation of a total payment of no more than 11 months' pay for employees hired after August 14, 1981. Severance payments to employees hired before August 14, 1981 are not subject to this limitation. Our employees who are subject to collective bargaining agreements have a contractual benefit to receive a payment in case of resignation, consisting of a payment of one monthly base salary for each full year worked, not subject to a limitation on the total amount payable but subject to a limitation on the total number of employees who can claim the severance benefit during any one year. In 2022, we laid off 417 employees.

Chile Operating segment, Wine Operating segment and Other

In the Chile and Wine Operating segments and Other, as of December 31 of the last three years, we had a total of 6,468, 6,761 and 6,852 permanent employees, respectively. As of December 2022, 4,592 were represented by 45 labor unions. The average tenure of our permanent employees was approximately eight years.

Unionized employees represent approximately 61% of our total permanent workforce. Our management believes it generally has a good relationship with the labor unions representing our employees.

During 2022, 2,662 employees renewed their collective contracts, most of them for a period of two years.

We do not maintain any pension fund or retirement program for our employees. Workers in Chile are subject to a national pension fund law which establishes a system of independent pension plans, administered by Administradoras de Fondos de Pensiones ("AFPs"). We have no liability for the performance of the pension plans or any pension payments to be made to our employees.

In addition to our permanent work force, as of December 31, 2022, we had 296 temporary employees, who were hired for specific time periods to satisfy short-term needs.

International Business Operating segment

Collective bargaining in Argentina is done on an industry-wide basis, rather than, as in Chile, on a company-by-company basis. In Argentina, as in Chile, all employees who are terminated for reasons other than misconduct are entitled by law to receive a severance payment. According to the Argentine Labor Law, employees who joined us before October 1998 are entitled to the basic payment as required by law of one month's salary for each year or fraction thereof worked. This monthly amount cannot exceed three times the average monthly salary established under the applicable collective bargaining agreement and cannot be less than the equivalent of two monthly salaries of the employee.

In Argentina, unionized employees represent approximately 75% of our total permanent workforce, moreover in Uruguay this number represent 57% of our total permanent workforce.

In addition to our permanent work force, as of December 31, 2022, we had 525 temporary employees, who were hired for specific time periods to satisfy short-term needs.

E. Share Ownership

Except as disclosed in “Item 7: Major Shareholders and Related Party Transactions – A. Major Shareholders”, as of March 31, 2023, our senior management and our board members in the aggregate directly owned less than one percent of our shares.

We do not maintain stock option or other programs involving our employees in the capital of the Company.

F. Disclosure of a registrant’s action to recover erroneously awarded compensation

Not applicable.

ITEM 7: Major Shareholders and Related Party Transactions

A. Major Shareholders

Our only outstanding voting securities are our shares of our common stock. The following table sets forth information concerning the ownership of our common stock as of March 31, 2023:

	Number of shares owned	Ownership %
Inversiones y Rentas S.A. (“IRSA”)(¹)	218,109,273	59.03%
Inversiones IRSA Limitada(¹)	25,279,991	6.84%
Controlling Shareholders	243,389,264	65.87%
JPMorgan Chase Bank N.A. (ADRs)	76,201,309	20.62%
Banco de Chile por cuenta de State Street	11,391,001	3.08%
Banco Santander por cuenta de Inv. Extranjeros	7,627,832	2.06%
Banco de Chile por cuenta de Terceros No Residentes	4,585,205	1.24%
Banco Santander Chile	2,587,291	0.70%
Banchile Corredores De Bolsa S.A	2,019,402	0.55%
Banco de Chile por cuenta de CITI NA New York Client	1,635,841	0.44%
Banco de Chile por cuenta de CITI NA London Client	1,320,808	0.36%
Banco de Chile por cuenta de CEP Luxembourg Client	507,514	0.14%
Banco Santander-HSBC Bank PLC London Client Account	347,408	0.09%
Custodian banks	32,022,302	8.67%
AFPs as a group (Chilean pension funds)	3,461,286	0.89%
Our directors and senior management as a group (²)(³)	19,840	0.01%
TOTAL	355,094,001	96.06%

(1) Inversiones y Rentas S.A. owns 99.9999% of Inversiones IRSA Limitada’s equity.

(2) Does not include the 243,389,264 shares of our common stock owned, directly and indirectly, by Inversiones y Rentas S.A., which is 50% beneficially owned by Quiñenco, a holding company of the Luksic Group, as discussed below, which is controlled by the Luksic family. Andrónico Luksic, our director, is a member of the Luksic family.

(3) As of March 31, 2023, our director Francisco Pérez Mackenna has a 0.004% direct ownership interest in Compañía Cervecerías Unidas S.A. with 14,897 shares. Our director Vittorio Corbo Lioi indirectly owns 4,343 shares of Compañía Cervecerías Unidas S.A., equivalent to 0.001%, through the ownership of Vittorio Corbo y Asociados Limitada, of which it holds 82%. Mr. Juan Boned, senior manager of Compañía Cervecerías Unidas S.A., holds 300 ADRs representing 600 shares of the company, equivalent to a 0.0002% ownership interest.

To the best of our knowledge, our beneficial shareholders who, directly or indirectly, own more than 5% of the outstanding shares of our common stock are Inversiones y Rentas S.A. with 59.03% and Inversiones IRSA Limitada with 6.84%, as of March 31, 2023 and as of the date of this annual report.

CCU is controlled by IRSA, which owns, directly and indirectly, 65.87% of the shares of our common stock. IRSA is a Chilean corporation owned 50% by Quiñenco, which is a holding company of the Luksic Group, and 50% by Heineken Chile SpA, a Chilean corporation (*sociedad por acciones*) whose current controller is

Heineken International B.V., a Dutch limited liability company, subsidiary of Heineken N.V. IRSA directly owns 218,109,273 shares of our common stock and, indirectly, through Inversiones IRSA Limitada, 25,279,991 additional shares of our common stock.

The shareholders of IRSA, Quiñenco and Heineken Chile SpA, signed a Shareholders' Agreement, which was then registered in the *Depósito Central de Valores* ("DCV"). The agreement restricts IRSA's shareholders from independently acquiring shares of CCU, with the exception of acquiring shares through IRSA. This Shareholders' Agreement also restricts the shareholders of IRSA from freely selling CCU's shares, as it imposes preferential rights, among other restrictions.

As of March 31, 2023, JPMorgan Chase Bank N.A. ("JPMorgan"), the depositary for our ADR facility, was the record owner of 76,201,309 shares of our common stock (20.62% of the outstanding common stock) deposited in our ADR facility.

As of March 31, 2023, we had 3,765 shareholders of record. All shareholders have equal voting rights. It is not practicable for us to determine the number of our ADSs or our common shares beneficially owned in the United States as the depositary for our ADSs only has knowledge of the record holders, including the Depositary Trust Company and its nominees. As a result, we are not able to ascertain the domicile of the final beneficial holders represented by the one ADS record holder in the United States. Likewise, we cannot readily determine the domicile of any of our foreign shareholders who hold our common stock, either directly or indirectly.

To our knowledge, none of our common stock is currently owned by governmental entities. Our common stock is listed and traded on the principal Chilean stock exchanges.

B. Related Party Transactions

Regarding related party transactions, Chapter XVI of the Chilean Corporations Act is applicable to open stock corporations and their subsidiaries, while Articles 44, 89 and 93 are only applicable to closely held corporations which are not subsidiaries of an open stock corporation.

Pursuant to Chapter XVI of the Chilean Corporations Act referenced above, a related-party transaction shall be any and all negotiation, agreement or operation between the open stock corporation and any one of the following:

- one or more related persons pursuant to the Chilean Securities Market Law;
- a director, manager, administrator, principal executive officer or liquidator of the company, personally or acting on behalf of a person other than the company, or their respective spouses or close relatives (e.g. parents, father/mother in law, sisters, brothers, sisters/brothers in law);
- company or concern in which the persons referred to in the above clause are the owners, directly or indirectly through any other individual or corporation, of 10% or more of its capital; or of which any of the persons referred to in the above clause are a director, manager, administrator, principal executive officer thereof;
- those contemplated by the bylaws of the company or upon sufficient grounds determined by the directors' committee, as the case may be, which can include subsidiaries in which the company owns, directly or indirectly, at least 95% of the equity or capital stock; and
- those in which the office of director, manager, administrator, principal executive officer or liquidator has been held by a director, manager, administrator, principal executive officer or liquidator of the company within the prior 18 months.

The following persons are considered under the Chilean Securities Market Law to be related persons:

- any entities within the financial conglomerate to which the company belongs;

- corporate entities that have, with respect to us, the character of parent company, affiliated companies or subsidiary. Parent companies are those that control directly or indirectly more than 50% of the subsidiary's voting stock (or participation, in the case of business organizations other than stock companies), or that may otherwise elect or appoint, or cause the election or appointment, of the majority of the directors or officers. A limited partnership (*sociedades en comandita*) may likewise be a subsidiary of a corporation, whenever the latter has the power to direct or guide the administration of the general partner (*gestor*) thereof. For these purposes, affiliated companies are those where one of them, without actually controlling the other, owns directly or indirectly 10% or more of the latter's voting stock (or equity, in the case of business organizations other than stock companies), or that may otherwise elect or appoint, or cause the election or appointment of, at least one board member or manager;
- persons who are directors, managers, administrators, principal executive officers or liquidators of us, and their spouses or their close relatives (i.e. parents, father/mother in law, sisters, brothers, sisters/brothers in law); as well as any other entity controlled by, directly or indirectly, any one of the above; and
- any person who, whether acting alone or in agreement with others, may appoint at least one member of our management or controls 10% or more of our voting capital.

The CMF may presume that any individual or corporate entity is related to a company if, because of relationships of equity, administration, kinship, responsibility or subordination, the person:

- whether acting alone or in agreement with others, has sufficient voting power to influence the company's management
- creates conflicts of interest in doing business with the company;
- in the case of a corporate entity, is influenced in its management by the company; or
- holds employment or a position which affords the person access to non-public information about the company and its business, which renders the person capable of influencing the value of the company's securities.

However, a person shall not be considered to be related to a company by the mere fact of owning up to 5% of the company, or if the person is only an employee of the company without managerial responsibilities.

Additionally, pursuant to Article 147 of Chapter XVI of the Chilean Corporations Act, an open stock corporation shall only be entitled to enter into a related-party transaction when it is in the interest of the company, the price, terms and conditions are similar to those prevailing in the market at the time of its approval and the transaction complies with the requirements and procedures stated below:

1. The directors, managers, administrators, principal executive officers or liquidators that have an interest or that take part in negotiations conducive to the execution of an arrangement with a related party of the open stock corporation, shall report it immediately to the board of directors or whomever the board designates. Those who breach this obligation will be jointly liable for damages caused to the company and its shareholders.
2. Prior to the company's consent to a related party transaction, it must be approved by the absolute majority of the members of the board of directors, with exclusion of the interested directors or liquidators, who nevertheless shall make public his/her/their opinion with respect to the transaction if it is so requested by the board of directors, which opinion shall be set forth in the minutes of the meeting. Likewise, the grounds of the decision and the reasons for excluding such directors from its adoption must also be recorded in the minutes.
3. The resolutions of the board of directors approving a related party transaction shall be reported at the next following shareholders' meeting, including a reference to the directors who approved such transaction. A reference to the transaction is to be included in the notice of the respective shareholders' meeting.

4. In the event that an absolute majority of the members of the board of directors should abstain from voting, the related-party transaction shall only be executed if it is approved by the unanimous vote of the members of the board of directors not involved in such transaction, or if it is approved in a shareholders' extraordinary meeting by two-thirds of the voting shares of the company.
5. If a shareholders' extraordinary meeting is called to approve the transaction, the board of directors shall appoint at least one independent advisor who shall report to the shareholders the terms of the transaction, its effects and the potential impact for the company. In the report, the independent advisor shall include all the matters or issues the directors' committee may have expressly requested to be evaluated. The directors' committee of the company or, in the absence of such committee, directors not involved in the transaction, shall be entitled to appoint an additional independent advisor, in the event they disagree with the appointment made by the board.

The reports of the independent advisors shall be made available to the shareholders by the board on the business day immediately following their receipt by the company, at the company's business offices and on its internet site, for a period of at least 15 business days from the date the last report was received from the independent advisor, and such arrangement shall be communicated to the shareholders by means of a "Relevant Fact" (Communication sent to the CMF and the stock markets in Chile).

The directors shall decide whether the transaction is in the best interest of the corporation, within five business days from the date the last report was received from the independent advisors.

6. When the directors of the company must decide on a related party-transaction, they must expressly state the relationship with the transaction counterparty or the interest involved. They shall also express their opinion on whether the transaction is in the best interest of the corporation, their objection or objections that the directors' committee may have expressed, as well as the conclusions of the reports of the advisors. The opinions of the directors shall be made available to the shareholders the day after they were received by the company, at the business offices of the company as well as on its internet site, and such arrangement shall be reported by the company as a "Relevant Fact".
7. Notwithstanding the applicable sanctions, any infringement of the above provisions will not affect the validity of the transaction, but it will grant the company or the shareholders the right to sue the related party involved in the transaction for reimbursement to the company of a sum equivalent to the benefits that the operation reported to the counterpart involved in the transaction, as well as indemnity for damages incurred. In this case, the defendant bears the burden of proof that the transaction complies with the requirements and procedures referred to above.

Notwithstanding the above, the following related party transactions may be executed, pursuant to letters a), b) and c) of Article 147 of the Chilean Corporations Act, as amended by Law N° 21,314 published on April 13, 2021, without complying with the requirements and procedures stated above, with prior authorization by the board:

1. Transactions that do not involve a "material amount". For this purpose, any transaction that is both greater than UF 2,000 (as of March, 31, 2023, approximately CLP 71 million) and in excess of 1% of the corporation's equity, or involving an amount in excess of UF 20,000 (as of March 31, 2023, approximately CLP 712 million) shall be deemed to involve a material amount. All transactions executed within a 12-month period that are similar or complementary to each other, with identical parties, including related parties, or objects, shall be deemed to be a single transaction.
2. Transactions that pursuant to the company's policy of usual practice as determined by its board of directors, are in the ordinary course of business of the company. Any agreement or resolution establishing or amending such policies shall require the prior opinion of the directors' committee and shall be communicated to the CMF as a "Relevant Fact" when appropriate. The company's policy of usual practice shall contain at a minimum that information required by the CMF by means of a general regulation, and shall be available at all times to the company's shareholders at the corporate offices and, in the case of companies who have one, published on their corporate website. However, the aforementioned policy may not authorize the execution of acts or contracts comprising more than 10% of the company's assets.

3. Transactions between legal entities in which the company possesses, directly or indirectly, at least 95% of the equity of the counterpart.

Notwithstanding the above, the CMF may require the company to disclose to its shareholders and to the general public the details of any related party transactions that have been carried out. Such disclosure shall be made in the manner, for a term, with a periodicity and other conditions as the CMF establishes by means of a general regulation.

The usual practice policy adopted by the board of directors in the meeting held on January 13, 2010, as amended on July 6, 2011, July 5, 2016, and December 5, 2018 remains available to shareholders at the Company's offices in Avenida Vitacura N° 2670, 23rd Floor, Santiago, Chile, and on the web site www.ccuinvestor.com. The foregoing website is provided for informational purposes only, and the information thereon is not incorporated into this annual report.

In the ordinary course of business, we engage in a variety of transactions with some of our affiliates and related parties. Financial information concerning these transactions is set forth in "Note 11" to our consolidated financial statements.

Our corporate support units and strategic service units provide shared services to all the organization through service level-agreements. Shared services are provided in a centralized manner to capture the synergies between the different units. Service-level agreements are annual contracts specifying the services to be provided as well as the variables used to measure the levels of service and their prices. Service levels are evaluated directly by users three times a year.

Additionally, our logistic subsidiaries Transportes CCU and Comercial CCU provide logistic, warehousing and sales services on a consolidated basis to all of our strategic business units. These services are regulated by annual contracts specifying the services to be provided as well as the variables used to measure the levels of service and their prices. Service levels are evaluated directly by users three times a year.

We engage in a variety of transactions with affiliates of the Luksic Group and Heineken, the beneficial owners of IRSA, as well as with other shareholders of ours. Currently, Quiñenco and Heineken Chile SpA, a Chilean corporation (*sociedad por acciones*) whose current controller is Heineken International B.V., a Dutch limited liability company, subsidiary of Heineken N.V., are the only shareholders of IRSA, each with a 50% equity interest See "Item 4: Information on the Company – C. Organizational Structure".

On November 30, 2005, we and Heineken Brouwerijen B.V. amended the license and technical assistance agreements which provide us with the exclusive rights to produce, sell and distribute Heineken beer in Chile and Argentina commencing June 18, 2003. These agreements have an initial term of ten years beginning in June 2003, renewable for subsequent periods of five years. See "Item 4: Information on the Company – B. Business Overview – Production and Marketing – Chile Operating segment" and "Item 4: Information on the Company – B. Business Overview – 4. Production and Marketing – International Business Operating segment".

On October 12, 2011, we and Heineken Brouwerijen B.V. signed the Amended and Restated versions of the Trademark License Agreements which provide us with the exclusive rights to produce, sell and distribute Heineken beer in Chile and Argentina, in force as of January 1, 2011. These agreements have an initial term of ten years, and automatically renew on January 1 of each year for a new period of ten years, unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires.

On September 28, 2012, CICSA and Amstel Brouwerijen B.V. signed the Trademark License Agreement which provides with the exclusive rights to produce, sell and distribute Amstel beer in Argentina, effective as of August 1, 2012. This agreement has an initial term of ten years, and automatically renew on January 1 of each year for a new period of ten years, unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires.

On June 4, 2013, CICSA, Milotur and Heineken Brouwerijen B.V. entered into a Trademark License Agreement, which provides us with the exclusive rights to produce, sell and distribute Heineken beer in Uruguay, in force as of May 1, 2013. This agreement has an initial term of ten years, and automatically renews on January 1 of

each year for a new period of ten years, unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires.

On November 10, 2014, Central Cervecera de Colombia S.A.S. and Heineken Brouwerijen B.V. signed a Trademark License Agreement which provides us with the exclusive rights to import, produce, sell and distribute Heineken beer in Colombia. This agreement has an initial term of thirteen years as of March 1, 2015, and will each year thereafter (January 1) be automatically renewed for subsequent five-year periods unless, starting in 2029, any party gives notice of its decision not to renew, in which case the agreement will be in force until the expiration of the latest renewal period. This agreement was amended on March 29, 2019 to include Zona Franca Central Cervecera S.A.S. as brewer for the production of Heineken in Colombia.

On July 15, 2015, CICSА, BBO and Heineken Brouwerijen B.V. signed the Ancillary Trademark License Agreement, which provide us with the exclusive rights to produce, sell and distribute Heineken beer in Bolivia, in force as of January 1, 2015. This agreement has an initial term of ten years and will automatically renewed for subsequent five-year periods unless any party gives notice of its decision not to renew, in which case the agreement will be in force until the last renewal period expires.

Additionally, a Technical Assistance Agreement was executed with Heineken Technical Services B.V. (currently Heineken Supply Chain B.V.) on May 4, 2005, whereby the latter was appointed, on a non-exclusive basis, as our technical advisor in respect of operational aspects of our breweries, including also special services regarding project engineering for extensions of the breweries' capacity and construction of new plants, assistance in development of new products, production methods and distribution systems as well as advice on purchasing systems, among others. This agreement has an initial term of one year as from May 4, 2005, renewable for subsequent periods of one year each, unless either party gives at least three months' prior written notice to the other of its intention to terminate this agreement. This agreement has been renewed automatically each year.

On January 28, 2015, a Trade Mark License Agreement ("TMLA") was executed between our subsidiary Cervecería CCU and Heineken Brouwerijen B.V. to produce, sell and distribute beer under the brand name Sol in Chile. The TMLA contemplates a ten-year term as of July 1, 2014 and shall each year (as of July 1st) be automatically renewed for a new period of ten years, unless any party has given notice in writing of its decision not to renew.

On March 23, 2015, CICSА and Heineken Brouwerijen B.V. signed the Trademark License Agreement which provides with the exclusive rights to produce, sell and distribute Sol beer in Argentina, effective as of March 1, 2015. This agreement has an initial term of ten years, and will be automatically renewed, on January 1 of each year, for a ten-year period unless any party gives notice of its decision not to renew, in which case the agreements will be in force until the last renewal period expires.

On April 4, 2016, Central Cervecera de Colombia S.A.S. and Heineken Brouwerijen B.V. signed a Trademark License Agreement which provides us with the exclusive rights to import, produce, sell and distribute Tecate beer in Colombia. This agreement came into force on April 1, 2016, will continue to be in force until February 28, 2028, and each year thereafter (January 1) will be automatically renewed for subsequent five-year periods unless, starting in 2029, any party gives notice of its decision not to renew, in which case the agreement will be in force until the expiration of the latest renewal period. This agreement was amended on March 29, 2019 to include Zona Franca Central Cervecera S.A.S. as brewer for the production of Tecate in Colombia.

