



# New perimeter of consolidation

Colombia – Uruguay – Argentina



**537 stores**  
**853,761 sqm**

**Éxito**  
**247 stores**

**Carulla**  
**98 stores**

**Surtimax**  
**92 stores**

**Super Inter**  
**70 stores**

**Surtimayorista**  
**30 stores**

**Viva**  
**34 Shopping Malls and Commercial Galleries**

**COP15,3 billion**

in Consolidated Net Revenues

+ 2.8%\*

**8.4%**

Recurring EBITDA margin

+ 5.3%

**COP57,600 million**

in Net Group Share Result

**Libertad**

**25 stores**  
**105,763 sqm**

**Libertad**  
**15 stores**

**Mini Libertad**  
**7 stores**

**Petit Libertad**  
**3 stores**

**Paseo Libertad**  
**15 Shopping Malls and Commercial Galleries**



**91 stores**  
**90,188 sqm**

**Devoto**  
**60 stores**

**Disco**  
**29 stores**

**Géant**  
**2 stores**

\* With FX effect.

+ 6.3% excluding the FX effect.





At Grupo Éxito we support small and medium-sized suppliers to grow and strengthen their business

**Like Pedro Nel Maya there are thousands of people fostering nation-building initiatives**



**Aquí construimos país**

Pedro Nel Maya,  
a small boutique coffee producer  
from Los Frailes, Antioquia.



When you see one of these pins, you will know someone like you is helping to build up our nation.



**Learn about the stories** that inspire, mobilize and motivate us to continue building up our nation.

Escanea este  
código y compra  
on StickerMarket



**Innovation**  
as a key driver for retail  
transformation



**Digital transformation**  
to save customers' time  
and provide new experiences



**New experiences** offered by the  
development of a new generation  
of shopping centers

**A business  
that adapts**  
*to the new ways  
of consumption*



**Sustainability**  
based on a business strategy  
that encourages building up  
our nation



# Innovation

as a key driver for retail transformation



**Evolution of the hypermarket towards an experience center**



*Value formats as a differentiated delicious proposal*



SmartMarket

**First smart shopping laboratory in Colombia**



**A rich, healthy and sustainable concept**

FreshMarket



**Cash-and-carry format for both, institutional and retail customers**

# Digital transformation

to save customers' time  
and provide new experiences

Mobile applications that transform  
the way of shopping

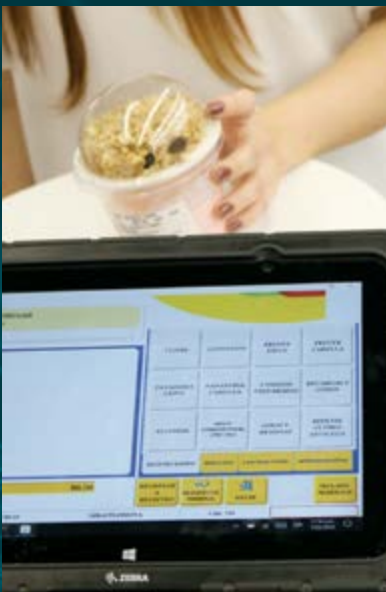
Omni-channel sales grew  
37% and represented 4.5%  
of the company's total sales  
in 2019.



*Innovation: the best way to build up the future*



## Innovative proposals



Mobile cashiers



Self-service kiosks



Contactless payment



# New experiences

offered by the development of a new generation of shopping centers



*Shopping centers as venues for customer's experiences*



More than  
**164 million**  
visitors

**Entertainment, connectivity and retail in one place**

- Calle Bistró
- Viva Park
- Viva Sports
- Viva Motors
- Co-working area



## Recognition for transformation and innovation

Two Viva Mall shopping centers were awarded by the International Council of Shopping Centers (ICSC) with the following five recognitions:

### Viva Envigado

Four awards in the categories of:

- Emerging Digital Technology
- Design and Development
- Grand Opening, expansion and renovation
- Promotions and events

### Viva Tunja

One Gold Award in the Design and Development category

# Sustainability

based on a business strategy that encourages building up our nation

## Contributing to the development of Colombia



### Working to achieve the first generation with zero chronic malnutrition

- More than **64,000** children benefited in **27** regions
- More than **579,300** people benefited from the donation of almost **1,950** tons of food