On September 27, 2017, Central Cervecera de Colombia S.A.S. and Heineken Brouwerijen B.V. signed the Trademark License Agreement which provides us with the exclusive rights to import, produce, sell and distribute, Sol beer in Colombia. This agreement came into force on July 1, 2017, will continue to be in force until February 28, 2028, and shall each year thereafter (January 1) be automatically renewed for subsequent five-year periods unless, starting in 2029, any party gives notice of its decision not to renew, in which case the agreement will be in force until the expiration of the latest renewal period.

On April 20, 2018, Bebidas del Paraguay S.A. and Heineken Brouwerijen B.V. signed a Distribution Agreement which provides us with the exclusive rights to distribute Sol beer in Paraguay, effective as of 1 January 2018. This agreement has an initial term of five years and will automatically be renewed for subsequent three-year

period unless any party gives notice of its decision not to renew, in which case the agreements will be in force until expiration of the first period or the respective subsequent period.

On April 20, 2018, Bebidas del Paraguay S.A. and Heineken Brouwerijen B.V. signed a Trademark License Agreement and a Distribution Agreement which provides us with the exclusive rights to produce, sell and distribute Heineken beer in Paraguay. These agreements have an initial term of five years from May 1, 2018 and will be automatically renewed for subsequent three-year periods unless any party gives notice of its decision not to renew. Therefore, and as agreed on June 11, 2018, the Trademark License Agreement entered on November 28, 2012, by CICSA and Heineken Brouwerijen B.V., which provided CICSA with the exclusive rights to produce, sell and distribute Heineken beer in Paraguay, was terminated with retroactive effects as of April 30, 2018 and, in its place, Heineken Brouwerijen B.V. and CICSA entered into a supply agreement which provides CICSA the non-exclusive right to sell and supply Heineken Lager in the Paraguayan market to Bebidas del Paraguay S.A., for a period of five years beginning on April 30, 2018.

On November 13, 2018, we and Heineken Brouwerijen B.V. signed an Amendment Agreement to the Amended and Restated Trademark License Agreement with Cervevera CCU Chile Limitada dated October 12, 2011, in order to include, as of January 1, 2018, the trade mark “Heineken 0.0” to the Trade Marks we have the exclusive rights to produce, sell and distribute in Chile.

On November 1, 2019, Bebidas del Paraguay S.A. and Amstel Brouwerijen B.V. signed the Distribution Agreement which provides us with the exclusive rights to distribute Amstel beer in Paraguay, effective as of October 1, 2019. This agreement has an initial term of five years, and will be automatically renew for subsequent three-year periods, unless any party gives notice of its decision not to renew, in which case the agreement will be in force until expiration of the first period or the respective subsequent period.

As of January 2023, Bebidas del Paraguay S.A. is Heineken Brouwerijen B.V. distributor of Schin beer in Paraguay.

Finally, in 2015, we revised and amended the 2014 amended and restated Framework Agreement entered with Banco de Chile, a Quiñenco subsidiary, which was in effect as of May 1, 2003, for the rendering of banking services to us and certain of our subsidiaries and affiliates, including, among others, payment to suppliers and shareholders, cashier service, transportation of valuables and payment of salaries.

Since the establishment of our directors’ committee in 2001, as required by the Chilean Corporations Act, it has reviewed all related-party contracts, before being sent to our board of directors for approval, which was standard practice prior to the creation of the directors’ committee. The above does not include related-party transactions that fall within the exemptions contemplated in letters a), b) and c) of Article 147 of the Chilean Corporations Act, which includes those executed according to the usual practice policy adopted by the board of directors on January 13, 2010 as amended on July 6, 2011, July 5, 2016 and December 5, 2018. Our principal related-party contracts include rental of properties, the rendering of services and product sales.

Our principal transactions⁹ with related parties for the twelve-month period ended December 31, 2022, are detailed below:

Company	Relationship	Transaction	Amount (in millions of CLP)
Aerocentro S.A.	Related to the subsidiary's shareholder	Sales of products	1
Amstel Brouwerijen B.V.	Related to the controller's shareholder	License and technical assistance	971
Antofagasta Minerals S.A.	Related to the controller's shareholder	Sales of products	1
Banchile Corredores de Bolsa S.A.	Related to the controller's shareholder	Investment Rescue/Investments	149,300
Banchile Corredores de Bolsa S.A.	Related to the controller's shareholder	Investment Rescue	148,410
Banco BASA S.A.	Related to the subsidiary's shareholder	Sales of products	2
Banco de Chile	Related to the controller's shareholder	Derivatives/Interests/Investment Rescue/Investments/Sales of products/Services received	665,992
Cadena Farmacenter S.A.	Related to the subsidiary's shareholder	Sales of products	15
Canal 13 SpA.	Related to the controller's shareholder	Services received	1,155
Cementos Concepción S.A.E.	Related to the subsidiary's shareholder	Sales of products	2
Central Cervecera de Colombia S.A.S.	Joint venture	Capital contribution	10,329
Cervecera Valdivia S.A.	Shareholder of subsidiary	Dividends paid	2,498
Cervecería Austral S.A.	Joint venture	Dividends received/Purchase of products/Royalty/Sales of products/Services provided	33,155
Cervecería Kunstmann Ltda.	Related to non-controlling subsidiary	Sales of products/Services received	976
Chajha S.A.	Related to the subsidiary's shareholder	Sales of products	6
Cigar Trading S.R.L.	Related to the subsidiary's shareholder	Sales of products	1
Comercial Patagona Ltda.	Subsidiary of joint venture	Sales of products/Services received	11,876
Consignataria de Ganado S.A.	Related to the subsidiary's shareholder	Sales of products	1
Cooperativa Agrícola Control Pisquero de Elqui y Limarí Ltda.	Shareholder of subsidiary	Dividends paid/Loan/Purchase of products/Sales of products	2,698
Club Libertad	Related to the subsidiary's shareholder	Sales of products	13
Ecor Ltda.	Related to the subsidiary's shareholder	Services received	79
Emprendimientos Hoteleros S.A.E.C.A.	Related to the subsidiary's shareholder	Sales of products	21
Empresa Nacional de Energía Enx S.A.	Related to the controller's shareholder	Sales of products/Services received	970
Empresas Carozzi S.A.	Shareholder of joint operation	Purchase of products/Sales of products	6,315
ENEX Paraguay S.R.L.	Related to the subsidiary's shareholder	Sales of products	197
Fundación Ramón T. Cartes	Related to the subsidiary's shareholder	Sales of products	1
Ganadera Las Pampas S.A.	Related to the subsidiary's shareholder	Sales of products	4
Hapag-Lloyd Chile SpA.	Related to the controller's shareholder	Services received	573
Heineken Brouwerijen B.V.	Related to the controller's shareholder	License and technical assistance/Purchase of products/Services received	35,838
Inversiones BEBINV S.A.	Related to the controller's shareholder	Capital contribution	1,648
Inversiones Enx S.A.	Related to the controller's shareholder	Sales of products	1,954
Inversiones Irsa Ltda.	Related to the controller	Dividends paid	8,471
Inversiones PFI Chile Ltda.	Shareholder of joint operation	Purchase of products/Services provided/Services received	24,942
Inversiones Punta Brava S.A.	Related to the controller's shareholder	Services received	451
Inversiones Río Elqui SpA.	Related to non-controlling subsidiary	Interests/Loan	26
Inversiones y Rentas S.A.	Controller	Dividends paid/Services provided	73,099
La Misión S.A.	Related to the subsidiary's shareholder	Sales of products	1
Nestlé Chile S.A.	Shareholder of subsidiary	Dividends paid	8,447
Palermo S.A.	Related to the subsidiary's shareholder	Sales of products	10
Pamplona S.A.	Related to non-controlling subsidiary	Sales of products	1
Prana S.A.	Related to the subsidiary's shareholder	Sales of products	0
QSR S.A.	Related to the subsidiary's shareholder	Sales of products	340
Quíñenco	Controller's shareholder	Sales of products	40
Radiodifusión SpA.	Related to the controller's shareholder	Services received	103
SAAM Extraportuario S.A.	Related to the controller's shareholder	Services received	244
SAAM Logistics S.A.	Related to the subsidiary's shareholder	Services received	668
Saga Gym S.R.L.	Related to the controller's shareholder	Sales of products	1
Société des Produits Nestlé S.A.	Related to the subsidiary's shareholder	Royalty	721
Tabacalera del Este S.A.	Related to the subsidiary's shareholder	Sales of products	44
Transbank S.A.	Related to the controller's shareholder	Services received	311
Viña Tabalí S.A.	Related to the controller's shareholder	Services provided	2
Water Latam S.L.	Related to the controller's shareholder	Buy shares	25,594
Yanghe Chile SpA.	Shareholder of subsidiary	Dividends paid	2,241

⁹ See "Note 11" to our Consolidated Financial Statements included herein for detailed information.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8: Financial Information

A. Consolidated Statements and Other Financial Information

See “Item 18: Financial Statements” and “Item 19: Exhibits” for the Company's Financial Statements and notes, audited by PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada.

Wine Exports

We, through our subsidiary VSPT, exported wine to more than 80 countries in 2022. VSPT is the second-largest wine exporter in Chile. See “Item 4: Information on the Company – B. Business Overview – Competition – Wine Operating segment”.

The following table presents our total wine exports by volume and sales, as of December of the last three years as percentage of consolidated volume and sales for the last three years:

	<u>2020</u>	<u>2021</u>	<u>2022</u>
Exports (thousands of liters) ⁽¹⁾	66,403	65,158	66,273
% of total consolidated sales volume	2.16%	1.88%	1.93%
Exports (CLP million) ⁽¹⁾	127,160	128,821	150,163
% of total consolidated sales	6.85%	5.18%	5.54%

Legal Proceedings

See “Note 35 - Contingencies and Commitments” of our Financial Statements as of December 31, 2022 included herein.

Additionally, on April 10, 2023, we received notice of a complaint filed by Cervecería Chile S.A., a subsidiary of ABI, before the Chilean Competition Court (Tribunal de Defensa de la Libre Competencia), where the complainant alleged that Compañía Cervecerías Unidas S.A. has incurred in possible abuse of dominant position in the beer distribution market. Given that we are currently in very early stages of these proceedings, at the time of filing this annual report it is not possible for Compañía Cervecerías Unidas S.A. to determine the possible effect that this complaint may have on said company's financial position or profitability.

Dividend Policy and Dividends

Our dividend policy is reviewed and established from time to time by our board of directors and reported during our annual ordinary shareholders' meeting, which is generally held in April of each year. Each year our board of directors must submit its proposal for a final dividend with charge to the preceding year Net income, for shareholder approval at the annual ordinary shareholders' meeting. As required by the Chilean Corporations Act, we must distribute a cash dividend in an amount equal to at least 30% of our Net income for that year, after deducting any accumulated losses from previous years, unless otherwise decided by unanimous vote of the issued shares of our common stock. Our board of directors has the authority to pay interim dividends during any one fiscal year, to be charged against the earnings of that year.

Dividends are paid to shareholders of record at midnight of the fifth business day, including Saturdays, preceding the date set for payment of the dividend. The holders of ADSs on the applicable record dates are entitled to dividends declared for each corresponding period.

Our board of directors announced at our annual ordinary shareholders' meeting held on April 13, 2022, its dividend policy for future periods, authorizing the distribution of cash dividends in an amount at least equal to 50% of our Net income of the year attributable to equity holders of the parent company under IFRS for the previous year. Our dividend policy is subject to change in the future due to changes in Chilean law, capital requirements, economic results and/or other factors. Same dividend policy was announced at the annual ordinary shareholders' meeting held on April 12, 2023.

During our annual ordinary shareholders' meeting held on April 14, 2021, a dividend of CLP 139,16548 per share of common stock (CLP 278.33096 per ADS using the ratio as of December 20, 2012 of 1 ADS to 2 common shares) was approved, in addition to the interim dividend of CLP 56 per share of common stock (CLP 112 per ADS) distributed in December 30, 2020. Together, these dividend payments amounted to CLP 72.114 million, representing 75% of the Net income of the year attributable to equity holders of the parent company for 2020.

The board of directors, in its meeting held on October 6, 2021, approved the distribution, with a charge to 2021's Net income attributable to equity holders of the parent company, of an interim dividend of CLP 200 per share of common stock (CLP 400 per ADS), totaling CLP 73,900,574,400, which was paid as of October 29, 2021. Additionally, the board of directors, in its meeting held on March 9, 2022, resolved to propose to the next ordinary shareholders meeting, the distribution, with charge to 2021's Net income attributable to equity holders of the parent company, of a final dividend of CLP 200 per share of common stock (CLP 400 per ADS). The proposal, representing a total payment of CLP 73,900,574,400, was approved at our annual ordinary shareholders' meeting held on April 13, 2022 and the final dividend was paid as of April 28, 2022 to shareholders of record at midnight on April 22, 2022. Collectively, these dividend payments amount to CLP 147,801 million, representing 74,21% of the "Net income of the year attributable to equity holders of the parent company" for 2021.

Additionally, at an extraordinary meeting held on October 13, 2021, the board of directors agreed to propose to an extraordinary shareholders' meeting held on November 24, 2021, the distribution of dividend N° 263 in an amount of CLP 447 per share (CLP 894 per ADR), for an aggregate sum of CLP 165,168 million to be charged against retained earnings.

On November 24, 2021, the distribution of such dividend was approved by the extraordinary shareholders' meeting and payment was made available to shareholders beginning on December 3, 2021.

The board of directors, at its meeting held on December 7, 2022, approved the distribution, with a charge to 2022's Net income attributable to equity holders of the parent company, of an interim dividend of CLP 135.1 per share of common stock (CLP 270.2 per ADS), totaling CLP 49,919,838,008, which was paid as of December 29, 2022. Additionally, the board of directors, in its meeting held on March 8, 2023, resolved to propose to the next ordinary shareholders' meeting, the distribution, with charge to 2022's Net income attributable to equity holders of the parent company, of a final dividend of CLP 24.80181 per share of common stock (CLP 49.60362 per ADS). The proposal, representing a total payment of CLP 9,164,340,025, was approved at our annual ordinary shareholders' meeting held on April 12, 2023 and the final dividend was paid as of April 27, 2023 to shareholders of record at midnight on April 21, 2023. Collectively, these dividend payments amount to CLP 59,084 million, representing 50,00% of the Net income of the year attributable to equity holders of the parent company for 2022.

The following table sets forth the amounts of interim and final dividends and the aggregate amounts of such dividends per share of common stock and per ADS in respect of each of the years indicated:

Year ended	CLP Per share ⁽¹⁾			USD Per ADS ⁽²⁾		
<u>December 31</u>	<u>Interim</u>	<u>Final ⁽³⁾</u>	<u>Total</u>	<u>Interim</u>	<u>Final ⁽³⁾</u>	<u>Total</u>
2017	70	108.89	178.89	0.23	0.36	0.59
2018	140	358.33	498.33	0.41	1.07	1.49
2019	75	179.95	254.95	0.20	0.42	0.62
2020	56	139.17	195.17	0.16	0.40	0.56
2021	200	200.00 ⁽⁴⁾	400.00 ⁽⁴⁾	0.50	0.47 ⁽⁴⁾	0.97 ⁽⁴⁾
2022	135,1	24.80	159.90	0.31	0.06	0.37

(1) Interim and final dividend amounts are expressed in historical pesos

(2) USD per ADS dividend information provided solely for reference purposes only, as we pay all dividends in CLP. The amounts shown above have been adjusted to reflect this change. The Chilean peso amounts as shown here have been converted into USD at the respective observed exchange rate in effect at each payment date or, in respect of the final dividend payable for the year ended December 31, 2022, at the observed exchange rate in effect as of April 25th, 2023. Note: The Federal Reserve Bank of New York does not report a noon buying rate for CLP.

(3) The final dividend with respect to each year is declared and paid within the first five months of the subsequent year.

(4) Excludes dividend N° 263 in an amount of CLP 447 per share charged against retained earnings.

Pursuant to current Chilean foreign exchange regulations, a shareholder who is not a resident of Chile does not need to be authorized as a foreign investor in order to receive dividends, sale proceeds or other amounts

with respect to its shares remitted outside Chile, but the investor must inform the Central Bank about any such transactions and must remit foreign currency through the formal exchange market. See “Item 10. Additional Information – D. Exchange Controls” for additional information on how ADR holders may remit currency outside Chile. Dividends received in respect of shares of common stock by holders, including holders of ADRs who are not Chilean residents, are subject to Chilean withholding taxes. See “Item 10: Additional Information – E. Taxation”.

B. Significant Changes

Nothing to report.

ITEM 9: The Offer and Listing

A. Offer and Listing Details

For the periods indicated, the table below sets forth the reported high and low closing sales prices for the common stock on the Stock Exchanges in Chile as well as the high and low sales prices of the ADSs as reported by the NYSE. For more information on offer and listing details also see “Item 10: The Offer and Listing – C. Markets.”

	<u>Santiago Stock Exchange</u> <u>(per share of common stock)</u>		<u>NYSE</u> <u>(per ADS)</u>	
	<u>High</u> (CLP)	<u>Low</u> (CLP)	<u>High</u> (CLP)	<u>Low</u> (CLP)
Years				
2017	9,300	6,820	29.72	20.31
2018	9,587	7,848	30.35	24.30
2019	9,990	6,850	29.48	17.80
2020	7,868	4,125	20.22	10.72
2021	8,699	5,161	21.82	14.72
2022	7,100	4,476	17.78	9.31
2020				
1 st quarter	7,868	4,989	20.22	11.25
2 nd quarter	6,812	5,151	16.62	12.53
3 rd quarter	6,440	4,982	15.90	12.66
4 th quarter	5,899	4,125	15.79	10.72
2021				
1 st quarter	6,800	5,161	18.89	14.72
2 nd quarter	7,450	6,200	20.24	17.34
3 rd quarter	8,699	6,819	21.82	17.03
4 th quarter	8,090	6,500	19.49	15.03
2022				
1 st quarter	7,100	5,490	17.78	13.52
2 nd quarter	5,999	5,400	15.38	12.36
3 rd quarter	6,173	4,476	12.75	9.31
4 th quarter	5,950	4,701	13.51	10.17
Last six months				
October 2022	5,280	4,701	11.21	10.17
November 2022	5,598	4,966	12.32	10.70
December 2022	5,950	5,110	13.51	11.75
January 2023	6,253	5,410	15.67	12.59
February 2023	6,489	5,999	16.08	14.75
March 2023	6,593	5,945	16.60	14.25

During the last three years, no significant trading suspensions of the Company's stock have occurred.

B. Plan of distribution

Not applicable.

C. Markets

Our common stock is currently traded on the Santiago Stock Exchange, the Chile Electronic Stock Exchange and, until October 8, 2018, the Valparaíso Stock Exchange under the symbol "CCU". The Santiago Stock Exchange accounted for approximately 94.6%, 93.1% and 95.4% of the trading volume of our common stock in Chile in the last three years, respectively. The remaining 5.4%, 6.9% and 5.6% respectively, was traded mainly on the Chile Electronic Stock Exchange. Shares of our common stock were traded in the United States on the NASDAQ Stock Market between September 24, 1992 and March 25, 1999 and on the NYSE since March 26, 1999, in the form of ADSs, under the symbol "CCU", with such ADSs being evidenced by ADRs, which until December 20, 2012, had each represented five shares of our common stock. Starting on December 20, 2012, the ratio was changed so that each ADS represented two shares of our common stock. The ADSs are issued under the terms of a deposit agreement dated September 1, 1992, as amended and restated on July 31, 2013, among us, JPMorgan, as depositary, and the holders from time to time of the ADSs.

The trading volume of our ADSs in the NYSE in the last three years is as follows:

<u>Year</u>	<u>Quarter</u>	<u>Traded Volume</u> <u>(thousands of ADS)</u>
2020	1 st quarter	22,505
	2 nd quarter	13,843
	3 rd quarter	11,979
	4 th quarter	17,413
	Total	65,740
2021	1 st quarter	20,375
	2 nd quarter	14,654
	3 rd quarter	10,032
	4 th quarter	10,670
	Total	55,731
2022	1 st quarter	9,136
	2 nd quarter	10,602
	3 rd quarter	21,903
	4 th quarter	13,357
	Total	54,998

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10: Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Provided below is a summary of certain material information found in our bylaws and provisions of Chilean law. This summary is not exhaustive. For more information relating to the items discussed in this summary, the reader is encouraged to read our updated bylaws, available in our website at www.ccu.cl or www.ccuinvestor.com. The information on our website is not incorporated by reference into this document.

Registration and corporate purposes. We are a public corporation (*sociedad anónima abierta*) organized by means of a public deed dated January 8, 1902, executed before the notary public of Valparaíso, Mr. Pedro Flores, and our existence was approved by Supreme Decree N° 889 of the Treasury Department, dated March 19, 1902, both of which were recorded on the reverse of folio 49, N° 45 of Valparaíso's Registry of Commerce for 1902, and published in Chile's Official Gazette on March 24, 1902. We were recorded on March 8, 1982, at Chile's Securities Registry of the CMF under N° 0007.