### Developing initiatives that mitigate our impact on the planet

- **61%** fewer plastic bags used since 2015
- Elimination of straws and plastic stirrers in our stores



### Buying locally and directly in Colombia

- **92%** of the fruits and vegetables sold in the stores were acquired in Colombia
- **82%** purchased directly from more than **650** farmers
- Approximately **1,400** mini-markets and mom-and-pop stores are part of the Aliados Surtimax and Super Inter program



### Promoting healthy lifestyle habits

- A portfolio of more than **3,300** healthy food products
- **100%** of the new TAEQ products use the Guideline Daily Amount voluntary labeling system to help consumers understand the potential risk of any food ingredients



### Improving the quality of life of our employees

- Having nearly **40,000** employees makes us the largest private employer in Colombia
- Our employees and their families received more than **COP85,000** million in benefits





## INTEGRATED REPORT **2019**





#### **Administrative Headquarters**

Carrera 48 No. 32 B Sur - 139, Envigado  
A.A. 3479 Colombia  
**Telephone:** + 57 (4) 339 6565

**www.grupoexito.com.co**

**Facebook:** Grupo Éxito Colombia

**Twitter:** @Grupo\_Exito

**Instagram:** @Grupo\_Exito

#### **Photographs**

Andrés Mayr – LaPic – Yeah! –  
Revista Semana - Fundación Éxito

#### **Overall Coordination**

Grupo Éxito Corporate Affairs  
and General Counsel Office

#### **Conceptualization, Architecture and Graphic Editing**

Taller de Edición  
[www.tallerdeedicion.co](http://www.tallerdeedicion.co)

#### **Translation:**

GO BILINGUAL  
[www.gobilingual.co](http://www.gobilingual.co)

#### **Scope**

The following Integrated Report contains the results of Grupo Éxito's operations from Jan. 1 to Dec. 31, 2019. The report summarizes commercial operations in Colombia, Uruguay, and Argentina with their business units, brands and formats.

To learn more, please visit:

→ Grupo Éxito: [www.grupoexito.com.co](http://www.grupoexito.com.co)

→ Grupo Disco: [www.disco.com.uy](http://www.disco.com.uy)

→ Libertad: [www.libertadsa.com.ar](http://www.libertadsa.com.ar)

⊕ This symbol represents an increase in data from 2018.



WE SUPPORT  
THE GLOBAL COMPACT

This report is printed on Colombian paper  
with environmentally friendly inks.



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# Foreword

This integrated report compiles the top achievements of Grupo Éxito in Colombia, Uruguay and Argentina during the Fiscal Year 2019 and is divided into four chapters:

- Management Report
- Corporate Governance Report
- Financial Statements
- Sustainability Report

The financial statements contain the company's financial status, income and comprehensive income statements, cash flow statements and both consolidated and separated statements of changes in equity, all audited by Ernst & Young. You can access the comments on the consolidated and separate financial statements in the Shareholders and Investors section of the company's website at [www.grupoexito.com.co](http://www.grupoexito.com.co).



## Review

the comments on the consolidated and separate financial statements

# Mission

## We work for customers to come back

## Values

- Customers always come first
- Agility
- Innovation
- Teamwork
- Passionate about results

## Business support



More than **9,000** jobs created

More than **54,000** tons of prepared foods and more than **48 million** garments manufactured



More than **39** million kilometers traveled by the members of our logistics and transport teams

**28** electric vehicles

## Retail

 **247** stores  
7 Éxito Wow store openings


 **98** stores  
7 Carulla FreshMarket store openings  
1 Carulla SmartMarket store opening

 **92** stores

 **70** stores  
7 stores' renovations


## Differentiated brands, businesses and formats in Colombia

### Complementary businesses boosting overall performance

 Over **2.9** million cards issued

 Travel service portfolio featuring more than **300** airlines and **300,000** hotels worldwide

 Insurance business with more than **960,000** customers with microinsurance services

 Mobile business with **650,000** active customers

 More than **2.9** million national and international money transfers


## E-Commerce and Direct Sales



More than **4** million orders

+ **56%\***

These represented 4.5% of the company's sales.