The last amendment to our articles of association, which incorporates the resolutions of the extraordinary shareholders' meeting held on June 18, 2013, that approved to increase the capital of the Company, by the issuance of 51,000,000 shares, were set forth in a public deed dated June 18, 2013, executed before the notary public of Santiago, Eduardo Diez Morello, an extract of which was recorded on the folio 48,216 N° 32,190 of the Santiago Registry of Commerce for 2013, published in the Official Gazette on June 25, 2013.

Under Article 4 of our bylaws, the corporation's principal purpose is to produce, manufacture and market alcoholic and non-alcoholic beverages, to manufacture containers and packaging, and to provide transportation services, among other businesses.

Directors. Under the Chilean Corporations Act, a corporation may not enter into a contract or agreement in which a director has a direct or indirect interest without prior approval by the board of directors, and then only if it is in the interest of the company, the price, terms and conditions are similar to those prevailing in the market at the time of its approval and the transaction complies with the requirements and procedures stated in Chapter XVI of the Chilean Corporations Act regarding Related Party Transactions. See "Item 7: Major Shareholders and Related Party Transactions".

The amount of any director's remuneration is established each year by the annual shareholders' meeting. Directors are forbidden, unless previously and duly authorized thereto by the board of directors, to borrow or otherwise make use of corporate money or assets for their own benefit or that of their spouses, certain relatives or related persons. These rules can only be modified by law.

It is not necessary to hold shares to be elected director, and there is no age limit established for the retirement of directors.

Rights, preferences and restrictions regarding shares. At least 30% of our Net income for each fiscal year are required to be distributed as dividends in cash to our shareholders, unless our shareholders unanimously decide otherwise. Any remaining profits may be used to establish a reserve fund (that may be capitalized at any time, amending the corporate bylaws by the vote of a majority of the voting stock issued), or to pay future dividends.

Compulsory minimum dividends ("minimum dividends"), i.e., at least thirty percent of our Net income for each fiscal year, become due thirty days after the date on which the annual shareholders' meeting has approved the distribution of profits in the fiscal year. Any additional dividends approved by our shareholders become due on the date set by our shareholders or our board of directors.

Accrued dividends that corporations fail to pay or make available to their shareholders within certain periods are to be adjusted from the date on which those dividends became due and that of actual payment. Overdue dividends will accrue interest at established rates over the same period.

Dividends and other cash benefits unclaimed by shareholders after five years from the date on which they became due will become the property of the Chilean Fire Department.

We have only one class of shares and there are therefore no preferences or limitations on the voting rights of shareholders. Each of our shareholders is entitled to one vote per share. In annual shareholders' meetings, resolutions are made by an absolute majority of those present at the meeting, provided legal quorums (consisting of an absolute majority of our issued voting stock, in case the quorum is satisfied at its first call, or any number of shareholders present at the meeting if the meeting takes place at its second call) are met. A special or extraordinary meeting generally requires an absolute majority, in other words, 50% plus one of the shares entitled to vote; however, the Chilean Corporations Act provides that in order to carry certain motions, a two-thirds majority of the outstanding voting stock is necessary.

Our directors are elected every three years and their terms are not staggered. Our shareholders may accumulate their votes in favor of just one person or distribute their votes to more than one person. In addition, by unanimous agreement of our shareholders present and entitled to vote, the vote may be omitted and the election made by acclamation.

In the event of liquidation, the Chilean Corporations Act provides that corporations may carry out distributions to shareholders on account of a reimbursement of capital only after the payment of corporate indebtedness.

There are no redemption or sinking fund provisions applicable to us, nor are there any liabilities to our shareholders relating to future capital calls by us.

Under Chilean law, certain provisions affect any existing or prospective holder of securities as a result of the shareholder owning a substantial number of shares. The Chilean Securities Market Law, establishes that (a) any person who, directly or indirectly, owns 10% or more of the subscribed capital of an open stock corporation (the "majority shareholders") or that, as a consequence of an acquisition of shares, attains such percentage, and (b) all directors, liquidators, principal executive officers, administrators and managers of such corporations, regardless of the number of shares they possess, either directly or indirectly, must report any purchase or sale of shares to the CMF and to each of the stock exchanges in Chile where such corporation has securities listed, the day immediately following the execution of the transaction, through the technological means authorized by the CMF. This obligation shall also apply to the acquisition or sale of contracts or securities, the price or result of which is dependent upon or is conditioned on, in whole or in a relevant part, the fluctuation or evolution of the price of such shares. In addition, majority shareholders must inform the CMF and the stock exchanges with respect to whether the purchase is aimed at acquiring control of the corporation or just as a financial investment.

The Chilean Securities Market Law also provides that when one or more persons intend to take over a corporation subject to oversight by the CMF, they must give prior public notice. This notice must include the price to be offered per share and the conditions of the proposed transaction, including the expected manner of acquiring the shares.

Finally, Chapter XXV of the Chilean Securities Market Law was enacted on December 20, 2000, to ensure that controlling shareholders share with minority shareholders the benefits of a change of control, by requiring that certain share acquisitions be made pursuant to a tender offer.

Article 199 bis of the Chilean Securities Market Law extends the obligation to make a tender offer for the remaining outstanding shares to any person, or group of persons with a joint performance agreement, that, as a consequence of the acquisition of shares, becomes the owner of two-thirds or more of the issued shares with voting rights of a corporation. Such tender offer must be affected within 30 days from the date of such acquisition.

The Chilean Corporations Act provides shareholders with preemptive rights and requires that options to purchase stock representing capital increases in corporations and debentures duly convertible into stock of

the issuing corporation, or any other securities extending future rights over such stock, must be offered preferably, at least once, to existing shareholders, in proportion to the number of shares owned by them. A corporation must distribute any bonus stock in the same manner.

The Chilean Corporations Act also provides shareholders with the right to withdraw from a corporation in certain situations. Unless there is an ongoing bankruptcy proceeding, if a shareholders' meeting approves any of the following matters, dissenting shareholders will be automatically entitled to withdraw from the corporation upon payment by the corporation of the market value of their shares:

- our transformation into a different type of legal entity;
- our merger with and/or into another company;
- the disposition of 50% or more of the corporate assets, whether or not liabilities are also transferred, to be determined according to the balance sheet of the previous fiscal year, or the proposal or amendment of any business plan that contemplates the transfer of assets exceeding said percentage; the disposition of 50% or more of the corporate assets of a subsidiary, which represents at least 20% of the assets of the corporation, as well as any disposition of shares which results in the parent company losing its status as controller;
- the granting of real or personal guarantees to secure third-party obligations exceeding 50% of the corporate assets, except when the third party is a subsidiary of the company (in which case approval of the board of directors will suffice);
- the creation of preferences for a series of shares or the increase, extension or reduction in the already existing ones. In this case, only dissenting shareholders of the affected series shall have the right to withdraw;
- curing certain formal defects in the corporate charter which otherwise would render it null and void or any modification of its bylaws that should grant this right; and
- other cases provided for by statute or in our bylaws, if any.

In addition, shareholders may withdraw if a person becomes the owner of two-thirds or more of the outstanding shares of the corporation as a consequence of a share acquisition and such person does not make a tender offer for the remaining shares within 30 days from the date of such acquisition.

Minority shareholders are also granted the right to withdraw when the controlling shareholder acquires more than 95% of the shares of an open stock corporation.

Our bylaws do not provide for additional circumstances under which shareholders may withdraw.

Action necessary to change the rights of holders of stock. The rights of stockholders are established by law and pursuant to the bylaws of a corporation. For certain modifications of shareholders' rights, the law requires a special majority, such as the creation, increase, extension, reduction or suppression of preferred stock, which may be adopted only with the consent of at least two-thirds of the affected series. Consequently, any other impairment of rights not specifically regulated needs only an absolute majority (more than 50%) of the stock entitled to vote. However, the waiver of the shareholders' right to receive no less than 30% of the Net income accrued in any fiscal year (minimum dividend) requires the unanimous vote of all stockholders. The above notwithstanding, no decision of the shareholders' meeting can deprive a shareholder of any part of the stock that he/she owns.

Our bylaws do not contemplate additional conditions in connection with matters described in this subsection.

Shareholders' meetings. Our annual shareholders' meetings are to be held during the first four months of each year. During the meetings, determinations are made relating to particular matters, which matters may or may not be specifically indicated in the summons for such meeting.

The quorum for a shareholders' meeting is established by the presence, in person or by proxy, of shareholders representing at least an absolute majority of our issued voting stock; if a quorum is not present at the time of the first call of the meeting, a second call of the meeting can be reconvened and upon the meeting being reconvened, shareholders present at the time of the second call of the reconvened meeting are deemed to constitute a valid quorum regardless of the percentage of the voting stock represented. In that

case, decisions will be made by the absolute majority of stock with voting rights present or otherwise represented. The following matters are specifically reserved for annual meetings:

- review of our state of affairs and of the reports of external auditors, and the approval or rejection of the annual report, balance sheet, financial statements and records submitted by our officers or liquidators;
- distribution of profits of the respective fiscal year, including the distribution of dividends;
- election or revocation of regular and alternate board members, liquidators and external auditors; and
- determination of the remuneration of the board members, directors' committee remuneration and budget, designation of the newspaper where summons for meetings shall be published and, in general, any other matter to be dealt with by the annual meeting being of corporate interest and not specifically reserved to extraordinary shareholders' meetings.

Extraordinary shareholders' meetings may be held at any time, when required by corporate necessity. During extraordinary meetings, determinations are made relating to any matter which the law or the Company's bylaws reserve for consideration by such extraordinary meetings, which matters shall be expressly set forth in the relevant summons. When in an extraordinary shareholders' meeting determinations relating to matters specifically reserved to annual meetings must be made, the operation and decisions of such extraordinary meeting will follow the requirements applicable to annual meetings. The following matters, are specifically reserved for extraordinary meetings:

- dissolution of the corporation;
- transformation, merger or spin-off of the corporation and amendments to its bylaws;
- issuance of bonds or debentures convertible into stock;
- the disposition of 50% or more of the corporate assets, whether or not liabilities are also transferred, to be determined according to the balance sheet of the previous fiscal year, or the proposal or amendment of any business plan that contemplates the transfer of assets exceeding said percentage, the disposition of 50% or more of the corporate assets of a subsidiary, which represent at least 20% of the assets of the corporation, as well as any disposition of shares which results in the parent company losing its status of controlling shareholder; and
- guarantees of third parties' obligations, except when these third parties are subsidiary companies (in which case approval of the board of directors will suffice).

In addition to the above, annual and extraordinary shareholders' meetings must be called by the board of directors in the following circumstances:

- when requested by shareholders representing at least 10% of issued stock with voting rights regarding closely held corporations; and
- when required by the CMF, notwithstanding its right to call such meeting directly.

Only holders of stock recorded in the Register of Shareholders of open stock corporations at midnight of the fifth business day, including Saturdays, before the date of the pertinent meeting may participate with the right to be heard and vote in shareholders' meetings. Directors and officers other than shareholders may participate in shareholders' meetings with the right to be heard.

Shareholders may be represented at meetings by other individuals, regardless of whether or not those persons are shareholders themselves. A proxy must be conferred in writing, and for the total number of shares held by the shareholder and entitled to vote in accordance with the previous paragraph.

Limitations on the right to own securities. The right to own any kind of property is guaranteed by the Chilean Constitution, and the Chilean Corporations Act does not contain any general limitation regarding the right to own securities. There are, however, certain limitations on the right of foreigners to own securities of Chilean corporations, but only for certain special types of companies. We are not affected by these limitations, and our bylaws do not contain limitations or restrictions in this regard.

Article 14 of the Chilean Corporations Act forbids open stock corporations from including in their bylaws any provisions restricting the free transferability of stock. However, shareholders may enter into a private agreement on this matter, but, in order for these agreements to be effective against the company and third

parties, they must be recorded by the corporation and thus made available to any interested third parties. See “Item 6: Directors, Senior Management and Employees – A. Directors and Senior Management”.

Takeover defenses. Our bylaws do not contain any provisions that would have the effect of delaying, deferring or preventing a change in control of us and that would operate only with respect to a merger, acquisition or corporate restructuring involving us (or any of our subsidiaries). See “Item 10: Additional Information – B. Memorandum and Articles of Association – Rights, preferences and restrictions regarding shares”.

Ownership threshold. Our bylaws do not contain any ownership threshold above which shareholder ownership must be disclosed. For a description of the ownership thresholds mandated by Chilean law, see “– Rights, preferences and restrictions regarding shares” above. See “Item 10: Additional Information – B. Memorandum and Articles of Association – Rights, preferences and restrictions regarding shares”.

Our bylaws do not impose any conditions that are more stringent than those required by law for effecting changes in our capital.

C. Material Contracts

Not applicable.

D. Exchange Controls

General Legislation and Regulations. The Central Bank of Chile is responsible for, among other things, monetary policies and exchange controls in Chile. See “Item 3. Key Information – Selected Financial Data – Exchange Rates”. Foreign investments can be registered with the Central Bank of Chile under Chapter XIV of the Central Bank Foreign Exchange Regulations, which regulates foreign exchange transactions, including access to the Formal Exchange Market. Pursuant to Law N° 20,780, on June 25, 2015 Law N° 20,848 was enacted, replacing Decree Law N° 600 of 1974 and establishing a new statute for direct foreign investments (henceforth, the “New Statute for Foreign Investment”). The New Statute for Foreign Direct Investments went into effect as of January 1, 2016. Foreign investors in companies that maintain a valid foreign investment agreement with the Government of Chile pursuant to the regulations of Decree Law N° 600 will fully retain the rights and obligations set forth in said agreements, provided that the agreements were executed prior to January 1, 2016. The New Statute for Foreign Investment does not grant investors eligibility for a tax invariability regime, which was granted to them by Decree Law N° 600. However, a transitory 4 four-year system was established, under which foreign investors could have requested foreign investment authorizations via the execution of agreements with the Government of Chile, albeit subject to a total income tax rate of 44.5%. This transitory system expired on January 1, 2020.

Effective April 19, 2001, the Central Bank of Chile abrogated the then existing Chapter XXVI of the Central Bank Foreign Exchange Regulations (“Chapter XXVI”), which addressed issuance of ADSs by a Chilean company, and issued an entirely new set of Foreign Exchange Regulations (the “April 19th Regulations”), virtually eliminating all the restrictions and limitations that had been in force up to that date. The April 19th Regulations were based upon the general principle that foreign exchange transactions can be made freely in Chile by any person, notwithstanding the power conferred by law to the Central Bank of Chile of imposing certain restrictions and limitations to such transactions.

With the issuance of the April 19th Regulations, the approval by the Central Bank of Chile required for access to the Formal Exchange Market was replaced with the requirement of reporting of the relevant transactions to the Central Bank of Chile. However, some foreign exchange transactions, notably foreign loans, capital investment or deposits, continued to be subject to the requirement of being effected through the Formal Exchange Market. The April 19th Regulations reduced the time needed to effect foreign exchange transactions by foreign investors in Chile.

According to the April 19th Regulations, foreign exchange transactions performed before April 19, 2001, remained subject to the regulations in effect at the time of the transactions (i.e. Chapter XXVI), unless the interested parties elected the applicability of the April 19th Regulations, thereby expressly waiving the applicability of the regulations in force at the time of the execution of the respective transaction.

On January 23, 2002, the Central Bank of Chile issued an entirely new set of Foreign Exchange Regulations, effective March 1, 2002, replacing the April 19th Regulations (the “New Rules”). The New Rules preserve the general principle established in the April 19th Regulations of freedom in foreign exchange transactions, simplified procedures to reduce the time needed to materialize foreign exchange transactions by foreign investors in Chile, and introduced several new provisions.

Pursuant to the New Rules, Chilean entities are allowed, under Chapter XIV, which governs credits, deposits, investments and capital contribution from abroad, to: (i) dispose of such foreign currency allocated abroad, executing any of the transactions contemplated in Chapter XIV, without the need of delivering it into Chile, subject to the obligation of reporting said transaction to the Central Bank of Chile; and (ii) capitalize any liability expressed in foreign currency and acquired abroad. These provisions also state that amendments to any contracts or instruments regarding such credits, deposits, investments and capital contributions that can affect the conditions of such transactions must be reported to the Central Bank of Chile.

According to the New Rules, section 7 of Chapter XIV, duly in force, states that foreign exchange transactions made pursuant to Chapter XIV, executed before April 19, 2001, were to continue to be subject to the regulations in effect at the time of the transactions, unless the interested parties elect the applicability of the New Rules, expressly waiving the applicability of the provisions which would otherwise govern them.

In connection with our initial public offering of ADSs, we entered into a foreign investment contract (the “Foreign Investment Contract”) with the Chilean Central Bank and the Depositary, pursuant to Article 47 of the Central Bank Act and former Chapter XXVI. Absent the Foreign Investment Contract, under Chilean exchange controls in force until April 19, 2001, investors would not have been granted access to the Formal Exchange Market for the purpose of converting CLP to USD and repatriating from Chile amounts received in respect of, among other things, deposited Shares or Shares withdrawn from deposit on surrender of ADRs (including amounts received as cash dividends and proceeds from the sale in Chile of the underlying Shares and any rights with respect thereto).

Notwithstanding the April 19th Regulations and the New Rules, Chapter XXVI remained in effect with respect to our ADR facility. On March 3, 2014, we, the Central Bank of Chile and the Depositary executed an agreement that terminated the Foreign Investment Contract. Consequently, the special exchange regime established under Chapter XXVI is no longer applicable. The Deposit Agreement, therefore, and the Company’s ADR program became subject to the exchange regulations of general applicability of Chapter XIV or such new regulations that may be issued in the future.

The ADS facility is currently governed by Chapter XIV on “Regulations applicable to Credits, Deposits, Investments and Capital Contributions from Abroad”. According to Chapter XIV number 2.3, the establishment of an ADS facility is regarded as an ordinary foreign investment, subject to the above-mentioned limitations, and it is not necessary to seek the Central Bank’s prior approval in order to establish an ADS facility. The establishment of an ADS facility only requires that the Central Bank be informed of the transaction, and that the transactions thereunder be conducted through the Formal Exchange Market.

Investment in Our Shares and ADSs

Investments made in shares of our common stock are subject to the following requirements:

According to Chapter XIV of the Central Bank Foreign Exchange Regulations Information Procedures and Forms Manual (hereinafter the “Manual”), any foreign investor acquiring shares of our common stock who brought funds into Chile for that purpose must bring those funds through an entity participating in the Formal Exchange Market; any foreign investor acquiring shares of our common stock to be deposited and converted into ADSs who brought funds into Chile for that purpose must bring those funds through an entity participating in the Formal Exchange Market; in both cases, the entity of the Formal Exchange Market through which the funds are brought into Chile must report such investment to the Central Bank following the instructions detailed in Chapter I of the Manual; all remittances of funds from Chile to the foreign investor upon the sale of the acquired shares of our common stock or from dividends or other distributions made in connection therewith must be made through the Formal Exchange Market; all remittances of funds from Chile to the foreign investor upon the sale of shares underlying ADSs (after conversion is implemented through the depositary) or from dividends or other distributions made in connection therewith must be made through the Formal Exchange Market; and all remittances of funds made to the foreign investor must be reported to the Central Bank by the intervening entity of the Formal Exchange Market. Regarding the remittances of funds indicated above, Chapter XIV and Chilean tax regulation establishes that all taxes obligations must be paid prior to such remittances.

When funds are brought into Chile for a purpose other than to acquire shares for subsequent deposit and eventual conversion into ADSs and subsequently such funds are used to acquire shares to be deposited and converted into ADSs, such investment must be reported to the Central Bank by the foreign investor (or its custodian in Chile) within ten days following the end of each month, using Appendix 3 of the Manual as detailed on its Chapter XIV number 6.

When funds to acquire shares of our common stock or to acquire shares for subsequent deposit and eventual conversion into ADSs are received by us abroad (i.e., outside of Chile), such investment must be reported to the Central Bank directly by the foreign investor within ten days following the end of the month in which the investment was made, according to number 2.2 of Chapter XIV of the Manual, using its Appendix N° 4.

When funds to acquire shares of our common stock or to acquire shares for subsequent deposit and eventual conversion into ADSs are received by us in Chile, such investment must be reported to the Central Bank directly by an entity participating in the Formal Exchange Market on the day the investment is made, according to number 1.2 of Chapter XIV of the Manual.

All payments in foreign currency in connection with our shares of common stock or ADSs made from Chile through the Formal Exchange Market must be reported to the Central Bank by the entity participating in the transaction, according to number 4 of Chapter XIV of the Manual. In the event there are payments made with foreign currency originating outside of Chile, the foreign investor must provide the relevant information to the Central Bank directly within the first ten calendar days of the month following the date on which the payment was made, according to number 5 of Chapter XIV of the Manual.

There can be no assurance that additional Chilean restrictions applicable to the holders of shares of our common stock or ADSs, the disposition of shares of our common stock underlying ADSs or the conversion or repatriation of the proceeds from such disposition will not be imposed in the future, nor can we assess the duration or impact of such restrictions if imposed.

This summary does not purport to be complete and is qualified by reference to Chapter XIV of the Central Bank Foreign Exchange Regulations, a copy of which is available in Spanish and English versions at the Central Bank’s website at www.ccuinvestor.com or www.ccu.cl.

E. Taxation

Chilean Tax Considerations

The following discussion is based on certain Chilean income tax laws presently in effect, including Rulings N° 324 of January 29, 1990, and N° 3,708 of October 1, 1999 of the Chilean Internal Revenue Service and other applicable regulations and rulings currently in force. The discussion summarizes the principal Chilean income tax consequences of an investment in the ADSs or shares of common stock by an individual who is not domiciled in or a resident of Chile or a legal entity that is not organized under the laws of Chile and does not have a permanent establishment located in Chile which we refer to as a “foreign holder”. For purposes of Chilean law, an individual holder is a resident of Chile if he or she has resided in Chile for more than one hundred and eighty-three days in a twelve-month period. An individual holder is domiciled in Chile if he or she resides in Chile with the purpose of staying in Chile (such purpose to be evidenced by circumstances such as the acceptance of employment within Chile or the relocation of his or her family to Chile). This discussion is not intended as tax advice to any particular investor, which can be rendered only in light of that investor's particular tax situation. Neither is it intended to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of shares or ADSs and does address all of the tax consequences that may be relevant to specific holders in light of their particular circumstances. Holders of shares and ADSs are advised to consult their own tax advisors concerning the Chilean or other tax consequences relating to the ownership of shares or ADSs.

Under Chilean law, provisions contained in statutes such as tax rates applicable to foreign holders, the computation of taxable income for Chilean purposes and the manner in which Chilean taxes are imposed and collected may be amended only by another statute. In addition, the Chilean tax authorities issue rulings and regulations of either general or specific application interpreting the provisions of Chilean tax law. Chilean taxes may not be assessed retroactively against taxpayers who act in good faith relying on such rulings and regulations, but Chilean tax authorities may modify said rulings and regulations prospectively. There is a general income tax treaty signed by Chile and the United States, but it is not in force (Congress approval is required).

Cash dividends and Other Distributions. Cash dividends paid by us with respect to the ADSs or shares of common stock held by a foreign holder will be subject to a 35.0% withholding tax, which is withheld and paid by us (the “Chilean Withholding Tax”). A credit against the Chilean Withholding Tax is available based on the level of corporate income tax, or first category tax, actually paid by us on the taxable income to which the dividend is imputed; however, this credit does not reduce the Chilean Withholding Tax on a one-for-one basis because it also increases the base on which the Chilean Withholding Tax is imposed. The modifications incorporated to the Chilean income tax law by Act N° 21,210 enacted on February 24, 2021, provide for taxpayers' subject to Article 14 letter A of the Chilean income tax law, a First Category Income tax at a rate of 27%.

The corporate income tax is a credit for shareholders resident or domiciled in countries that have a Convention for the Avoidance of Double Taxation in force with Chile that are the effective beneficiaries of the dividends. This benefit is extended to countries that have signed a Convention for the Avoidance of Double Taxation with Chile before January 1, 2020, even if the Convention has not yet entered into force until December 31, 2026 as a limit. This is the case for the United States of America.

For other no resident shareholders, the credit for the corporate tax paid on such income may be used with a limit of 65% of its amount. In these cases, the effective rate is 44.45% from 2018 thereafter.

The foregoing tax consequences apply to cash dividends paid by us. Dividend distributions made in kind (other than shares of common stock) will be subject to the same Chilean tax rules as cash dividends.

Capital Gains. Gain realized on the sale, exchange or other disposition by a foreign holder of ADSs (or ADRs evidencing ADSs) will not be subject to Chilean taxation, provided that such disposition occurs outside Chile or that it is performed under the rules of Title XXIV of the Chilean Securities Market Law. The deposit and withdrawal of shares of common stock in exchange for ADRs will not be subject to any Chilean taxes, according to Rulings N° 1,705 of May 15, 2006 and N° 2,144 of October 3, 2013.

Gains obtained from the sale or exchange of shares of common stock (as distinguished from sales or exchanges of ADSs representing such shares of common stock) by a foreign holder will be generally subject to both the first category tax and the Chilean Withholding Tax at a rate of 35%. Reduced rates may apply for shares traded in a Chilean stock exchange and shares sold by residents of countries that have a Double Tax Treaty in force with Chile, on a case-by-case basis.

The tax basis of shares of common stock received in exchange for ADSs will be the acquisition value of such shares. The valuation procedure set forth in the deposit agreement, which has been analyzed by the Chilean Internal Revenue Service pursuant to Ruling N° 324 of 1990, values shares of common stock that are being exchanged at the highest price at which they trade on the Santiago Stock Exchange on the date of the exchange, generally will determine the acquisition value for this purpose. Consequently, the conversion of ADSs into shares of common stock and sale of such shares of common stock for the value established under the deposit agreement will not generate a capital gain subject to taxation in Chile. Ruling N° 324 of 1990 specifically analyzes the tax regime applicable to share transactions held with foreign investors through ADRs.

In the case where the sale of the shares is made on a day that is different from the date in which the exchange is recorded, capital gains subject to taxation in Chile may be generated. However, following Ruling N° 3,708 of 1999 of the Chilean Internal Revenue Service, we will include in the deposit agreement a provision whereby the capital gain that may be generated if the exchange date is different from the date in which the shares received in exchange for ADSs are sold, will not be subject to taxation. Such provision states that in the event that the exchanged shares are sold by the ADS holders in a Chilean stock exchange on the same day in which the exchange is recorded in the shareholders' registry of the issuer or within two business days prior to the date on which the sale is recorded in the shareholders' registry, the acquisition price of such exchanged shares shall be the price registered in the invoice issued by the stock broker that participated in the sale transaction.

The exercise of preemptive rights relating to the shares of common stock will not be subject to Chilean taxation. Amounts received for the assignment of preemptive rights relating to the shares will be subject to Chilean Withholding Tax at a rate of 35%.

Please bear in mind that the tax treatment just mentioned regarding the ADR could be subject to future modifications, considering that the current tax treatment of ADR is supported in Chilean Internal Revenue Service rulings mentioned above.

As per the amendments introduced by Law N° 21,420 of 2022 to the income tax law, from September 2, 2022, the general exemption for the capital gain derived from the sale of shares of Chilean public corporations has been abolished, and instead, a 10% capital gains tax applies on that income.

Besides from the general treatment, exemptions are maintained for institutional investors, under N°9 of Article 107 of the income tax law and Article 9 transitory of Law N° 20,712.

Pursuant to Article 107, N° 9 of the Chilean income tax law, the sale of shares of Chilean public corporations which are actively traded on a Chilean stock exchange by a foreign institutional investor is not levied with any Chilean tax on capital gains if the sale or disposition is made:

- a. on a local stock exchange authorized by the CMF or in a tender offer process according to Title XXV of the Chilean Securities Market Law, so long as the shares (a) were purchased on a public stock exchange or in a tender offer process pursuant to Title XXV of the Chilean Securities Market Law, (b) are newly issued shares issued in a capital increase of the corporation, or (c) were the result of the exchange of convertible bonds (in which case the option price is considered to be the price of the shares). In this case, gains exempted from Chilean taxes shall be calculated using the criteria set forth in the Chilean income tax law; or
- b. within 90 days after the shares would have ceased to be significantly traded on the stock exchange. In such case, the gains exempted from Chilean taxes on capital gains will be up to the average price per share of the last 90 days. Any gains above the average price obtained by a foreign investor will be subject to Withholding Tax at a rate of 35%.

For these purposes, an institutional investor is defined by Article 4 bis of the Securities Law (N°18,045) and it includes banks, financial institutions, insurance companies and fund managers authorized by law. Other entities are authorized by the Chilean Financial Market Commission.

If the foreign holder is not an institutional investor, a 10% capital gains tax will apply under the same circumstances and requirements.

If the requirements to apply the abovementioned exemption are not met, foreign institutional investors that transfer shares of Chilean public corporations which are actively traded on a Chilean stock exchange, may apply the exemption established in the abrogated Article 106 of the income tax law, provided that the securities have been acquired prior to January 1, 2017 and the investor, during its operation in the country and the moment of acquisition and disposal of said securities, complies with the requirements established in Article 106.

According to the abrogated Article 106, the disposition must be done through a Chilean stock exchange authorized by the CMF, in a tender offer carried out according to Title XXV of the Chilean Securities Market Law, or through redemption of quotas.

In addition, the abrogated Article 106 establishes that a foreign institutional investor is an entity that is either:

- a. a fund that makes public offers of its shares in a country whose public debt has been rated investment grade by an international risk classification agency qualified by the CMF;
- b. a fund that is registered with a regulatory entity of a country whose public debt has been rated investment grade by an international risk classification agency qualified by the CMF, provided that the investments in Chile, including securities issued abroad that represent Chilean securities, held by the fund represent less than 30.0% of its share value;
- c. a fund that holds investments in Chile that represent less than 30.0% of its share value, provided that it proves that no more than 10.0% of its share value is directly or indirectly owned by Chilean residents;
- d. a pension fund that is exclusively formed by individuals that receive their pension on account of capital accumulated in the fund;
- e. a fund regulated by Law N° 18,657, or the Foreign Capital Investment Funds Law, in which case all holders of its shares must reside abroad or be qualified as local institutional investors; or
- f. any other institutional foreign investor that complies with the characteristics defined by a regulation with the prior report of the CMF and the Chilean Internal Revenue Service.

In order to be entitled to the exemption established in Article 106, foreign institutional investors, during the time in which they operate in Chile must:

- a. be organized abroad and not be domiciled in Chile;
- b. not participate, directly or indirectly, in the control of the issuers of the securities in which they invest and not hold, directly or indirectly, 10.0% or more of such companies' capital or profits;
- c. execute an agreement in writing with a Chilean bank or securities broker in which the intermediary is responsible for the execution of purchase and sale orders and for the verification, at the time of the respective remittance, that such remittances relate to capital gains that are exempt from income tax in Chile or, if they are subject to income tax, that the applicable withholdings have been made; and
- d. register in a special registry with the Chilean Internal Revenue Service.

Also, transitional Article 5 of Act N° 20,712 indicates that the funds regulated by Law N° 18,657 (Investments Funds of Foreign Capital) will maintain the applicable tax regime of Article 106. In other words, the distribution abroad of profits obtained by these funds, arising out of the investments described in Article 106, will be exempt from Chilean income tax, as long as they do not transform into one of the funds created by Act N° 20,712.

Other Chilean Taxes. No Chilean inheritance, gift or succession taxes apply to the transfer or disposition of the ADSs by a foreign holder but such taxes generally will apply to the transfer at death or by a gift of shares of common stock by a foreign holder. No Chilean stamp, issue, registration or similar taxes or duties apply to foreign holders of ADSs or shares of common stock.

Withholding Tax Certificates. Upon request, we will provide to foreign holders' appropriate documentation evidencing the payment of the Chilean Withholding Tax. We will also inform when the withholding was excessive in order to allow the filing for the reimbursement of taxes.

In order to comply with our withholding obligations, we may require certificates of residence, affidavits or any other type of documentation aimed to demonstrate the tax residence and effective beneficiary status of the foreign holders.

United States Federal Income Tax Considerations

The following discussion summarizes the principal U.S. federal income tax considerations relating to the acquisition, ownership and disposition of common stock or ADSs by a U.S. holder (as defined below) holding such common stock or ADSs as capital assets for U.S. federal income tax purposes (generally, property held for investment). This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations, administrative pronouncements of the U.S. Internal Revenue Service (the "IRS") and judicial decisions, all as in effect on the date hereof, and all of which are subject to change (possibly with retroactive effect) and to differing interpretations. This summary does not describe any implications under U.S. state, local or non-U.S. tax law, or any aspect of U.S. federal tax law (such as the estate tax, gift tax, the alternative minimum tax or the Medicare tax on net investment income) other than U.S. federal income taxation.

This summary does not purport to address all the material U.S. federal income tax consequences that may be relevant to the U.S. holders of the common stock or ADSs, and does not take into account the specific circumstances of any particular investors, some of which (such as tax-exempt entities, banks or other financial institutions, insurance companies, dealers in securities or currencies, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, regulated investment companies, real-estate investment trusts, partnerships and other pass-through entities, U.S. expatriates, investors that own or are treated as owning 10% or more of our stock by either vote or value, certain taxpayers who file applicable financial statements required to recognize income for U.S. federal income tax purposes no later than when the associated revenue is reflected on such financial statements, investors that hold the common stock or ADSs as part of a straddle, hedge, conversion or constructive sale transaction or other integrated transaction and persons whose functional currency is not the U.S. dollar) may be subject to special tax rules.

As used below, a "U.S. holder" is a beneficial owner of common stock or ADSs that is, for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (or an entity taxable as a corporation) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or (B) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership or other entity taxable as a partnership holds common stock or ADSs, the tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partners of partnerships holding common stock or ADSs should consult their tax advisors.

In general, for U.S. federal income tax purposes, holders of ADRs evidencing ADSs will be treated as the beneficial owners of the common stock represented by those ADSs.

Taxation of Distributions

Since January 1, 2017, we are subject to Chile's Partially Integrated System, which may affect the U.S. federal income tax treatment of distributions on our common stock or ADSs. See "Item 10, Additional Information—E. Taxation—Chilean Tax Considerations—Cash dividends and Other Distributions" above. In general, distributions with respect to the common stock or ADSs will, to the extent made from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, constitute dividends for U.S. federal income tax purposes. If a distribution exceeds the amount of our current and accumulated earnings and profits, as so determined under U.S. federal income tax principles, the excess will be treated first as a non-taxable return of capital to the extent of the U.S. holder's tax basis in the common stock or ADSs, and thereafter as capital gain. We do not intend to maintain calculations of our earnings and profits under U.S. federal income tax principles and, unless and until such calculations are made, U.S. holders should assume all distributions are made out of earnings and profits and constitute dividend income. As used below, the term "dividend" means a distribution that constitutes a dividend for U.S. federal income tax purposes.

The gross amount of any dividends (including amounts withheld in respect of Chilean taxes) paid with respect to the common stock or ADSs generally will be subject to U.S. federal income taxation as ordinary income and will not be eligible for the dividends received deduction allowed to U.S. corporations. Dividends paid in Chilean currency will be included in the gross income of a U.S. holder in a U.S. dollar amount calculated by reference to the exchange rate in effect on the date the dividends are actually or constructively received by the U.S. holder, or in the case of dividends received in respect of ADSs, on the date the dividends are actually or constructively received by the depositary or its agent, whether or not converted into U.S. dollars. A U.S. holder will have a tax basis in any distributed Chilean currency equal to its U.S. dollar amount on the date of receipt by the U.S. holder or disposition, as the case may be, and any gain or loss recognized upon a subsequent disposition of such Chilean currency generally will be foreign currency gain or loss that is treated as U.S. source ordinary income or loss. If dividends paid in Chilean currency are converted into U.S. dollars on the day they are received by the U.S. holder, the depositary or its agent, as the case may be, U.S. holders generally should not be required to recognize foreign currency gain or loss in respect of the dividend income. U.S. holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss if any Chilean currency received by the U.S. holder or the depositary or its agent is not converted into U.S. dollars on the date of receipt.

Under current law, the U.S. dollar amount of dividends by an individual with respect to the ADSs will be subject to taxation at a reduced rate if the dividends represent "qualified dividend income". Dividends paid on the ADSs will be treated as qualified dividend income if (i) the ADSs are readily tradable on an established securities market in the United States, (ii) the U.S. holder meets the holding period requirement for the ADSs (generally more than 60 days during the 121-day period that begins 60 days before the ex-dividend date), and (iii) we were not in the year prior to the year in which the dividend was paid, and are not in the year in which the dividend is paid, a passive foreign investment company ("PFIC"). The ADSs are listed on the New York Stock Exchange, and should qualify as readily tradable on an established securities market in the United States so long as they are so listed. However, no assurances can be given that the ADSs will be or remain readily tradable. Based on our audited financial statements as well as relevant market and shareholder data, we believe that we were not treated as a PFIC for U.S. federal income tax purposes with respect to our 2019 taxable year. In addition, based on our audited financial statements and current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market and shareholder data, we do not anticipate becoming a PFIC for our 2020 taxable year. Because these determinations are based on the nature of our income and assets from time to time, and involve the application of complex tax rules, no assurances can be provided that we will not be considered a PFIC for the current (or any past or future) tax year.

Based on existing guidance, it is not entirely clear whether dividends received with respect to the shares of common stock (to the extent not represented by ADSs) will be treated as qualified dividend income, because the shares of common stock are not themselves listed on a U.S. exchange. In addition, the U.S. Treasury Department has announced its intention to promulgate rules pursuant to which holders of ADSs or preferred stock and intermediaries through whom such securities are held will be permitted to rely on certifications from issuers to establish that dividends are treated as qualified dividends. Because such procedures have not yet been issued, we are not certain that we will be able to comply with them. U.S. holders of ADSs and common stock should consult their own tax advisors regarding the availability of the reduced dividend tax rate in the light of their own particular circumstances.

Dividends paid by us generally will constitute foreign source “passive category” income and will be subject to various other limitations for U.S. foreign tax credit purposes. Subject to generally applicable limitations under U.S. federal income tax law, Chilean income tax withheld on such dividends, reduced by the credit for any first category tax, as described above under “Item 10, Additional Information—E. Taxation—Chilean Tax Considerations—Cash dividends and Other Distributions”, generally will be treated as a foreign income tax eligible for credit against a U.S. holder’s U.S. federal income tax liability (or at a U.S. holder’s election if it does not elect to claim a foreign tax credit for any foreign income taxes paid during the taxable year, all foreign income taxes paid may instead be deducted in computing such U.S. holder’s taxable income). In general, special rules will apply to the calculation of foreign tax credits in respect of dividend income that is subject to preferential rates of U.S. federal income tax.

U.S. holders should be aware that the IRS has expressed concern that parties to whom ADSs are released may be taking actions that are inconsistent with the claiming of foreign tax credits by U.S. holders of ADSs. Accordingly, the discussion above regarding the creditability of Chilean income tax on dividends could be affected by future actions that may be taken by the IRS. The rules with respect to the U.S. foreign tax credit are complex, and U.S. holders of common stock or ADSs are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Taxation of Capital Gains

Deposits and withdrawals of common stock by U.S. holders in exchange for ADSs will not result in the realization of gain or loss for U.S. federal income tax purposes.

In general, gain or loss, if any, realized by a U.S. holder upon a sale, exchange or other taxable disposition of common stock or ADSs will be subject to U.S. federal income taxation as capital gain or loss in an amount equal to the difference between the amount realized on the sale, exchange or other taxable disposition and such U.S. holder’s adjusted tax basis in the common stock or ADSs. Such capital gain or loss will be long-term capital gain or loss if at the time of sale, exchange or other taxable disposition the common stock or ADSs have been held for more than one year. Under current U.S. federal income tax law, net long-term capital gain of certain U.S. holders (including individuals) is eligible for taxation at preferential rates. The deductibility of capital losses is subject to certain limitations under the Code.

Gain, if any, realized by a U.S. holder on the sale, exchange or other taxable disposition of common stock or ADSs generally will be treated as U.S. source gain for U.S. foreign tax credit purposes. Consequently, if a Chilean income tax is imposed on the sale or disposition of common stock, a U.S. holder that does not receive sufficient foreign source income from other sources may not be able to derive effective U.S. foreign tax credit benefits in respect of such Chilean income tax. Alternatively, a U.S. holder may take a deduction for all foreign income taxes paid during the taxable year if it does not elect to claim a foreign tax credit for any foreign taxes paid or accrued during the taxable year. U.S. holders should consult their own tax advisors regarding the application of the foreign tax credit rules to their investment in, and disposition of, common stock or ADSs.

Passive Foreign Investment Company Rules

In general, a foreign corporation is a PFIC with respect to a U.S. holder if, for any taxable year in which the U.S. holder holds stock in the foreign corporation, at least 75% of the foreign corporation’s gross income is passive income or at least 50% of the value of its assets (determined on the basis of a quarterly average) produce passive income or are held for the production of passive income. For this purpose, passive income generally includes, among other things, dividends, interest, rents, royalties and gains from the disposition of investment assets (subject to various exceptions). Based upon our current and projected income, assets and activities, we do not expect the common stock or ADSs to be considered shares of a PFIC for our current

fiscal year or for future fiscal years. However, because the determination of whether the common stock or ADSs constitute shares of a PFIC will be based upon the composition of our income, assets and the nature of our business, as well as the income, assets and business of entities in which we hold at least a 25% interest, from time to time, and because there are uncertainties in the application of the relevant rules, there can be no assurance that the common stock or ADSs will not be considered shares of a PFIC for any fiscal year. If the common stock or ADSs were shares of a PFIC for any fiscal year, U.S. holders (including certain indirect U.S. holders) may be subject to adverse tax consequences, including the possible imposition of an interest charge on gains or “excess distributions” allocable to prior years in the U.S. holder’s holding period during which we were determined to be a PFIC, unless such U.S. holder makes an election to be taxed currently on its pro rata portion of our income, whether or not such income is distributed in the form of dividends, or otherwise makes a “mark-to-market” election with respect to the common stock or ADSs as permitted by the Code. If we are deemed to be a PFIC for a taxable year, dividends on our common stock or ADSs would not be “qualified dividend income” eligible for preferential rates of U.S. federal income taxation.