  Unprecedented achievement with **86** million visitors  
More than **441,000** deliveries

 **29.4%** increase in sales

  Nearly **2** million downloads of the Éxito and Carulla apps, and more than **3** million coupons activated on "Mi Descuento" (My Discount)

  **104,000** deliveries

 **42%** increase in Digital Catalogs sales

 More than **77,000** orders picked up at "Puntos Entrega" (Order Pickup Points)

## Real Estate



More than **164** million visitors in **34** shopping malls and commercial galleries

## Wholesale Business and Institutional Buyers



**30** stores  
**12** store openings



More than **1,400** allies



# Senior Management Team



**Carlos Mario  
Giraldo Moreno**  
Chief Executive Officer



**Jacky  
Yanovich Mizrahi**  
Chief Operating Officer



**Ruy  
De Souza**  
Chief Financial Officer



**José Gabriel  
Loaiza Herrera**  
VP of International Businesses  
and Digital Strategy



**Guillaume  
Seneclauze**  
VP of Sales and Operations



**Juan Felipe  
Montoya Calle**  
VP of Human Resources



**Carlos Ariel  
Gómez Gutiérrez**  
Commercial VP



**Camilo Alberto  
Gallego Ferrer**  
VP of Services



**Juan Lucas  
Vega Palacio**  
VP of Real Estate and Development



**Camilo  
Reina Ramírez**  
VP of Marketing and Digital Transformation



**Claudia  
Campillo Velásquez**  
VP of Corporate Affairs  
and General Counsel



**Gladys Elena  
Estrada Yepes**  
Audit Director

We celebrate **70 years**  
of the Éxito brand, the brand  
that gave birth to Grupo Éxito



**The first Éxito location opened  
on March 26, of 1949** in a 4x4-sqm shop  
on Alhambra Street in downtown Medellín.



## We create spaces for dialogue and feedback with our stakeholders

### Shareholders and Investors

- Annual General Meeting
- Integrated Report
- Presentation of annual results
- Presentation of quarterly results
- Relevant information publications
- Quarterly meetings with analysts and market players
- Meetings with investment and pension funds and research teams
- Corporate website
- Customer service telephone lines

### Employees

- Presentation of quarterly results
- Intranet, press releases, billboards, email, magazines and internal radio ads
- Occupational health joint committees
- Coexistence committees
- Work environment survey
- Leadership assessment
- Collective bargaining processes
- Retirement interview
- Ethics hotline

### Suppliers

- Supplier web portal
- Supplier tours
- Releases and quarterly magazines
- Bulletins
- Quality Service Audit (QSA)
- “Proveedores de Éxito” (Successful Suppliers)
- Social audits
- Training events
- Ethics hotline

### Media relations

- Information for the media
- Press conferences and media tours
- Invitations for fairs, presentations and special events
- Social media
- Telephone line
- Email

### Society

- Social media
- Brands and company websites
- Participation in summits and events
- General invitation events
- Ethics Hotline



## Customers

- “La Voz del Cliente” (The Voice of the Customer) events
- “Respuesta Oportuna a los Clientes” (ROC, Timely Customer Response)
- Quality Service Audit (QSA)
- Service lines and emails by brand
- Social media
- Brands and company websites

## Government relations

- Relevant information publications
- Achievement reports
- Integrated activity reports upon request
- Participation in industry and trade union meetings