A U.S. holder who owns common stock or ADSs during any taxable year that we are a PFIC in excess of certain *de minimis* amounts and fails to qualify for certain other exemptions would be required to file IRS Form 8621. In addition, under certain circumstances, regulations also require a “United States person” (as such term is defined under the Code) that owns an interest in a PFIC as an indirect shareholder through one or more United States persons to file Form 8621 for any taxable year during which such indirect shareholder is treated as receiving an excess distribution in connection with the ownership or disposition of such interest, or reports income pursuant to mark-to-market election. U.S. holders should consult their own tax advisors regarding the application of the PFIC rules to the common stock or ADSs.

U.S. Information Reporting and Backup Withholding

A U.S. holder of common stock or ADSs may, under certain circumstances, be subject to information reporting and backup withholding with respect to certain payments to such U.S. holder, such as dividends paid by our Company or the proceeds of a sale, exchange or other taxable disposition of common stock or ADSs, unless such U.S. holder (i) is an exempt recipient and demonstrates this fact when so required, or (ii) in the case of backup withholding, provides a correct taxpayer identification number, certifies that it is a U.S. person and that it is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Any amount withheld under these rules will be creditable against a U.S. holder’s U.S. federal income tax liability, provided the requisite information is timely furnished to the IRS.

“Specified Foreign Financial Asset” Reporting

Owners of “specified foreign financial assets” with an aggregate value in excess of USD 50,000 (and in some circumstances, a higher threshold), may be required to file an information report with respect to such assets with their U.S. federal income tax returns. “Specified foreign financial assets” generally include any financial accounts maintained by foreign financial institutions as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties and (iii) interests in foreign entities.

Prospective purchasers should consult their own tax advisors regarding the application of the U.S. federal income tax laws to their particular situations as well as any additional tax consequences resulting from purchasing, holding or disposing of common stock or ADSs, including the applicability and effect of the tax laws of any state, local or foreign jurisdiction, including estate, gift, and inheritance laws.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the Exchange Act. In accordance with these requirements, we file annual reports and submit other information to the United States Securities and Exchange Commission (the “SEC”). These materials, including this Form 20-F and the exhibits thereto, may be inspected and copied at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the SEC’s Public Reference Room by calling the SEC in the United States at 1-800-SEC-0330. The SEC also maintains a website at <http://www.sec.gov/> that contains reports, proxy statements and other information regarding registrants that file electronically with the SEC. Form 20-F reports and the other information submitted by us to the SEC may be accessed through this website. Additionally, the documents concerning us, which are referred to in this annual report, may be inspected at our principal offices at Vitacura 2670, 23rd Floor, Santiago, Chile.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

ITEM 11: Quantitative and Qualitative Disclosures about Market Risk

The following discussion about our risk management activities includes “forward-looking statements” that involve risk and uncertainties. Actual results could differ materially from those projected in the forward-looking statements.

We face primary market risk exposures in three categories: interest rate fluctuations, exchange rate fluctuations and commodity price fluctuations. We periodically review our exposure to the three principal sources of risk described above and determine at our senior-management level how to minimize the impact on our operations of commodity price, foreign exchange and interest rate changes. As part of this review process, we periodically evaluate opportunities to enter into hedging mechanisms to mitigate such risks.

The market risk sensitive instruments referred to below are entered into only for purposes of hedging our risks and are not used for trading purposes.

A. Qualitative Information About Market Risk

Interest Rate Risk

As of December 31, 2022, and as of December 31, 2021, the Company had no variable interest debt.

To manage interest rate risk, the Company has a policy which seeks to reduce the volatility of its finance cost, and maintain a suitable percentage of its debt in fixed rate instruments. The financial position is mainly set by the use of short-term and long-term, as well as derivative instruments such as cross currency interest rate swaps and cross interest rate swaps.

As of December 31, 2022, and as of December 31, 2021, after considering the effect of interest rates and currency swaps, a 100% of the Company’s debt is at fixed interest rates.

The terms and conditions of the Company’s obligations as of December 31, 2022, including exchange rates, interest rates, maturities and effective interest rates are detailed in “Note 21” to our audited consolidated financial statements included elsewhere in this annual report.

Commodity and Raw Material Price Sensitivity

The principal commodity price risk faced by us relate to fluctuations in: 1) prices and supply of barley, malt and cans, which we use for the production of beer, 2) prices of concentrates, sugar and plastic resin, which

we use for the production and packaging of soft drinks, and 3) prices of bulk wine and grapes, which we use for the manufacturing of wine and spirits.

Malt and cans. In Chile, we obtain our supply of malt from local producers and in the international market (mainly from Argentina). With local and Argentine producers, the Company enters into long-term supply agreements in which malt price is set annually, using for this purpose the market price of barley and manufacturing cost established in these agreements.

The purchase commitments made expose the Company to raw materials price fluctuation risk. CCU Argentina acquires malt from local producers. These raw materials represent approximately 6% (8% in 2021 and 7% in 2020) of the direct cost of the Chile Operating segment.

As of December 31, 2022, in the Chile Operation segment, the cost of cans represented approximately 24% of direct costs (20% in 2021 and 19% in 2020). In the International Business Operating segment, the cost of cans represented approximately 37% of direct raw materials costs as of December 31, 2022 (38% in 2021 and 36% in 2020).

Concentrates, sugar and plastic resin. The main raw materials used in the production of non-alcoholic beverages are concentrated, which are mainly acquired from licenses, sugar and plastic resin for the manufacturing of plastic bottles and containers. The Company is exposed to price fluctuation risks involving these raw materials, which jointly represent approximately 26% (30% in 2021 and 24% in 2020) of the direct cost of the Chile Operating segment. The Company does not engage in hedging raw materials purchases.

Grapes and wine. The main raw materials used by subsidiary VSPT for wine production are grapes harvested from its own vineyards and grapes and wine acquired from third parties through long-term and spot contracts. In the last 12 months, approximately 27% (26% in 2021) of VSPT's total wine supply came from its own vineyards. Regarding our export market, and considering our focus on this market, approximately 45% (42% in 2021) of our wine supply for export came from our own vineyards.

The remaining 73% (74% in 2021) supply was purchased from third parties through long-term and spot contracts. In the last 12 months, the subsidiary VSPT acquired 58% (60% in 2021 and 65% in 2020) of the necessary grapes and wine from third parties through spot contracts. Additionally, the long-term transactions were 15% (15% in 2021 and 16% in 2020) of the total supply.

We should consider that as of December 31, 2022, wine represents 59% (60% in 2021 and 59% in 2020) of the total direct cost of the Wine Operating segment, and supplies purchased from third parties represented 34% (36% in 2021 and 38% in 2020).

Exchange Rate Risk

We are exposed to exchange rate risks originating from: a) our net exposure of foreign currency assets and liabilities, b) exports sales, c) the purchase of raw materials and products and capital investments effected in foreign currencies, or indexed to such currencies, and d) the net investment of our subsidiaries in Argentina, Uruguay, Paraguay and Bolivia, our associate in Peru and our joint venture in Colombia. Our greatest exchange rate risk exposure is the variation of the Chilean peso as compared to the USD, Euro, Argentine peso, Uruguayan peso, Paraguayan Guaraní, Bolivian peso and Colombian peso.

As of December 31, 2022, we maintained in Chile foreign currency liabilities amounting to CLP 624,587 million (CLP 92,881 million as of December 31, 2021), mostly denominated in USD. Foreign currency obligations (CLP 516,448 million as of December 31, 2022 and CLP 12,405 million as of December 31, 2021) represent 39% (1% as of December 31, 2021) of total other financial liabilities. The remaining 61% (98% as of December 31, 2021) is mainly denominated in inflation-indexed CLP and CLP. In addition, the Company maintains foreign currency assets for CLP 590,729 million (CLP 106,444 million as of December 31, 2021) that mainly correspond to cash and cash equivalents and export accounts receivable.

Regarding the foreign subsidiaries' operations, the net liability exposure in USD and other currencies amounted to CLP 15,424 million as of December 31, 2022 (CLP 17,526 million as of December 31, 2021).

To protect the value of the foreign currency assets and liabilities net position of our Chilean operations, we enter into derivative agreements (currency forwards) to hedge against any variation in the Chilean peso as compared to other currencies.

As of December 31, 2022, net exposure in foreign currencies of our Chilean operations, after the use of derivative instruments, is liabilities in the amount of CLP 602 million (CLP 4,211 million as of December 31, 2021).

In 2022, of our total sales, 6% (5% in 2021 and 7% in 2020) corresponded to export sales made in foreign currencies, mainly USD, euros and pounds sterling, and of the direct costs, 63% (63% in 2021 and 62% in 2020) correspond to raw material and product purchases in foreign currencies, or indexed to such currencies. We do not actively hedge the variations in the expected cash flows from such transactions.

On the other hand, we are exposed to exchange rate movements related to the conversion from USD, Argentine pesos, Uruguayan pesos, Paraguayan Guaraní, Bolivian pesos, the British pound, the Peruvian Sol and Colombian pesos to CLP in the income, assets and liabilities of our subsidiaries in Argentina, the United States, Uruguay, Paraguay, Bolivia and the United Kingdom, our associates in Argentina and Peru and our joint venture in Colombia. We do not actively hedge the risks related to this conversion by our subsidiaries, the effects of which are recorded in Equity.

As of December 31, 2022, the net investment in foreign subsidiaries, associated and joint ventures amounted to CLP 417,864 million, CLP 4,380 million and CLP 125,672 million, respectively (CLP 355,931 million, CLP 549 million and CLP 125,296 million as of December 31, 2021).

B. Quantitative Information About Market Risk

Interest Rate Sensitivity

As of December 31, 2022, our interest-bearing debt amounted to CLP 1,750,490 million (for more information see “Note 21 – Other Financial Liabilities” of our Consolidated Financial Statements as of December 2022 included herein), 100% of which was fixed debt.

The following table summarizes debt obligations with interest rates by maturity date, the related weighted-average interest rates and fair values:

		<u>Interest - Bearing Debts as of December 31, 2022</u>								
		(millions of CLP, except percentages)								
		<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	Thereafter	Total	Fair Value	
Interest bearing liabilities										
Fixed rate										
CLP (UF) ⁽¹⁾	Bonds and Banks	41,047	50,967	102,787	46,676	32,926	546,204	820,606	636,526	
	Average interest rate	2.4%	2.1%	1.6%	2.1%	2.5%	2.8%			
CLP		137,382	7,487	12,301	5,384	66,430	-	228,984	204,643	
	Average interest rate	6.3%	7.4%	6.7%	8.1%	8.1%				
USD		21,892	17,790	17,790	17,356	17,356	592,295	684,481	429,423	
	Average interest rate	4.4%	3.6%	3.6%	3.4%	3.4%	3.4%			
EUR		59	-	-	-	-	-	59	59	
	Average interest rate	1.5%								
ARS		293	101	101	-	-	-	494	494	
	Average interest rate	26.4%	25.7%	25.7%						
BOB		1,872	1,197	1,197	1,866	1,866	7,545	15,542	15,542	
	Average interest rate	5.3%	5.1%	5.1%	5.1%	5.1%	5.0%			
UYU		131	84	84	24	-	-	323	323	
	Average interest rate	0.8%	0.8%	0.8%	0.8%					
Variable rate										
USD		-	-	-	-	-	-	-	-	
	Average interest rate									
Non interest bearing liabilities										
Derivate Contract										
Cross Interest Rate Swap:										
Receive		-	-	-	-	-	-	-	-	
	Pay	17,524	-	-	-	-	-	17,524	13,789	
Forwards		3,753	-	-	-	-	-	3,753	3,753	

(1) UF as of December 31, 2022

Commodity Price Sensitivity

The major commodity price sensitivity faced by us relate to fluctuations in malt prices.

The following table summarizes information about our malt, sugar and bulk wine inventories and futures contracts that are sensitive to changes in commodity prices, mainly malt prices. For inventories, the table presents the carrying amount and fair value of the inventories and contracts as of December 31, 2022. For these contracts the table presents the notional amount in tons, the weighted average contract price, and the total dollar contract amount by expected maturity date.

<u>Commodity Price Sensitivity as of December 31, 2022</u>								
	Carrying Amount							Fair Value
<u>On Balance Sheet Position</u>								
Malt inventory (millions of CLP)	28,591							28,591
Bulk wine inventory - raw material (millions of CLP)	51,310							51,310
	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	Thereafter	Total	Fair Value
<u>Purchase Contracts</u>								
Malt:								
Fixed Purchase Volume (tons)	188,000	190,250	101,500	75,000	85,000	85,000		
Weighted Average Price (USD per ton) ⁽¹⁾	650	650	650	650	650	650		
Contract Amount (thousands of USD)	122,200	123,663	65,975	48,750	55,250	55,250	471,088	471,088
Sugar:								
Fixed Purchase Volume (tons)	60,670	-	-	-	-	-		
Weighted Average Price (USD per ton) ⁽¹⁾	648	-	-	-	-	-		
Contract Amount (thousands of USD)	39,314	-	-	-	-	-	39,314	33,635
Grapes:								
Fixed Purchase Volume (tons)	52,091	23,246	11,485	1,291	200	-		
Weighted Average Price (CLP per kg.) ⁽¹⁾	283	277	325	340	180	-		
Contract Amount (millions of CLP)	14,749	6,444	3,736	440	36	-	25,405	31,413
Wine:								
Fixed Purchase Volume (Mlts)	2,228	-	-	-	-	-		
Weighted Average Price (CLP per liter) ⁽¹⁾	801	-	-	-	-	-		
Contract Amount (millions of CLP)	1,785	-	-	-	-	-	1,785	1,792
(1) Weighted average price estimation is calculated based on expected market prices. Prices to be paid by us are adjusted based on current market conditions.								

As of December 31, 2022, we had malt purchase contracts for USD 63.0 million in Chile, compared with USD 57.0 million as of December 31, 2021.

Exchange Rate Sensitivity

The major exchange rate risk faced by us is the variation of the Chilean peso against the USD.

A portion of our subsidiaries adjusted operating results, assets and liabilities are in currencies that differ from our functional currencies. However, since some of their operating revenues, costs and expenses are in the same currency, this can create a partial natural hedge. For the portion that is not naturally hedged of operations in Chile we enter into derivative agreements (currency forwards) to mitigate any variation in the Chilean peso as compared to other currencies.

The following table summarizes our debt obligations, cash and cash equivalents, accounts receivable, accounts payable and derivative contracts in foreign currencies as of December 31, 2022 in millions of CLP, according to their maturity date, weighted-average interest rates and fair values:

Exchange Rate Sensitivity as of December 31, 2022								
(millions of CLP, except percentages and exchange rate)								
	2023	2024	2025	2026	2027	Thereafter	Total	Fair Value
Debt Obligations								
Variable rate (USD)								
Short and medium term	-	-	-	-	-	-	-	-
Average int. rate: Libor +								
Fixed rate (USD)								
Short and medium term	21,892	17,790	17,790	17,356	17,356	592,295	684,481	429,423
Interest rate	4.4%	3.6%	3.6%	3.4%	3.4%	3.4%		
Fixed rate (EUR)								
Short and medium term	59	-	-	-	-	-	59	59
Interest rate	1.5%							
Cash and Cash Equivalents ⁽¹⁾								
USD	522,995						522,995	522,995
Others	2,056						2,056	2,056
TOTAL	525,050						525,050	525,050
Accounts Receivable ⁽¹⁾								
USD	48,621						48,621	48,621
EUR	9,337						9,337	9,337
Others	1,898						1,898	1,898
TOTAL	59,856						59,856	59,856

⁽¹⁾ Figures as of December 31, 2022

	Notional amount	2023	2024	2025	2026	2027	Thereafter	Total	Fair Value
Derivate Contracts (in millions of CLP)									
Receive USD		293	-	-	-	-	-	293	293
Pay USD		4,235	538	17,385	-	-	-	22,158	20,310
Receive EUR		14	-	-	-	-	-	14	14
Pay EUR		202	150	9,234	-	-	-	9,586	8,957
Receive Others		114	-	-	-	-	-	114	114
Pay Others		2	-	-	-	-	-	2	2

ITEM 12: Description of Securities Other than Equity Securities

12.D.3. Depositary Fees and Charges

JPMorgan is the depositary of CCU shares in accordance with the amended and restated Deposit Agreement, dated July 31, 2013, entered into by and among CCU, JPMorgan, as depositary, and all owners from time to time of ADSs issued by CCU ("Deposit Agreement").

Pursuant to the Deposit Agreement, holders of our ADSs may have to pay to JPMorgan, either directly or indirectly, fees or charges up to the amounts set forth in the table below.

Service	Fee
Issuance of ADSs	USD 5 for each 100 ADSs issued
Cancellation or withdrawal of ADSs	USD 5 per each 100 ADSs canceled or surrendered
Cash distributions	USD 0.05 or less per ADS
Transfer of ADRs	USD 1.50 per ADR or ADRs
Distribution or sale of securities pursuant to the Deposit Agreement	Fee shall be in an amount equal to the fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities.

The Depositary may sell (by public or private sale) sufficient securities and property received in respect of share distributions, rights and other distributions contemplated by Article IV of the Deposit Agreement prior to such deposit to pay such charge.

During each year, the depositary will collect fees of USD 0.05 or less per ADS per calendar year for administering the ADSs, which fee shall be payable at the sole discretion of the Depositary by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions.

ADS holders will also be responsible to pay certain fees and expenses incurred by the depositary bank and/or any of its agents (including, without limitation, the custodian, and expenses incurred on behalf of holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment), in connection with the servicing of the shares or other deposited securities, the sale of securities, the delivery of deposited securities or otherwise in connection with the Depositary's or its custodian's compliance with applicable law, rule or regulation (which shall be payable at the sole discretion of the Depositary by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions), and certain taxes and governmental charges such as stock transfer or other taxes and other governmental charges; cable, telex and facsimile transmission and delivery charges incurred upon the transfer of securities; transfer or registration fees for the registration of transfers charged by the registrar and transfer agent; and expenses incurred for converting foreign currency into USD.

12.D.4. Depositary Payments

In 2022 Compañía Cervecerías Unidas S.A. received from JPMorgan USD 584,983.06 as depositary payments and reimbursements pursuant to the corresponding tax retention, in connection with our ADR program.

PART II

ITEM 13: Defaults, Dividend Arrearages and Delinquencies

Not applicable.

ITEM 14: Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

ITEM 15: Controls and Procedures

(a) Controls and Procedures. The Company's management, with the participation of the chief executive officer and chief financial officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures as of December 31, 2022. Based on this evaluation, the chief executive officer and chief financial officer concluded that the disclosure controls and procedures were effective as of December 31, 2022.

Disclosure controls and procedures means controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods required and that such information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosures.

(b) Management's Annual Report on Internal Control over Financial Reporting. Our management, including our chief executive officer and chief financial officer, are responsible for establishing and maintaining adequate internal controls over financial reporting and has assessed the effectiveness of our internal control over financial reporting as of December 31, 2022 based on the criteria established in "Internal Control – Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and, based on such criteria, our management has concluded that, as of December 31, 2022 our internal control over financial reporting is effective.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS as issued by the IASB, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness of internal control to future periods are subject to the risk that controls may become inadequate because of changes in conditions, and that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of our internal control over financial reporting as of December 31, 2022 has been audited by PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada, an independent registered public accounting firm, as stated in their report which appears herein.

(c) Attestation Report of the Registered Public Accounting Firm. See our audited consolidated financial statements included herein.

(d) Changes in Internal Control over Financial Reporting. There has been no change in our internal control over financial reporting during 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Except as noted below, during the period ended December 31, 2022, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

During 2022, the Company completed the implementation of SAP in its subsidiaries in Argentina as its Enterprise Resource Planning (“ERP”) platform. Although this implementation digitized certain accounting activities and allowed for enhanced capabilities within the accounting function, it did not significantly affect the overall controls and procedures followed by us in establishing internal controls over financial reporting.

(e) Whistle-blowing procedure. We have a whistle-blowing procedure which allows any employee of CCU, of its associates or any person, to communicate to a designated person questionable practices or activities that constitute a breach of accounting procedures, internal controls, audit matters and the Code of Business Conduct.

ITEM 16A: Audit Committee Financial Expert

At the board of directors’ meeting held on April 14, 2021, the board of directors appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee, both of whom meet the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that directors Messrs. José Miguel Barros and Francisco Pérez shall participate in the audit committee’s meetings as observers.

Effective October 1, 2022, Mr. José Miguel Barros resigned as director and therefore as observer of the audit committee.

Following the election of a new board at the shareholders’ meeting held on April 12, 2023, the board of directors, at the meeting held the same date, appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee, both of whom meet the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that director Mr. Francisco Pérez shall participate in the audit committee’s meetings as observer.

We do not have an audit committee financial expert serving on our audit committee, as such term is defined under Item 407 of Regulation S-K. We do not have an audit committee financial expert because we are not required to appoint one under Chilean law.

ITEM 16B: Code of Ethics

We have adopted a Code of Business Conduct that applies to all of our executive officers and employees. Our Code of Business Conduct is available on our website at www.ccu.cl or www.ccuinvestor.com. This Code was updated on June, 2022 and no waivers, either explicit or implicit, of provisions of the code of ethics have been granted to the chief executive officer, chief financial officer or chief accounting officer. The information on our website is not incorporated by reference into this document.

In December 2013, we adopted a Code of Conduct of the Board of Directors that applies to all of the members of our board of directors, which was updated in July and December 2015. This Code of Conduct is available on our website at www.ccu.cl or www.ccuinvestor.com. The Code of Conduct sets forth certain basic principles intended to guide the actions of our directors, as well as certain procedures, policies and corporate governance best practices. The Code of Conduct covers matters of confidentiality, access to independent experts, and orientation of newly elected directors and review of information regarding candidates for election to the board of directors. The Code of Conduct also establishes rules and procedures regarding conflicts of interest. The information on our website is not incorporated by reference into this document.

The CCU Business Conduct Committee (*Comité de Conducta en los Negocios* or the "CCN"), is composed of the Chief Human Resources Officer (who serves as chair), the Chief Executive Officer, the General Controller, the CFO and the General Counsel, and is responsible for keeping this Code up to date. It is also responsible for ensuring compliance with the Code, answering any queries that may be submitted to it in accordance with the Code, particularly those related to compliance with the law and regulations in force, and for receiving, hearing and analyzing any complaints received. It may also recommend or impose the application of the appropriate measures.

The CCN shall hold ordinary sessions at least eight times per calendar year, on the dates, times and places set by the CCN itself, and extraordinary sessions when specifically called by the Chair of the CCN, on his own behalf or by indication of one or more members. It shall be the obligation of the CCN to inform Compañía Cervecerías Unidas' audit committee of the complaints received every six months or immediately in the case of relevant matters.

ITEM 16C: Principal Accountant Fees and Services

The following table sets forth the fees billed to us by our independent auditors, PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada, during the fiscal years ended December 31, 2020, 2021 and 2022:

	<u>2020</u>	<u>2021</u>	<u>2022</u>
		(millions of CLP)	
Audit Fees	822	840	1,188
Audit-Related Fees	-	-	-
Tax Fees	3	7	-
<u>All Other Fees</u>	10	1	4
<u>Total Fees</u>	835	848	1,192

"Audit fees" in the above table are the aggregate fees billed by our independent auditors in connection with the review and audit of our semi-annual and annual consolidated financial statements, as well as the review of specific procedures and activities relating to the issuance of our international bond and National Office fees. "Tax fees" are fees billed by our independent auditors associated with the issuance of certificates for tax and legal compliance purposes. "All Other Fees" are fees billed by our independent auditors associated with expenses related to certifications of royalty payments and certification on payment terms to small suppliers, among others.

Audit Committee Pre-Approval Policies and Procedures

Since July 2005, our audit committee pre-approves all audit and non-audit services provided by our independent auditor pursuant to Sarbanes-Oxley Act of 2002.

ITEM 16D: Exemptions from the Listing Standards for Audit Committees

Not applicable.

ITEM 16E: Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not applicable.

ITEM 16F: Change in Registrant's Certifying Accountants

Not applicable.

ITEM 16G: Corporate Governance

General summary of significant differences with regard to corporate government standards.

The following paragraphs provide a brief, general summary of significant differences between corporate government practices followed by us pursuant to our home-country rules and those applicable to U.S. domestic issuers under NYSE listing standards.

Composition of the board of directors; independence. The NYSE listing standards provide that listed companies must have a majority of independent directors and that certain board committees must consist solely of independent directors. Under NYSE rule 303A.02, a director qualifies as independent only if the board affirmatively determines that such director has no material relationship with the company, either directly or indirectly. In addition, the NYSE listing standards enumerate a number of relationships that preclude independence.

Under the Chilean Corporations Act an open stock corporation must have at least one independent director (out of a minimum of seven directors) when its market capitalization reaches or exceeds UF 1.5 million (as of March 31, 2023 approximately CLP 53,363 million) and at least 12.5% of its outstanding shares with voting rights are in the possession of shareholders that individually control or possess less than 10% of such shares. In addition, the Chilean Corporations Act enumerates a number of relationships that preclude independence. Chilean law also establishes a number of principles of general applicability designed to avoid conflicts of interests and to establish standards for related party transactions. Specifically, directors elected by a group or class of shareholders have the same duties to the company and to the other shareholders as the rest of the directors, and all transactions with the company in which a director has an interest must be in the interest of and for the benefit of the company, relative in price, terms and conditions to those prevailing in the market at the time of its approval and comply with the requirements and procedures set forth in Chapter XVI of the Chilean Corporations Act. See "Item 7: Major Shareholders and Related Party Transactions". Additionally, pursuant to the Chilean Corporations Act, as amended by Law N° 21,314 published on April 13, 2021, the powers and duties of the directors' committee currently include to propose to the board of directors a general policy for managing conflicts of interest. See "Item 6: Directors, Senior Management and Employees – C. Board Practices – Directors' Committee".

Furthermore, such transactions must be reviewed by the directors' committee (as defined below); they require prior approval by the board of directors and must be disclosed at the next meeting of shareholders, unless such transactions fall within one of the exemptions contemplated by the Chilean Corporations Act or, if applicable, included in the usual practice policy approved by the board of directors. See "Item 7: Major Shareholders and Related Party Transactions". Pursuant to NYSE rule 303A.00, we may follow Chilean practices and are not required to have a majority of independent directors.

Committees. The NYSE listing standards require that listed companies have a nominating/corporate governance committee, a compensation committee and an audit committee. Each of these committees must consist solely of independent directors and must have a written charter that addresses certain matters specified by the listing standards.

Under Chilean law, the only board committee that is required is the directors' committee (*comité de directores*), composed of three members, such committee having a direct responsibility to (a) review the company's financial statements and the independent auditors' report and issue an opinion on such financial statements and report prior to their submission for shareholders' approval, (b) propose to the board of directors the independent accountants and the risk rating agencies, which the board must then propose to the shareholders, (c) review related party transactions, and issue a report on such transactions, (d) to propose to the board of directors a general policy for managing conflicts of interest and issue an opinion regarding the general usual practice policies established pursuant to the second paragraph of Article 147 of Chapter XVI of the Chilean Corporations Act, (e) review the managers, principal executive officers' and

employees' compensation policies and plans; (f) to prepare an annual report of the performance of its duties, including the principal recommendations to shareholders; (g) advise the board of directors as to the suitability of retaining non-audit services from its external auditors, if the nature of such services could impair their independence; and (h) perform other duties as defined by the company's bylaws, by a shareholders' meeting or by the board. Requirements to be deemed an independent director are set forth in "Item 6: Directors, Senior Management and Employees – C. Board Practices – Directors' Committee".

Pursuant to NYSE Rule 303A.06, we must have an audit committee that satisfies the requirements of Rule 10A-3 under the Exchange Act by July 31, 2005. At the board of directors' meeting held on April 14, 2021, following the election of a new board at the shareholders' meeting held the same date, the board of directors appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee. Mr. Corbo and Mr. Molina meet the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that directors Messrs. José Miguel Barros and Francisco Pérez shall participate in the audit committee's meetings as observers. Effective October 1, 2022, Mr. José Miguel Barros resigned as director and therefore as observer of the audit committee. Following the election of the new board of directors at the shareholders' meeting held on April 12, 2023, the board of directors, in the meeting held the same date, appointed directors Messrs. Vittorio Corbo and Carlos Molina to our audit committee, both meeting the independence criteria under the Exchange Act and under the NYSE Rules. The board of directors also resolved that director Mr. Francisco Pérez shall participate in the audit committee's meetings as observer.

Shareholder approval of equity-compensation plans. Under NYSE listing standards, shareholders must be given the opportunity to vote on all equity-compensation plans and material revisions thereto, with limited exemptions. An "equity-compensation plan" is a plan or other arrangement that provides for the delivery of equity securities of the listed company to any employee, director or other service provider as compensation for services.

Under Chilean law, if previously approved by shareholders at an extraordinary shareholders' meeting, up to ten percent of a capital increase in a publicly traded company may be set aside to fund equity-compensation plans for the company's employees and/or for the employees of the company's subsidiaries. Pursuant to NYSE rule 303A.00, as a foreign private issuer, we may follow Chilean practices and are not required to comply with the NYSE listing standards with respect to shareholder approval of equity-compensation plans.

Corporate Governance Guidelines. The NYSE listing standards provide that listed companies must adopt and disclose corporate governance guidelines with regard to (a) director qualifications standards; (b) director responsibilities; (c) director access to management and independent advisors; (d) director compensation; (e) director orientation and continuing education; (f) management succession; and (g) annual performance evaluations of the board.

Chilean law does not require that such corporate governance guidelines be adopted. Director responsibilities and access to management and independent advisors are directly provided for by applicable law. Director compensation is determined by the annual meeting of shareholders pursuant to applicable law. As a foreign private issuer, we may follow Chilean practices and are not required to adopt corporate governance guidelines. Pursuant to CMF rules the company is only required to disclose whether or not it has adopted corporate governance guidelines regarding, among others, the matters referred to above, and pursuant to CMF's General Rule N° 461 of 2021, we have satisfied this requirement in our Chilean annual report corresponding to fiscal year ended December 31, 2022.

Nonetheless, Law N° 21,314 published on April 13, 2021, which amended the Chilean Corporations Act, provides that the board of directors of the parent company of a company that is subject to CMF supervision shall establish and communicate a general policy relating to the election of directors in its subsidiaries; such policy will contain, at a minimum the information required by means of a general regulation to be issued by the CMF.

Code of Business Conduct. The NYSE listing standards require that listed companies adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers.

We have adopted a Code of Business Conduct that applies generally to all members of our board of directors and all of our executive officers and employees. A copy of the Code of Business Conduct, as amended, is available on our website at www.ccu.cl or www.ccuinvestor.com. The information on our website is not incorporated by reference into this document.

Manual of Information of Interest to the Market. In 2008, the SVS (currently “Comisión para el Mercado Financiero”, or “CMF”) promulgated new rules which required publicly traded companies to adopt a manual regarding disclosure of information of interest to the market, board members and executives shares transactions and blackout periods for such transactions. This manual applies to our directors, the directors of our subsidiaries, our executive officers, some of our employees which may be in possession of confidential, reserved or privileged information of interest, and to our advisors. The manual became effective on June 1, 2008. A copy of the manual regarding disclosure of information of interest to the market, as amended on March 18, 2010 and March 4, 2020, is available in our website at www.ccu.cl or www.ccuinvestor.com. The information on our website is not incorporated by reference into this annual report.

Exhibit 16.1 to this annual report sets forth an unofficial English translation of the Manual of Information of Interest to the Market.

Pursuant to Law N° 21,314 published on April 13, 2021, which amended the Chilean Securities Market Law and the Chilean Corporations Act, without prejudice to the policies adopted by each issuer, the directors, managers, administrators and principal executive officers of an issuer of publicly traded securities, as well as their spouses, cohabitants and certain close relatives (i.e. parents, father/mother in law, sisters, brothers, sisters/brothers in law), may not carry out, directly or indirectly, transactions on the securities issued by the issuer, within thirty days prior to the disclosure of the quarterly or annual financial statements of the latter. Additionally, such issuers must always publish the date on which their next financial statements will be disclosed, at least thirty days prior to such disclosure.

Executive Sessions. To empower non-management directors to serve as a more effective check on management, NYSE listing standards provide that non-management directors of each company must meet at regularly scheduled executive sessions without management.

Under Chilean law, the office of director is not legally compatible with that of general manager in publicly traded companies. The board of directors exercises its functions as a collective body and may partially delegate its powers to executive officers, attorneys, a director or a board commission of the company, and for specific purposes to other persons. As a foreign private issuer, we may follow Chilean practices and are not required to comply with the NYSE listing standard for executive sessions.

Certification Requirements. Under NYSE listing standards, Section 303A.12(a) provides that each listed company CEO must certify to the NYSE each year that he or she is not aware of any violation by the company of NYSE corporate governance listing standards, and Section 303A.12(b) provides that each listed company CEO must promptly notify the NYSE in writing after any executive officer of the listed company becomes aware of any material non-compliance with any applicable provisions of Section 303A.

As a foreign private issuer, we must comply with Section 303A.12(b) of the NYSE listing standards, but we are not required to comply with 303A.12(a).

ITEM 16H: Mine Safety Disclosure

Not applicable.

ITEM 16I: Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

ITEM 16J: Insider Trading Policies

In accordance with the provisions of article 16 of the Securities Market Law and General Rule N° 270 of the CMF, the board of directors of Compañía Cervecerías Unidas S.A. approved the Manual of Information of Interest to the Market ("MMIIM"), which applies to all directors, officers, managers and any employees who due to their position at CCU may come into contact with or handle information relating to CCU that is deemed to be confidential (each a "Restricted Affiliate Party"). See Item "16G: Corporate Governance – Manual of Information of Interest to the Market."

Our insider trading policy and procedures are set forth in our MMIIM, which establishes guidelines and procedures for the following:

1. **No Trading:** No Restricted Affiliate Party can trade any securities while possessing material non-public information about us. Pursuant to this policy, subject to certain exceptions set forth in the MMIIM, Restricted Affiliate Parties are restricted from trading on any securities issued by Compañía Cervecerías Unidas S.A. and its subsidiaries during certain blackout periods, namely:

- a. during the period starting on the last day of each calendar quarter and ending at 12:01 a.m. on the day immediately following the first trading date after the filing of any financial statements to the CMF (or, to the extent applicable and earlier, the date on which any condensed financial statement is disclosed to the market);
- b. in case a Restricted Affiliate Party is in possession of any material information, during the period starting upon receipt of such material information and ending 12:01 a.m. on the day immediately following the first trading date after the filing of any such material information to the market; and
- c. in case a Restricted Affiliate Party is in possession of any reserved material information, during the period starting upon receipt of such material information and ending 12:01 a.m. on the day immediately following the first trading date after either (x) the filing of any such material information to the market or (y) the reasons that caused any such material information to be treated as reserved cease to apply.

2. **Procedures Relating to Dealing on CCU securities:** A Restricted Affiliate Party desiring to directly or indirectly conduct, any transactions relating to CCU securities must obtain clearance from Compañía Cervecerías Unidas S.A.'s General Counsel (who shall be permitted to refuse such clearance without disclosing the rationale for such refusal). Compañía Cervecerías Unidas S.A.'s General Counsel shall carry a register of any requests for clearance received from any Restricted Affiliate Party, together with its date and determination in terms of granting or denying such clearance; this registry will be signed by the interested Restricted Affiliate Party as acknowledgment of such response. Any such clearance shall only be valid for a seven day term, after which the authorization shall be deemed null and void in case the Restricted Affiliate Party failed to carry out the relevant transaction.

3. **Confidentiality:** Pursuant to the MMIIM, no Restricted Affiliate Party may communicate any material information to anyone either outside or within CCU (except that, any communication within CCU or to any of its advisors may be conducted on a need-to-know basis). CCU shall carry a register of Restricted Affiliate Parties, advisors and any other parties that may come into contact with any information deemed to be reserved material information.

4. **Non-compliance:** The General Controller's Office is responsible for implementing and overseeing compliance of the MMIIM. Any alleged non-compliance or conflict arising from a possible breach of the MMIIM by any Restricted Affiliate Party should be brought to the attention of the General Controller, who may implement measures regarding such non-compliance or conflict or, if deemed necessary, may refer to the matter to the board of directors for discussion during their next ordinary meeting. The application of sanctions for breach of the MMIIM shall be the responsibility of the Chief Executive Officer, with input, when appropriate, from the CCU Business Conduct Committee. Such sanctions may range from a warning or reprimand to termination of any labor or other contractual relationship with the Restricted Affiliate Party. The above is notwithstanding CCU's right to file any complaint with any relevant authorities.

Exhibit 16.1 to this annual report sets forth an unofficial English translation of the MMIIM.

PART III

ITEM 17: Financial Statements

The Company has responded to Item 18 in lieu of responding to this item.

ITEM 18: Financial Statements

See Annex for the Financial Statements.

ITEM 19: Exhibits

Index to Exhibits

- 1.1 Unofficial English translation of the By-laws of Compañía Cervecerías Unidas S.A. (incorporated by reference to Exhibit 3.1 of Compañía Cervecerías Unidas S.A.'s registration statement on Form F-3 (File N° 333-190641) filed on August 8, 2013).
- 2(d) Description of Securities Other Than Equity Securities.
- 8.1 Compañía Cervecerías Unidas S.A. significant subsidiaries.
- 12.1 Certification of Chief Executive Officer of Compañía Cervecerías Unidas S.A. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 12.2 Certification of Chief Financial Officer of Compañía Cervecerías Unidas S.A. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 13.1 Certification of Chief Executive Officer of Compañía Cervecerías Unidas S.A. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 13.2 Certification of Chief Financial Officer of Compañía Cervecerías Unidas S.A. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 16.1 Unofficial English translation of Compañía Cervecerías Unidas S.A.'s Manual of Information of Interest to the Market
- 101.INS XBRL Instance Document.
- 101.SCH XBRL Taxonomy Extension Schema Document.
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document.
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document.
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document.

SIGNATURES

The Registrant certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Compañía Cervecerías Unidas S.A.

By: /s/ Patricio Jottar

Name: Patricio Jottar

Title: Chief Executive Officer

Dated: April 28th, 2023

**DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES
REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT**

As of December 31, 2023, the registrant had the following series of securities registered pursuant to Section 12 of the U.S. Securities Exchange Act of 1934, as amended:

<u>Title of each class:</u>	<u>Name of each exchange on which registered:</u>
Common Stock	New York Stock Exchange*
American Depositary Shares, each representing two shares of our Common Stock, without par value	New York Stock Exchange

* Not for trading purposes, but only in connection with the trading on the New York Stock Exchange of American Depositary Shares representing those Common Stock.

JPMorgan, as depositary, registers and delivers American Depositary Shares, also referred to as ADSs. Each ADS represents two shares of our common stock. Each ADS also represents any other securities, cash or other property which may be held by the depositary. The deposited shares together with any other securities, cash or other property held by the depositary are referred to as the deposited securities. The deposited shares together with any other securities, cash or other property held by the depositary are referred to as the deposited securities. The depositary's office at which the ADSs are administered and its principal executive office is located at 383 Madison Avenue, Floor 11, New York, New York, 10179-0001..

Shares of our common stock were traded in the United States on the NASDAQ Stock Market between September 24, 1992 and March 25, 1999 and on the NYSE since March 26, 1999, in the form of ADSs, under the symbol "CCU", with such ADSs being evidenced by ADRs, which until December 20, 2012, had each represented five shares of our common stock. Starting on December 20, 2012, the ratio was changed so that each ADS represented two shares of our common stock. The ADSs are issued under the terms of a deposit agreement dated September 1, 1992, as amended and restated on July 31, 2013, among us, JPMorgan, as depositary, and the holders from time to time of the ADSs.

According to data provided by JPMorgan, as of March 9, 2023, there were 38,022,682 ADSs outstanding and 13,979 holders of record of ADSs. Such ADSs represented approximately 20.58% of the total number of issued and outstanding common stock as of such date. The Santiago Stock Exchange and the Chile Electronic Stock Exchange are the principal markets for trading the common stock.

You may hold ADSs either (A) directly (i) by having an American Depositary Receipt, also referred to as an ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (ii) by having uncertificated ADSs registered in your name, or (B) indirectly by holding a security entitlement in ADSs through your broker or other financial institution that is a direct or indirect participant in The Depositary Trust Company, also called DTC. If you hold ADSs directly, you are a registered ADS holder, also referred to as an ADS holder. This description assumes you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

Registered holders of uncertificated ADSs will receive statements from the depositary confirming their holdings.

As an ADS holder, we will not treat you as one of our shareholders and you will not have shareholder rights. Chilean law governs shareholder rights. The depositary will be the holder of the common stock underlying your ADSs. As a registered holder of ADSs, you will have ADS holder rights. A deposit agreement among us, the depositary, ADS holders and all other persons indirectly or beneficially holding ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs.

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of ADR. You can find a copy of the

deposit agreement in the report on Form 6 furnished by Compañía Cervecerías Unidas S.A. to the SEC on July 31, 2013.

Deposit, Withdrawal, Cancellation and Transfer

How are ADSs issued?

The depositary will deliver ADSs if you or your broker deposits common stock or evidence of rights to receive common stock with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will register the appropriate number of ADSs in the names you request and will deliver the ADSs to the persons you request.

How do ADS holders cancel ADSs and obtain shares?

If you surrender ADSs to the depositary, upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will deliver the common stock and any other deposited securities underlying the surrendered ADSs to you or a person you designate at the office of the custodian. Or, at your request, risk and expense, the depositary will deliver the deposited securities at such other place as may have been requested by the holder.