# Recognition that validates our efforts and motivates us to keep pushing forward

- **The company ranked among the top 10 in the global food retail category** in the Dow Jones Sustainability Index for EM.
- **We led the Dow Jones Sustainability Mila Pacific Alliance Index (DJSI Mila Pacific Alliance)**, which recognizes companies with the highest levels of sustainability performance in countries making up the Pacific Alliance.
- The Dow Jones Sustainability Index for EM recognized Grupo Éxito for its **high standards in sustainability practices**.
- **The company received the Commitment to Equality Award** from the Ministry of Labor for joining the “Sello Equipares” initiative, which strives to end gender inequalities.
- **Grupo Éxito was awarded with the Silver Seal for the Implementation of Actions for Equality** from the Equipares Labor Equity Program from the United Nations Development Program in conjunction with the Ministry of Labor. The certification validates the company’s efforts aimed at closing the gender gap and promoting a culture of respect for legitimate differences in age, gender, abilities and ethnicity.
- The Most Influential Brands 2018 study by Ipsos, which evaluates cutting-edge methodology, consumer confidence and corporate reputation, named Éxito **the third most influential brand in the Colombian market**.
- A group of expert judges for América Retail, a specialized news portal on retail in Latin America, named **Carulla the Best Colombian retailer**.
- **Fundación Éxito received the “El Colombiano ejemplar” (Outstanding Colombian) award** from the El Colombiano newspaper in the children’s category in recognition of its commitment to child nutrition in Colombia.







# CEO and Board of Directors' Management Report

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Grupo Éxito's results were very positive during 2019 thanks to commercial and strategic progress and its financial results in Colombia, Uruguay and Argentina. The company attributed its positive results to the implementation of a strategy based on innovation and differentiation, the visionary development of unifying customer service through physical and virtual channels and focused on long-term sustainability.





“

Grupo Éxito ended the 2019 Fiscal Year on a very positive note: **The company reported strong commercial results** and a profitable growth direction based on innovative formats, our omnichannel strategy, digital transformation, traffic monetization and the execution of our sustainability strategy.”

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**CARLOS MARIO GIRALDO MORENO**  
*CEO Grupo Éxito*

## Dear Shareholders:

Grupo Éxito ended 2019 on a positive balance thanks to its commercial and strategic progress and financial key drivers. The company reported results strengthened by the implementation of a strategy based on innovation, differentiation, the development of a unified customer service vision served by physical and virtual channels and focused on business sustainability over the long term.

Additionally, the company closed the year with a new financial structure, which allows to strengthen its balance sheet and make it more flexible. This will make it easier for the company to face new market challenges and accelerate the implementation of successful and innovative business proposals that generate value for customers, employees, shareholders and stakeholders.

## Key business highlights



1

*Éxito Wow, the new generation of hypermarkets in Colombia combines the best of physical and virtual worlds in one place, providing our customers with differential experiences. They represent 17.5% of Éxito brand total sales and achieved nine points in sales growth over the brand's other stores.*

2

*At the end of the year, the Fresh Market model was implemented at 34 stores in the three countries where the Group has operations (Colombia, Uruguay and Argentina). The stores under the Fresh Market model in Colombia represented 17% of Carulla brand sales and grew in sales 12-point over the rest of the Carulla brand.*

3

*In December, the first smart retail store / laboratory in Colombia opened in Bogotá under the Carulla SmartMarket format. This lab provides nearly 20 high-tech shopping experiences, such as facial recognition payment, self-check-out, an electronic sommelier and fully digital shopping, which saves time and improves the customer's experience.*

4

*The company opened 12 Cash and Carry format stores under the Surtimayorista brand, reaching 30 stores by the end of 2019. The brand has reported a positive EBITDA margin since its initial year of operation and continues to grow in popularity as an alternative for customers in the institutional segment.*

5

*The omnichannel strategy continued to grow and strengthen in the region, thanks to the marketplace consolidation in Colombia and the launch of its international version, the development of effective last-mile delivery models and mobile customer apps that have surpassed more than 1.9 million downloads. Omnichannel sales represented 4.5% of total sales in Colombia and 2.3% in Uruguay.*

6

*The real estate business continued to contribute to the differentiation and profitability of our ecosystem, with more than 164 million visitors in the 34 shopping centers and commercial galleries throughout Colombia. Thanks to its successful focus of providing both shopping and entertainment experiences for families, the Viva brand earned five awards from the International Council of Shopping Centers (ICSC). Argentina, with 15 shopping centers, the company has consolidated itself as the leading operator in the interior of that nation.*

7

*Complementary businesses continued to create value for customers and contributed to the company's bottom line. Among them, the financial business with Tuya, the nation's second largest credit card issuer and the pioneer to implement contactless payment technology in Colombia, excelled over the others. The success of Viajes Éxito, Grupo Éxito's travel agency, also garnered attention by registering double-digit growth in online sales.*

8

*The Puntos Colombia loyalty program now boasts 3.5 million users with habeas data authorization allows access to 75 associated businesses which enable even faster accumulation and redemption of points. The great popularity and acceptance of Grupo Éxito brands is also worth noting, with 77% of share over total point redemption.*







11

9

*The consolidated recurring EBITDA margin for the year was 8.4%, 20 basis points higher than in 2018 and growing consistently for the third consecutive year. Only in Colombia, that rate was 8.6%, with a 25 basis points improvement in profitability.*

10

*Consolidated expenses grew 0.9%, less than the increase in revenues (2.8%), thanks to the implementation of productivity initiatives such as Six Sigma and Kaizen as well as rigorous cost-control measures in all business units.*

*Net Group Share Result in 2019 reached COP57,6 million, reflecting the positive operating performance in Colombia and lower financial expenses that were offset by tax variations and international operations contribution.*

12

*The company sold its indirect stake in Brazil's Grupo Pão de Açúcar as part of its goal to simplify the corporate structure led by parent company Casino, Guichard-Perrachon in Latin America. This resulted in a new perimeter of consolidation for Grupo Éxito that extends throughout its operations in Colombia, Uruguay and Argentina.*

# Colombia – Grupo Éxito

Operations in Colombia grew 4.8% over the previous year and reached net revenues of COP11.8 billion. The company's recurring EBITDA margin of 8.6% exceeded one billion pesos and grew 7.9% compared to 2018.

The rise in revenue in Colombia resulted from the successful implementation and consolidation of the value proposition developed in innovative formats Éxito Wow, Carulla FreshMarket and Cash and Carry under the Surtimayorista brand. Coupled with the strengthening of the omnichannel strategy, these measures contributed to 75% of the sales growth.

These formats propose a differentiated assortment easy payment options via new technologies and a more pleasant experience, which translates into increased customer traffic in the stores.

Performance by brand was as follows:

- The Éxito brand represented 69% of the company's sales in Colombia and grew by 5.3% during 2019. The Wow value model was implemented in seven stores, reaching nine stores.
- Carulla represented 14% of national sales and recorded 2.2% growth in 2019, driven by the Fresh Market model aimed at maximizing the customer experience.
- The Surtimayorista brand grew 17.8% and contributed 4% of share in total Colombia's sales.
- The company placed a greater emphasis on its digital transformation and made larger investments in the technology and logistics platforms based on consumer habits in three main areas:

- **Contactless payments:** Meaning quicker and easier payments methods for customers. This alternative is already available in the 36 self-check-out lanes of several Éxito Wow and Carulla FreshMarket stores.



**Carulla FreshMarket Country** store is the first supermarket to enable the use of WhatsApp shopping stickers by customers.



**Learn here**  
how Grupo Éxito is leading  
the retail transformation

- **Intelligent data management:** This allows the development of one-to-one marketing strategies aimed at providing customers the product, service or discount they seek. The “Mi Descuento” module of the mobile apps created for Éxito and Carulla is a great example, providing customized discounts for users. More than 690,000 customers have already activated more than 3.3 million coupons via their mobile devices.
- **Last Mile:** We lead this trend in Colombian urban areas and provided more than four million delivery services during 2019. In addition, by the end of 2019, e-commerce platforms (exito.com and carulla.com), home delivery, digital catalogs, Marketplace (a virtual platform for third-party vendors) and Last Mile services, had seen their sales increase rapidly by 37%, which contributed 4.5% of the company’s total sales.

Along with the development of formats and models, the company continued to strengthen the position of its private labels among which the brand Frescampo is excelled with a portfolio of 540 products in 71 categories, that guarantees quality products at a low cost; and Taea, which is already the third most important healthy brand in Colombia and the first from a retail company growing its sales by 25% in 2019.

Viajes Éxito demonstrated outstanding performance last year, mobilizing more than 260,000 passengers and seeing its revenues grow by 32% due to the consolidation of its online sales channel. Tuya, the financial business, issued an average of 52,000 credit cards per month last year.