Because of the absence of legal precedent as to whether a shareholder that has voted both for and against a proposal, such as the depositary of our ADSs, may exercise withdrawal rights (as described in “Item 10. Additional Information – B. Memorandum and Articles of Association”) with respect to those shares voted against the proposal, there is doubt as to whether a holder of ADSs will be able to exercise withdrawal rights either directly or through the depositary for the shares of our common stock represented by their ADSs. Accordingly, for a holder of our ADSs to exercise its appraisal rights, it may be required to surrender its ADRs, withdraw the shares of our common stock represented by its ADSs, and vote the shares against the proposal.

Are ADRs transferable?

Subject to certain limitations provided below and in the Deposit Agreement, the ADR is transferable on the register maintained by the depositary by the holder in person or by duly authorized attorney, upon surrender of the ADR at any designated transfer office properly endorsed or accompanied by proper instruments of transfer and duly stamped as may be required by applicable law.

Limitations and Transfer Restrictions

Limitations With Respect to non-Chilean Residents

Equity investments in Chile by persons who are not Chilean residents have historically been subject to various exchange control regulations that restrict repatriation of investments and earnings therefrom. In April 2001, the Central Bank eliminated most of the regulations that affected foreign investors, although foreign investors still have to provide the Central Bank with information related to equity investments and must conduct such operations within the formal exchange market. Additional Chilean restrictions applicable to holders of our ADSs, the disposition of the shares underlying them, the repatriation of the proceeds from such disposition or the payment of dividends may be imposed in the future, and we cannot advise you as to the duration or impact of such restrictions if imposed. See also “Item 10: Additional Information – D. Exchange Controls.” If for any reason, including changes in Chilean law, the depositary for our ADSs were unable to convert CLP to USD, investors would receive dividends and other distributions, if any, in CLP.

Limitations With Respect to Execution, Delivery, Registration, Transfer and Withdrawal

As a condition to the execution and delivery, registration, registration of transfer, split-up or combination of any ADR, the delivery of any distribution thereon or, the withdrawal of any deposited securities, the depositary, Compañía Cervecerías Unidas S.A. or the custodian may require of the holder, the presenter of the ADR or the depositor of Shares: (a) payment of a sum sufficient to pay or reimburse it for payment of (i) any stock transfer or other tax or other governmental charge with respect thereto, (ii) any stock transfer or registration fees for the registration of transfers of common shares or other deposited

securities upon any applicable register and (iii) any charges of the depositary upon delivery of ADRs against deposits of shares and upon withdrawal of deposited securities against surrender of the ADRs set forth in paragraph (8) of the ADR; (b) the production of proof satisfactory to it as to the identity and genuineness of any signature and as to any other matter contemplated by Section 3.01 of the Deposit Agreement; and, (c) compliance with such reasonable regulations, if any, as the depositary and the Company may establish consistent with the provisions of the Deposit Agreement or as may be established by the Central Bank or the *Comisión para el Mercado Financiero* ("CMF"), former *Superintendencia de Valores y Seguros*. The delivery of ADRs against deposits of shares may be suspended, deposits of shares may be refused, or the registration of transfer of ADRs, their split-up or combination or the withdrawal of deposited securities may be suspended, in particular instances or generally, when the ADR register or any register for shares or other deposited securities is closed, or any time or from time to time when any such action is deemed necessary or advisable by the depositary or Compañía Cervecerías Unidas S.A. for any reason, including without limitation any requirement of law or of any government or governmental body or commission, any provision of the Deposit Agreement or the provisions of or governing deposited securities, any meeting of shareholders or any payment of dividends.

The depositary may issue ADRs against rights to receive shares from Compañía Cervecerías Unidas S.A., or any registrar, transfer agent, clearing agency or other entity recording share ownership or transactions. The depositary will not issue ADRs against other rights to receive shares unless (x) such ADRs are fully collateralized (marked to market daily) with cash or U.S. government securities until such shares are deposited, (y) the applicant for such ADRs represents in writing that it owns such shares, that it has assigned all beneficial right, title and interest in such shares to the depositary for the benefit of the holders and that it will deliver such shares upon the depositary's request and (z) all such ADRs represent not more than 20% of shares actually deposited.

Article 14 of the Chilean Corporations Act forbids open stock corporations from including in their bylaws any provisions restricting the free transferability of stock. However, shareholders may enter into a private agreement on this matter, but, in order for these agreements to be effective against the company and third parties, they must be recorded by the corporation and thus made available to any interested third parties. See "Item 6: Directors, Senior Management and Employees – A. Directors and Senior Management" of our annual report.

Dividends and Other Distributions

At least 30% of our Net income for each fiscal year are required to be distributed as dividends in cash to our shareholders, unless our shareholders unanimously decide otherwise. Any remaining profits may be used to establish a reserve fund (that may be capitalized at any time, amending the corporate bylaws by the vote of a majority of the voting stock issued), or to pay future dividends.

Compulsory minimum dividends, i.e., at least thirty percent of our Net income for each fiscal year, become due thirty days after the date on which the annual shareholders' meeting has approved the distribution of profits in the fiscal year. Any additional dividends approved by our shareholders become due on the date set by our shareholders or our board of directors.

Accrued dividends that corporations fail to pay or make available to their shareholders within certain periods are to be adjusted from the date on which those dividends became due and that of actual payment. Overdue dividends will accrue interest at established rates over the same period.

Dividends and other cash benefits unclaimed by shareholders after five years from the date on which they became due will become the property of the Chilean Fire Department.

In the event of liquidation, the Chilean Corporations Act provides that corporations may carry out distributions to shareholders on account of a reimbursement of capital only after the payment of corporate indebtedness.

Dividends are paid to shareholders of record at midnight of the fifth business day, including Saturdays, preceding the date set for payment of the dividend. The holders of ADSs on the applicable record dates are entitled to dividends declared for each corresponding period, as further explained below.

Whenever the depositary or the custodian shall receive any cash dividend or other cash distribution upon any deposited securities, the depositary shall distribute the amount thus received to the holders on such record date of ADRs evidencing ADSs representing such deposited securities, in proportion to the number of ADSs representing such deposited securities held by each of them respectively; provided that the depositary shall make appropriate adjustments in the amounts so distributed in respect of (a) any of such deposited securities being not entitled, by reason of its date of issuance or otherwise, to receive all or any portion of such distribution or (b) any amounts (i) required to be withheld by Compañía Cervecerías Unidas S.A., the custodian or the depositary from any such distribution on account of taxes, or (ii) charged by the depositary in connection with the conversion of foreign currency into U.S. dollars. The depositary shall distribute only such amount as can be distributed without distributing to any holder a fraction of one cent, and any balance not so distributable shall be held by the depositary (without liability for interest thereon) and shall be added to and become part of the next sum received by the depositary for distribution to holders of ADRs then outstanding.

If any distribution upon any deposited securities consists of a dividend in, or free distribution of, shares, the depositary may, with Compañía Cervecerías Unidas S.A.'s approval, or shall, if Compañía Cervecerías Unidas S.A. shall so request, distribute to the holders on a record date, in proportion to the number of ADSs representing such deposited securities held by each of them respectively, additional ADRs for an aggregate number of ADSs representing the number of shares received as such dividend or free distribution. In lieu of delivering ADRs for fractional ADSs in the case of any such distribution, the depositary shall sell the amount of shares represented by the aggregate of such fractions and distribute the net proceeds of such sale as in the case of a distribution received in cash. If additional ADRs are not so distributed, each ADS shall thenceforth also represent its proportionate interest in the additional shares so distributed upon such deposited securities.

The following table sets forth the amounts of interim and final dividends and the aggregate amounts of such dividends per share of common stock and per ADS in respect of each of the years indicated:

Year ended	CLP Per share ⁽¹⁾			USD Per ADS ⁽²⁾		
<u>December 31</u>	<u>Interim</u>	<u>Final ⁽³⁾</u>	<u>Total</u>	<u>Interim</u>	<u>Final ⁽³⁾</u>	<u>Total</u>
2017	70	108.89	178.89	0.23	0.36	0.59
2018	140	358.33	498.33	0.41	1.07	1.49
2019	75	179.95	254.95	0.20	0.42	0.62
2020	56	139.17	195.17	0.16	0.40	0.56
2021	200	200.00 ⁽⁴⁾	400.00 ⁽⁴⁾	0.50	0.47 ⁽⁴⁾	0.97 ⁽⁴⁾
2022	135.10	24.80	159.90	0.31	0.06	0.37

(1) Interim and final dividend amounts are expressed in historical pesos

(2) USD per ADS dividend information provided solely for reference purposes only, as we pay all dividends in CLP. The amounts shown above have been adjusted to reflect this change. The Chilean peso amounts as shown here have been converted into USD at the respective observed exchange rate in effect at each payment date or, in respect of the final dividend payable for the year ended December 31, 2022, at the observed exchange rate in effect as of April 25th, 2023. Note: The Federal Reserve Bank of New York does not report a noon buying rate for CLP.

(3) The final dividend with respect to each year is declared and paid within the first five months of the subsequent year.

(4) Excludes dividend N° 263 in an amount of CLP 447 per share charged against retained earnings.

Pursuant to current Chilean foreign exchange regulations, a shareholder who is not a resident of Chile does not need to be authorized as a foreign investor in order to receive dividends, sale proceeds or other amounts with respect to its shares remitted outside Chile, but the investor must inform the Central Bank about any such transactions and must remit foreign currency through the formal exchange market. See "Item 10. Additional Information – D. Exchange Controls" for additional information on how ADR holders may remit currency outside Chile. Dividends received in respect of shares of common stock by holders, including holders of ADRs who are not Chilean residents, are subject to Chilean withholding taxes. See "Item 10: Additional Information – E. Taxation."

All payments and distributions made to our holders of ADSs must be transacted in the formal exchange market.

Voting Rights

We have only one class of shares and there are therefore no preferences or limitations on the voting rights of shareholders. Each of our shareholders is entitled to one vote per share. In annual shareholders' meetings, resolutions are made by an absolute majority of those present at the meeting, provided legal quorums (consisting of an absolute majority of our issued voting stock, in case the quorum is satisfied at its first call, or any number of shareholders present at the meeting if the meeting takes place at its second call) are met. A special or extraordinary meeting generally requires an absolute majority, in other words, 50% plus one of the shares entitled to vote; however, the Chilean Corporations Act provides that in order to carry certain motions, a two-thirds majority of the outstanding voting stock is necessary.

Our directors are elected every three years and their terms are not staggered. Our shareholders may accumulate their votes in favor of just one person or distribute their votes to more than one person. In addition, by unanimous agreement of our shareholders present and entitled to vote, the vote may be omitted and the election made by acclamation.

ADS holders may exercise voting rights associated with common stock only in accordance with the Deposit Agreement, which states that, as soon as practicable after receipt of notice of any meeting or solicitation of consents or proxies of holders of shares or other deposited securities, the depositary shall mail to holders a notice containing (a) such information as is contained in such notice and in the solicitation materials, if any, (b) a statement that each holder at the close of business on a specified record date will be entitled, subject to the provisions of or governing deposited securities, to instruct the depositary as to the exercise of the voting rights, if any, pertaining to the deposited securities represented by the ADSs evidenced by such holders' ADR, and (c) a statement as to the manner in which such instructions may be given, including an express indication that instructions may be given to the depositary to give a discretionary proxy to a person designated by the Company. Upon the written request of a holder on such record date, actually received by the ADR Department of the depositary on or before the date established by the depositary for such purpose, the depositary shall endeavor insofar as practicable and permitted under the provisions of or governing deposited securities to vote or cause to be voted (or to grant a discretionary proxy to a person designated by the Company to vote) the deposited securities represented by the ADSs evidenced by such holder's ADRs in accordance with any instructions set forth in such request. The depositary shall not itself exercise any voting discretion over any deposited securities.

Accordingly, ADS holders will face practical limitations when exercising their voting rights because ADS holders must first receive a notice of a shareholders' meeting from the depositary and may then exercise their voting rights by instructing the depositary, on a timely basis, on how they wish to vote. This voting process necessarily will take longer for ADS holders than for direct common stock holders, who are able to exercise their vote by attending our shareholders' meetings. Therefore, if the depositary fails to receive timely voting instructions from some or all ADS holders, the depositary will assume that ADS holders agree to give a discretionary proxy to a person designated by us to vote their ADSs on their behalf. Furthermore, ADS holders may not receive voting materials in time to instruct the depositary to vote. Accordingly, ADS holders may not be able to properly exercise their voting rights.

Preemptive and Accretion Rights

The Chilean Corporations Act and its Ordinance, require us, whenever we issue new shares for cash, to grant preemptive rights to all holders of shares of our common stock, including shares of our common stock represented by ADSs, giving those holders the right to purchase a sufficient number of shares to maintain their existing ownership percentage. The Chilean Corporations Act requires that options to purchase stock representing capital increases in corporations and debentures duly convertible into stock of the issuing corporation, or any other securities extending future rights over such stock, must be offered preferably, at least once, to existing shareholders, in proportion to the number of shares owned by them. A corporation must distribute any bonus stock in the same manner. We may not be able to offer shares to holders of our ADSs pursuant to preemptive rights granted to our shareholders in connection with any future issuance of shares unless a registration statement under the Securities Act is effective with respect to those rights and shares, or an exemption from the registration requirements of the Securities Act is available.

We intend to evaluate at the time of any future offerings of shares of our common stock the costs and potential liabilities associated with any registration statement as well as the indirect benefits to us of enabling U.S. owners of our ADSs to exercise preemptive rights and any other factors that we consider appropriate at the time, before making a decision as to whether to file such a registration statement. We cannot assure you that any such registration statement would be filed.

To the extent that a holder of our ADSs is unable to exercise their preemptive rights because a registration statement has not been filed, the depositary will attempt to sell the holder's preemptive rights and distribute the net proceeds of the sale, net of the depositary's fees and expenses, to the holder, provided that a secondary market for those rights exists and a premium can be recognized over the cost of the sale. A secondary market for the sale of preemptive rights can be expected to develop if the subscription price of the shares of our common stock upon exercise of the rights is below the prevailing market price of the shares of our common stock. Nonetheless, we cannot assure you that a secondary market in preemptive rights will develop in connection with any future issuance of shares of our common stock or that if a market develops, a premium can be recognized on their sale. Amounts received in exchange for the sale or assignment of preemptive rights relating to shares of our common stock will be taxable in Chile and in the United States. See "Item 10: Additional Information – E. Taxation – Chilean Tax Considerations – Capital Gains" and "– United States Federal Income Tax Considerations – Taxation of Capital Gains" of the annual report. If the rights cannot be sold, they will expire and a holder of our ADSs will not realize any value from the grant of the preemptive rights. In either case, the equity interest of a holder of our ADSs in us will be diluted proportionately.

Changes Affecting Deposited Securities

Upon any change in nominal value, split-up, consolidation, cancellation or any other reclassification of deposited securities, or upon any recapitalization, reorganization, merger or consolidation or sale of assets affecting Compañía Cervecerías Unidas S.A. or to which it is a party, any securities that shall be received by the depositary in exchange for, or in conversion, replacement or otherwise in respect of, deposited securities shall be treated as deposited securities under the Deposit Agreement; and, the depositary may with Compañía Cervecerías Unidas S.A.'s approval, and shall if Compañía Cervecerías Unidas S.A. shall so request, execute and deliver additional ADRs in respect of such securities as in the case of a dividend of shares or call for the surrender of outstanding ADRs to be exchanged for new ADRs, reflecting such securities, and to the extent that such additional or new ADRs are not delivered the existing ADR shall thenceforth evidence ADSs representing the right to receive the deposited securities including the securities so received.

Amendment and Termination

How may the deposit agreement be amended?

The deposit agreement may at any time, and from time to time, be amended by agreement between us and the depositary in any respect which we may deem necessary or desirable. Any amendment which shall impose or increase any fees or charges (other than stock transfer or other taxes and other governmental charges, transfer or registration fees, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or which shall otherwise prejudice any substantial existing right of the ADS holders, shall, however, not become effective until the expiration of 30 days after notice of such amendment shall have been given to the ADS holders.

Every ADS holder at the time any amendment so becomes effective shall be deemed, by continuing to hold such ADR, to consent and agree to such amendment and to be bound by the deposit agreement as amended thereby. In no event shall any amendment impair the right of the ADR holder to surrender such receipt and receive therefor the deposited securities represented thereby, except in order to comply with mandatory provisions of applicable law.

How may the deposit agreement be terminated?

The depositary shall at any time at our direction, terminate the deposit agreement by mailing notice of such

termination to the ADR holders then outstanding at least 90 days prior to the date fixed in such notice for such termination. The depositary may likewise terminate the deposit agreement by mailing notice of such termination to us and the ADR holders then outstanding if at any time 90 days shall have expired after the Depositary shall have delivered to us a written notice of its election to resign and a successor depositary shall not have been appointed and accepted its appointment as provided in the deposit agreement.

Limitations on Obligations and Liability

The deposit agreement expressly limits our obligations and the obligations of the depositary. It also limits our liability and the liability of the depositary. Below are certain provisions in relation to our and the depositary's liabilities:

- We and the depositary shall incur no liability if any present or future law, rule, regulation, fiat, order or decree of the United States, the Republic of Chile or any other country, or of any governmental or regulatory authority or any securities exchange or market or automated quotation system, the provisions of or governing any securities deposited pursuant to the deposit agreement, any present or future provision of our charter, any act of God, war, terrorism or other circumstance beyond its control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the deposit agreement or the ADR provides shall be done or performed by it or them.
- We and the depositary shall incur no liability by reason of any exercise or failure to exercise any discretion given it in the deposit agreement or the ADR.
- We and the depositary shall incur no liability due to or for the inability of any ADS holder to benefit from any distribution, offering, right or other benefit which is made available to holders of the securities deposited pursuant to the deposit agreement but is not, under the terms of the deposit agreement, made available to the ADS holders.
- We and the depositary are only obligated to take the actions specifically set forth in the deposit agreement without negligence or willful misconduct.
- In the case of the depositary and its agents, are under no obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of securities deposited pursuant to the deposit agreement.
- In the case of the Company and its agents are under no obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any securities deposited pursuant to the deposit agreement, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required.
- We and the depositary are not liable for any action or nonaction by it in reliance upon the advice of or information from legal counsel, accountants, any person presenting shares for deposit, any ADS holder or any other person believed by it in good faith to be competent to give such advice or information.
- The depositary shall not be liable for the acts or omissions made by, or the insolvency of, any securities depository, clearing agency or settlement system.
- The depositary shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of any custodian that is not a branch or affiliate of the depositary.
- The depositary shall not be responsible for, and shall incur no liability in connection with or arising from, any act or omission to act on the part of the custodian except to the extent that the custodian has (i) committed fraud or willful misconduct in the provision of custodial services to the depositary or (ii) failed to use reasonable care in the provision of custodial services to the depositary as determined in accordance with the standards prevailing in the jurisdiction in which the custodian is located.

- We and the depositary may rely and shall be protected in acting upon any written notice, request, direction, instruction or document believed by them to be genuine and to have been signed, presented or given by the proper party or parties.
- The depositary shall be under no obligation to inform ADS holders or any other holders of an interest in an ADS about the requirements of Chilean law, rules or regulations or any changes therein or thereto.
- The depositary and its agents will not be responsible for any failure to carry out any instructions to vote any of the securities deposited under the Deposit Agreement, for the manner in which any such vote is cast or for the effect of any such vote.
- The depositary may rely upon instructions from the Company or its counsel in respect of any governmental or agency approval or license required for any currency conversion, transfer or distribution.
- The depositary and its agents may own and deal in any class of securities of the Company and its affiliates and in ADRs
- The depositary and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the Deposit Agreement or otherwise related thereto to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators
- None of we, the depositary or the custodian shall be liable for the failure by any ADS holder or beneficial owner to obtain the benefits of credits on the basis of non-U.S. tax paid against such holder's or beneficial owner's income tax liability.
- We and the depositary shall not incur any liability for any tax consequences that may be incurred by holders and beneficial owners on account of their ownership of the ADR or ADS.
- The depositary shall not incur any liability for the content of any information submitted to it by or on our behalf for distribution to the holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the securities deposited pursuant to the Deposit Agreement, for the validity or worth of such securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement or for the failure or timeliness of any notice from us.
- The depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the depositary or in connection with any matter arising wholly after the removal or resignation of the depositary, provided that in connection with the issue out of which such potential liability arises the depositary performed its obligations without negligence or bad faith while it acted as depositary.
- Neither us nor the depositary, nor any of our respective agents shall be liable to holders or beneficial owners of interests in ADS for any indirect, special, punitive or consequential damages (including, without limitation, lost profits) of any form incurred by any person or entity, whether or not foreseeable and regardless of the type of action in which such a claim may be brought.
- The depositary shall not have any liability for the price received in connection with any sale of securities, the timing thereof or any delay in action or omission to act nor shall it be responsible for any error or delay in action, omission to act, default or negligence on the part of the party so retained in connection with any such sale or proposed sale.

In the deposit agreement, we and the depositary agree to indemnify each other under certain circumstances.

Additional Rights

Action necessary to change the rights of holders of stock. The rights of stockholders are established by law and pursuant to the bylaws of a corporation. For certain modifications of shareholders' rights, the law requires a special majority, such as the creation, increase, extension, reduction or suppression of preferred stock, which may be adopted only with the consent of at least two-thirds of the affected series. Consequently, any other impairment of rights not specifically regulated needs only an absolute majority (more than 50%) of the stock entitled to vote. However, the waiver of the shareholders' right to receive no less than 30% of the Net income accrued in any fiscal year (the "minimum dividend") requires the unanimous vote of all stockholders. The above notwithstanding, no decision of the shareholders' meeting can deprive a shareholder of any part of the stock that he/she owns.

Memorandum and Articles of Association provisions

Under Chilean law, certain provisions affect any existing or prospective holder of securities as a result of the shareholder owning a substantial number of shares.

Pursuant to Circular Letter N° 1,375 of the CMF dated February 12, 1998, holders of ADSs are deemed, for certain purposes of Chilean law, to be treated as holders of Deposited Securities. Accordingly, holders shall, as a matter of Chilean law, be obligated to comply with the requirements of articles 12 and 54 and Chapter XV of *Ley N° 18,045 de Mercado de Valores* (the "Chilean Securities Market Act") and applicable CMF regulations.

Article 12 requires, among other things, that holders and beneficial owners of ADSs who directly or indirectly own 10% or more of the total share capital of the Company (or who may attain such percentage ownership through an acquisition of shares), or the directors, liquidators, principal executive, administrators and managers of such corporations, regardless of the number of shares they possess, either directly or indirectly, must report to the CMF and the stock exchanges in Chile on which the shares are listed: (i) any direct or indirect acquisition or sale of ADRs; and (ii) any direct or indirect acquisition or sale of any contract or security, the price or result of which is dependent upon or is conditioned on, in whole or in a relevant part, the fluctuation or evolution of the price of such shares. The information must be provided not later than the day following the execution of the transaction of the acquisition or sale. In addition, majority shareholders must inform the CMF and the stock exchanges with respect to whether the purchase is aimed at acquiring control of the corporation or just as a financial investment.

Article 54 requires, among other things, that any holder or beneficial owner of ADS intending to acquire control, directly or indirectly (as defined in Chapter XV of the Chilean Securities Market Act) of the Company (i) send a written notice of such intention to the Company, to the Company's controllers, to companies controlled by the Company, to the CMF and to the stock exchanges in Chile on which the shares are listed, and, (ii) publish a notice of such intention in two newspapers in Chile and on the Company's website. Such written communications and publications must be made at least ten business days prior to the date of intended acquisition of control or as soon as negotiations pursuing control have been formalized or confidential documentation of the Company has been provided. This notice must include, at least, the price to be offered per share and the conditions of the proposed transaction, including the expected manner of acquiring the shares. Within two business days following the acquisition of control, the holder must publish a notice in the same newspapers in which the intention of control was published and send written communications to the same entities listed in clause (i) above. The rules set forth by article 54 shall not apply if control of the Company is intended through a tender offer regulated by Chapter XXV of the Chilean Securities Market Act, in which case the rules said of Chapter XXV shall govern.

Chapter XXV of the Chilean Securities Market Act was enacted on December 20, 2000, to ensure that controlling shareholders share with minority shareholders the benefits of a change of control, by requiring that certain share acquisitions be made pursuant to a tender offer.

Article 199 bis of the Chilean Securities Market Act extends the obligation to make a tender offer for the remaining outstanding shares to any person, or group of persons with a joint performance agreement, that, as a consequence of the acquisition of shares, becomes the owner of two-thirds or more of the issued

shares with voting rights of a corporation. Such tender offer must be effected within 30 days from the date of such acquisition.

Our bylaws do not contain any provisions that would have the effect of delaying, deferring or preventing a change in control of us and that would operate only with respect to a merger, acquisition or corporate restructuring involving us (or any of our subsidiaries). See “Item 10: Additional Information – B. Memorandum and Articles of Association – Rights, preferences and restrictions regarding shares” of our annual report.

Our bylaws do not contain any ownership threshold above which shareholder ownership must be disclosed. For a description of the ownership thresholds mandated by Chilean law, see “– Rights, preferences and restrictions regarding shares” above. See “Item 10: Additional Information – B. Memorandum and Articles of Association – Rights, preferences and restrictions regarding shares” of our annual report.

Direct Registration System

In the deposit agreement, all parties to the deposit agreement acknowledge that the Direct Registration System, also referred to as DRS, and Profile Modification System, also referred to as Profile, will apply to the ADSs. DRS is a system administered by DTC that facilitates interchange between registered holding of uncertificated ADSs and holding of security entitlements in ADSs through DTC and a DTC participant. Profile is feature of DRS that allows a DTC participant, claiming to act on behalf of a registered holder of uncertificated ADSs, to direct the depositary to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depositary of prior authorization from the ADS holder to register that transfer.

Notices and Reports to Holders

On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of shares or other deposited securities, or of any adjourned meeting of such holders, or of the taking of any action by such holders other than at a meeting, or the making of any distribution on or offering of rights in respect of deposited securities, the Company shall transmit to the custodian a copy of the notice thereof in the form given or to be given to holders of shares or other deposited securities. The depositary will arrange for the prompt transmittal by the custodian to the depositary of such notices and of any reports and other communications that are made generally available by the Company to holders of its shares or other deposited securities and arrange for the mailing of copies thereof to all holders or, at the request of the Company, make such notices reports and other communications available to all holders on a basis similar to that for holders of shares or other deposited securities, or on such other basis as the Company may advise the depositary may be required by any applicable law, regulation or stock exchange requirement.

Shareholder Communications; Inspection of Register of Holders of ADSs

The depositary will make available for your inspection at its or its custodian’s office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. The depositary will send you copies of those communications or otherwise make those communications available to you if we ask it to. You have a right to inspect the register of holders of ADSs, but not for the purpose of contacting those holders about a matter unrelated to our business or the ADSs.

Exhibit 8.1**Compañía Cervecerías Unidas S.A.
List of Significant Subsidiaries**

The following list contains the name, jurisdiction of incorporation and the names under which our significant subsidiaries do business, according to its definition under rule 1-02(w) of Regulation S-X, as of December 31, 2022.

<u>Name</u>	<u>Jurisdiction of Incorporation</u>	<u>Name Under Which Subsidiary Operates</u>	<u>Line of Business</u>	<u>Number of Omitted Subsidiaries⁽¹⁾</u>
Cervecera CCU Chile Ltda.	Chile	Cervecería CCU	Beer production and marketing	-
Compañía Cervecerías Unidas Argentina S.A.	Argentina	CCU Argentina	Beer production and marketing	2
Embotelladoras Chilenas Unidas S.A.	Chile	ECUSA	Soft drinks, juice, mineral water production and marketing	5
Viña San Pedro Tarapacá S.A.	Chile	VSPT	Wine production and marketing	5

(1) The jurisdiction of incorporation of all of the omitted subsidiaries is outside of the United States.

Section 302 - Certification of the Chief Executive Officer

I, Patricio Jottar, certify that:

1. I have reviewed this annual report on Form 20-F of Compañía Cervecerías Unidas S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15(f) and 15d- 15(f)) for the company and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB;
 - c) evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting;
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Dated: April 28th, 2023

/s/ Patricio Jottar
Chief Executive Officer

Section 302 - Certification of the Chief Financial Officer

I, Felipe Dubernet, certify that:

1. I have reviewed this annual report on Form 20-F of Compañía Cervecerías Unidas S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15(f) and 15d- 15(f)) for the company and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB;
 - c) evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting;
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Dated: April 28th, 2023

/s/ Felipe Dubernet
Chief Financial Officer

**Compañía Cervecerías Unidas S.A.
Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)**

Pursuant to the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sections 1350(a) and (b)), the undersigned hereby certifies as follows:

1. I am the Chief Executive Officer of Compañía Cervecerías Unidas S.A. (the “Company”).
2. The Company’s Annual Report on Form 20-F for the year ended December 31, 2022 accompanying this Certification, in the form filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”); and
3. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 28th, 2023

/s/ Patricio Jottar
Chief Executive Officer

Compañía Cervecerías Unidas S.A.
Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

Pursuant to the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sections 1350(a) and (b)), the undersigned hereby certifies as follows:

1. I am the Chief Financial Officer of Compañía Cervecerías Unidas S.A. (the “Company”).
2. The Company’s Annual Report on Form 20-F for the year ended December 31, 2022 accompanying this Certification, in the form filed with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”); and
3. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 28th, 2023

/s/ Felipe Dubernet
Chief Financial Officer

**Unofficial English translation of
Compañía Cervecerías Unidas S.A.'s
Manual of Information of Interest to the Market**

I. Background: Objectives.

- a) Pursuant to the provisions of Article 16 of the Securities Market Law, and in compliance with the provisions of the General Rule N° 270 of the Financial Market Commission (the "CMF"), the Board of Directors of Compañía Cervecerías Unidas S.A. ("CCU" or the "Company") has approved, in its Meeting No. 2137 dated March 4th, 2020, this Manual for Handling Information of Interest for the Market (this "Manual" or "MMIIM").
- b) References to CCU or the Company in this Manual extend, when applicable, to its subsidiaries; it is understood, however, that subsidiaries that are issuers of publicly offered securities have their own Manual for Handling Information of Interest for the Market.
- c) This Manual establishes CCU's internal policies and standards regarding the type of information that will be made available to investors, the systems adopted to ensure that such information is communicated in a timely manner, and the trading of securities of CCU and its subsidiaries that are issuers of publicly offered securities by certain people who, due to their job, position, activity or relationship with the Company, have access, or may be presumed to have access, to confidential or relevant information of the Company.
- d) The above seeks to contribute to transparency in the markets, and is framed within one of CCU's basic principles, which is integrity, complying with the rules that regulate the Company, always inspired by acting correctly.

II. Governing Body: General Controller.

- a) The Board of Directors is responsible for establishing the provisions of this Manual. Amendments and updates to this Manual shall also be known and approved by the Board.
- b) The General Controller's Office is responsible for implementing and overseeing compliance with this Manual.
- c) Any doubt or difficulty regarding the application, interpretation and/or compliance with this Manual shall be brought to the attention of the General Controller's Office, which may resolve or, if deemed necessary, refer the matter to the Board of Directors for a decision at the next ordinary meeting.

III. Company Information: Communication Mechanisms: Official Spokespeople.

a) Scope.

Company information is understood to be that which extends to the company, its securities and the offering thereof and which refers to the legal, economic and financial situation of CCU, or which deals with aspects of the progress of the corporate business or which may have an impact on the same (the "Company Information").

b) Material.

- i. If the Company Information is of such a nature that a prudent person would consider it important to his or her investment decisions, it constitutes as a Material Event (the "Material Event"), and the Company is obligated to disclose it in a truthful, sufficient and timely manner, that is, at the time it occurs or comes to its knowledge.
- ii. The Board of Directors is responsible for classifying a fact as Material Event and the Chief Executive Officer, or whoever is the legal representative of the Company, is responsible for communicating it to the CMF, the stock exchanges and the market in general.
- iii. To the extent possible, and subject to the prudent decision of the person in charge, the disclosure of Material Event shall preferably be made before the opening or after the closing of the stock exchanges where the Company securities are traded.
- iv. Under the terms and conditions authorized by the applicable regulations, the Material Event may be classified by the Board of Directors as reserved (the "Reserved Material Event"), in which case it shall only be reported to the CMF in that capacity.

c) Of Interest.

Information of interest is understood to be that information of the Company which, without being considered Material Event, is useful for a proper financial analysis of the company, its securities or its offerings (the "Information of Interest"), for example, that information of the Company of a legal, economic and financial nature that refers to relevant aspects of the course of the corporate business or that may have a significant impact thereon.

- i. The Board of Directors has delegated to the Chief Executive Officer to classify a fact as Information of Interest.
- ii. The Information of Interest will be disclosed on CCU's website, www.ccu.cl, Investor Relations section, at such times as may be determined by the Board of Directors or the Chief Executive Officer.
- iii. In the event that certain Information of Interest is provided to a specific market sector, the necessary measures shall be adopted so that such information is distributed on CCU's website within the following 24 hours.

d) Other Standards. The Company's disclosure standards contained in this Manual are complementary to the standards on continuous information established by the applicable regulations and, in particular, the Chilean Corporations Act, the Securities Market Law and General Rule N° 30 of the CMF, as the same may be modified from time to time.

e) Official Spokespeople.

- i. CCU's official spokespeople with investors are the Manager of Financial Planning and Investor Relations and the Chief Financial Officer.
- ii. CCU's official spokesperson with the media is the Corporate and Sustainability Affairs Officer.
- iii. The above paragraphs do not affect the representation that corresponds to the Chairman of the Board of Directors and the Chief Executive Officer.
- iv. In the event that Company Information is published in the media, CCU shall be entitled to comment on the matter through any of its official spokespeople. However, it is CCU's policy not to comment on Company information published in the media that has not been provided by the official spokespeople.

IV. Interested Parties.

The regulations set forth in Sections V through VIII of this Manual apply to (i) the Directors of CCU, (ii) the Managers of CCU, (iii) the Administrators of CCU, (iv) the Senior Management of CCU, and (v) those people who, by reason of their job, position or activity in CCU, have access to Company Information that qualifies as Confidential Information (this term is defined in the following Section) (the "Interested Parties").

V. Confidential Information: Safeguard.

- a) "Confidential Information" means that Company Information (x) which may be Material Event or Information of Interest, (y) which is subject to standards on continuous information (e.g., quarterly financial statements); or (z) the knowledge of which, by its nature, is capable of influencing the price of securities issued by the Company; and which, in each case, has not been disclosed to the market.
- b) Interested Parties are bound to keep confidential the Confidential Information to which they have access until such information has been officially disclosed by CCU through the means established by the applicable regulations and/or this Manual.
- c) An Interested Party may only disclose Confidential Information to another Interested Party who has a need to know such Confidential Information by reason of his or her job, position or activity in CCU.
- d) In the case of Confidential Information that constitutes a Reserved Material Event, CCU shall maintain an updated list of the Interested Parties, financiers, advisors and other people who have knowledge of the same.
- e) For the purposes of storing Confidential Information, CCU shall ensure that it is stored by secure means, including procedures that prevent it from being disclosed or known by third parties.
- f) The General Controller's Office shall be responsible for adopting the measures he/she deems necessary to implement the provisions of the two preceding paragraphs.
- g) In conjunction with the disclosure of this Manual, each of the Interested Parties identified as of the date of disclosure shall sign the confidentiality agreement indicated in Annex I of this Manual, unless the confidentiality obligations are already reflected in their employment contract.

VI. Trading of Securities issued by CCU and its Subsidiaries.

- a) Subject to the legal provisions regarding the use of privileged information, presumptions of possession thereof and duties to refrain from trading securities contained in the Securities Market Law, as well as the need to require authorization pursuant to this Manual, the lock-up periods for trading of securities contained in this Manual, the Interested Parties may trade securities issued by CCU and its subsidiaries that are issuers of publicly offered securities (the "Subsidiaries").
- b) For the purposes of letter, a) above, the Party Interested in trading securities shall contact CCU's General Counsel, who shall advise of the convenience or inconvenience of carrying out a specific trading, without necessarily having to disclose the impediments that originate such advice.
- c) It shall be the sole responsibility of the Interested Party to request the indication referred to in paragraph b) above, as well as to comply with such indication when it has been requested. Consequently, both the effects of omitting its requirement as well as those of not complying with the indication, when it has been requested, the Interested Party shall directly assume responsibility for the corresponding penalties.
- d) The indications of the General Counsel will be adjusted to the facts that at the time of the requirement are being developed, so that if the matter that originated the negative indication given is frustrated and as a consequence the interested party loses a business opportunity, such loss of opportunity will not be attributable to the person responsible for such indication or to CCU, its subsidiaries or its affiliates.
- e) For the purposes of this procedure, the General Counsel shall record the Interested Party's request and its resolution in a register created specifically for this purpose, in which he/she shall also take note of the person making the request and the date thereof, and the Interested Party shall sign it as a sign of proof and notification of its content.
- f) Given that the indications of the General Counsel are based on essentially dynamic and rapidly changing facts, the indications approving a transaction shall always be for a maximum period of seven days, at the end of which the authorization shall be without effect, so that if the Interested Party has not carried out the approved transaction, he/she shall again follow the procedure described in this Section, either to return to the transaction not carried out or for any other future transaction.

- g) It is hereby stated that the regulations in this Manual apply to securities issued by CCU and its Subsidiaries, as well as to those whose price or performance depends on or is conditioned, in whole or in significant part, to the variation or evolution of the price of the securities issued by CCU or its Subsidiaries. For these purposes, the definition indicated in General Rule N° 269 will be used.
- h) Notwithstanding the foregoing, it has been determined to establish the following lock-up periods for trading of securities issued by CCU and its Subsidiaries:
- i. From the last day of each calendar quarter and until 12:01 a.m. on the day immediately following the first trading date after which the quarterly (or annual, as the case may be) financial statements that must be periodically delivered to the CMF are delivered, the Interested Parties may not trade securities issued by CCU and its Subsidiaries. Notwithstanding the foregoing, in the event that, prior to such date, CCU makes a disclosure to the market of the summary financial statements, the lock-up period will end at 12:01 a.m. on the day immediately following the first trading date after such disclosure.
 - ii. Interested Parties who become aware of Material Event or information that may be classified as such, must refrain from trading securities issued by CCU or its Subsidiaries (if such Material Event refers to the Subsidiary) from the moment they become aware of it until 12:01 a.m. on the day immediately following the first trading date after which CCU or the respective Subsidiary communicates it as an 'essential fact' to the market.
 - iii. Interested Parties who become aware of Reserved Material Event must refrain from trading securities issued by CCU or its Subsidiaries (if such Material Event refers to the Subsidiary) from the moment they become aware of it until 12:01 a.m. on the day immediately following the first trading date after which CCU or the respective Subsidiary communicates it as an 'essential fact' to the market or the reasons for the restriction have ceased to exist.

- i) The exercise of stock subscription or purchase options granted in accordance with the Chilean Corporations Act, within the framework of executive and workers' compensation plans and which must be subscribed or purchased in specific periods, are exempted from the aforementioned lock-up periods. Likewise, stock subscription in a preferential option period inherent to a capital increase through the issuance of payment shares is exempted from such lock-up periods.
- j) Should there be any doubt as to the application or validity of a lock-up period, it shall be the obligation of the Interested Party to contact the General Controller's Office prior to carrying out any transaction.

VII. Disclosure of Transactions.

- a) In addition to full compliance with applicable regulations, trading of securities issued by CCU and its Subsidiaries carried out by the Interested Parties, either directly or through entities controlled by them or through third parties, as well as those transactions carried out by their spouses, if they are married under a joint owned property regime, their underage children or those people under guardianship, curatorship or under legal or judicial representation, whether the latter are carried out directly or indirectly, must be reported to the General Controller's Office, which will keep a confidential record of the transactions reported to it for this purpose. The information provided must contain at least the data set forth in Annex II of this Manual.
- b) It is reminded that the Interested Parties must comply, in due time and form, with the provisions of Article 12 of the Securities Market Law and General Rule N° 269 of the CMF, notifying this institution and the stock exchanges, through the SEIL module available on the Internet site www.cmfchile.cl , of the transactions they carry out.

It is the responsibility of the Interested Parties to obtain the access code to the SEIL module in a timely manner through the securities intermediary with which they trade, or by requesting it to the Corporate Controller's Office.

- c) In the same order, it is the responsibility of each Interested Party to comply with the other continuous communication obligations established in the applicable regulations and, in particular, in Articles 17 and 18 of the Securities Market Law and in General Rule N° 277 of the CMF.

VIII. Penalties and Procedures.

- a) Subject to the provisions of the immediately following paragraph, the resolution of any conflict in the application of this Manual shall be resolved by the Board of Directors, being empowered to delegate this role to the Chief Executive Officer, with the advice of the CCU Business Conduct Committee (which establishes CCU's Code of Business Conduct).
- b) The procedure shall be brief and concise, and shall include the instances that ensure due process, such as the bilateral nature of the hearing, access to a defense, the presentation of evidence and a reasoned and substantiated decision.
- c) The application of penalties for violations of this Manual shall be the responsibility of the Chief Executive Officer, after hearing, where appropriate, the opinion of the CCU Business Conduct Committee. The penalties that may be adopted by the Chief Executive Officer include a reprimand, the termination of the employment relationship for failure to comply with the duty of loyalty and probity, or other penalties that the Chief Executive Officer may deem reasonable and proportionate in view of the seriousness of the violation.
- d) CCU reserves the right to report any facts that constitute a violation of this Manual to the corresponding authority.

IX. Diffusion Mechanism.

- a) It shall be the responsibility of the General Controller's Office to distribute this Manual within CCU. To do so, a copy of the Manual shall be sent to each Interested Party, which may be done by e-mail or Intranet.
- b) It shall be the responsibility of the General Controller's Office to organize training activities or generate content on the subject. For such purposes, this Manual shall be included in the induction documents of each new Interested Party that joins the Company.
- c) This Manual shall be published on CCU's website.

X. Validity.

This Manual shall become effective on March 5th, 2020, and supersedes, in all its sections, the Manual that was in force up to that date.