The insurance business reached nearly one million customers, and Móvil Éxito grew by 9.6%, closing out the year with more than 650,000 active cell phone lines.

The real estate business reached 758,000 square meters of leasable area in 34 assets, and more than 4,800 businesses rented space inside the stores. Part of these assets are operated by Viva Malls, the largest commercial real estate investment vehicle in Colombia. Viva Malls boasts 18 shopping centers and commercial galleries with more than 568,000 square meters of leasable area.

## International Operations

### Uruguay - Grupo Disco and Devoto

The Uruguayan economy faced an acceleration of the depreciation of its currency and a high rated inflation that reached 8.8% by the end of 2019. This resulted in slower country dynamics, and primarily affected the results of our operations during the first half of the year.

Amidst this context, the operation in Uruguay achieved good levels of profitability. Sales increased by 3.9% in local currency, expenses were kept under strict control and it was attained a recurrent EBITDA margin of 9.2%.

The strengthening of the Fresh Market concept was one of the main commercial levers during the year. By the end of 2019, 17 stores were transformed to this concept, and sales grew by 4.7%, representing 40.3% of total sales.



**Fresh Market business** model implemented in Libertad, Argentina.

The operations in Uruguay and Argentina contributed to the profitable growth of the company, amidst the challenging economic environment.

### Argentina – Libertad

The political process in 2019 contributed to consumer uncertainty throughout the year. The inflation skyrocketed to 54%, which affected local purchasing power.

Amid this challenging environment, Libertad continued with its dual strategy, which combines retail and real estate business with the operation of 169,000 square meters of GLA in 15 shopping centers and commercial galleries under the “Paseo” banner. These shopping centers boast an occupancy rate of 93.9%, which is higher than the average recorded by local competitors.

The operation in Argentina reflected a 39.3% increase in revenue<sup>1</sup> in local currency and a recurrent EBITDA margin of 3.5% in 2019.

<sup>1</sup> Excluding hyperinflationary effects (IAS29)



# Corporate Restructuring

Since mid-2019, the company revealed its plans for simplifying the corporate structure of Casino, Guichard-Perrachon in Latin America, which included:

- A Public Acquisition Offer (OPA) of shares in cash presented by the Pão de Açúcar Group, for up to 100% of Éxito's shares, in which Casino, Guichard-Perrachon S.A. would contribute all of its stake (55.3%).
- Casino, Guichard-Perrachon planned the acquisition of the company's indirect stake in Grupo Pão de Açúcar through the French company Segisor S.A.S.

On Sept. 12, the corporate bodies of the company authorized the sale to Casino, Guichard-Perrachon of the company's indirect stake in Grupo Pão de Açúcar through the French company Segisor S.A.S. On Sept. 13, Sendas Distribuidora S.A., a subsidiary of Grupo Pão de Açúcar, submitted under the Financial Superintendence of Colombia a request for authorization for an initial public offering (IPO) for up to all of the company's shares which was duly authorized by the regulator.

In the month of November, the sale of the company's indirect participation in Grupo Pão de Açúcar to Casino and the aforementioned public offer closed, which led to Sendas Distribuidora S.A. acquiring 96.57% of the company. The remaining 3.43% still lies in the hands of minority shareholders.

Consequently the consolidation perimeter of the financial statements will reflect the result of the operations in Colombia, Uruguay and Argentina.

## Consolidated Financial Results

In 2019, the company's total net revenues grew by 2.8% (6.3%, excluding the FX effect) compared to the previous year, and reached COP\$15.2 billion. The recovery of Colombian operations was evidenced quarter by quarter leveraged by the innovative formats. Uruguay regained its positive trend from the second quarter of the year, and Argentina reflected the effects of a challenging macroeconomic and consumer environment.

Net revenues in Colombia in 2019 grew by 4.8% over the previous year and reached nearly COP12 billion, representing 77% of the Group's consolidated sales. The international operation represented 23% of the Group's total, its revenues reached COP3.5 billion and were reduced by 3.3%, including FX effects.

The company kept a lid on expenses, which were below inflation growth in all three countries as a result of continuous monitoring and internal efforts. This led to increased productivity and profitability.

Grupo Éxito reached a consolidated recurring EBITDA of COP1.3 billion with a margin of 8.4% over total revenues, growing 5.3% compared to 2018. The company achieved a net income result of COP57,600 million. This figure reflected the positive variations in operational performance in Colombia, lower financial expenses that were negatively impacted by tax variations and the contribution of international and discontinued operations.

# Sustainability

For Grupo Éxito, 2019 was a year of significant achievements among the five goals of the company's sustainability strategy: Zero Chronic Malnutrition, Sustainable Trade, My Planet ("Mi Planeta), Healthy Life ("Vida Sana") and the Success of Grupo Éxito is in its People ("El Éxito de Grupo Éxito está en su gente")

In the Dow Jones Sustainability Index, the company ranked among the top 10 in the food retail category around the globe.

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## Top Achievements in the Sustainability Strategy

### Zero Chronic Malnutrition

Through Fundación Éxito in Colombia, the company made headway in its goal of ensuring no child under the age of five would suffer from chronic malnutrition by 2030.

- The company ratified its MEGA Zero Malnutrition as a corporate goal for the year 2030.
- Being the sponsor of the Sustainable Development Goal 2 (SDG) Zero Hunger for Colombia.
- A total of 64,602 children under the age of five received better nutrition and comprehensive care to ensure a brighter future, thanks to donations from customers, suppliers, employees, partners and our company.
- 579,301 people benefited from the donation of 1,952 tons of food generated by our operation, which were delivered to 21 food banks and 36 institutions around the nation, all allies of Fundación Éxito.

### Sustainable Trade

The company strives to foment valuable relationships with its suppliers, promoting local and direct purchasing and the development of suppliers and partners.

- The Company acquired 82% of the fruits and vegetables sold in its national stores directly from Colombian farmers.
- 92% of the fruits and vegetables sold were acquired in Colombia.
- More than 1,400 owners of convenience markets and mom-and-pop grocery stores are part of the Surtimax and Super Inter Allies Program, an inclusive business relationship where mutually valuable and long-term alliances are generated.
- A new model of social, environmental, quality and safety auditing was developed for our private label suppliers.
- 93% of the private label textiles are produced in Colombia.
- More than 48 million garments are made for Éxito Industrias S.A.S., which helps provide employment to nearly 8,000 people.

### Mi Planeta

- The corporate environmental MEGA was ratified to reduce the company's carbon footprint at least 22% by 2022.
- A cumulative 61% reduction in plastic bags was achieved in 2019.
- The company leads the cardboard recycling process in Colombia with more than 22,100 tons of recyclable material recovered in 2019.

### The Success of Grupo Éxito is in its People

As the largest private employer in Colombia with nearly 40,000 employees, the company continued to promote talent and human resources. We invested more than COP\$85,000 million in benefits for employees, and the national government awarded us the Silver Seal of Equipares for Grupo Éxito's efforts and commitment to gender equity.

# Corporate Governance and Internal Control

In 2019, the Management of the company implemented strategies to fortify the ongoing process of building valuable relationships between the company and its stakeholders. These initiatives originated in the company's unwavering commitment to adopt the best practices in corporate governance.

As a result, the company achieved important milestones such as: The Dow Jones Emerging Markets Sustainability Index recognizing Grupo Éxito as the only retail company in Latin America with high sustainability standards and labeled it one of the 10 most sustainable food retail companies in the world.

In order to ensure the prevention and control of money laundering and terrorism financing, the company followed its own applicable regime in accordance to the internal policies set by the Board of Directors.

In accordance with its commitment to zero tolerance of fraud, bribery, corruption and in the promotion of good competition practices, the company strengthened its anti-corruption program in compliance with regulatory standards and good practices for the management of those risks.

Regarding risk management, a new definition of risk categories was incorporated at the strategic level during 2019. The company also reaffirmed its commitment to the continuous improvement of the Comprehensive Risk Management System. Throughout the year, it provided comprehensive support to the risk managers who transversely impacted the company's processes.

The performance of the company's internal control and financial information disclosure systems is adequate. The Audit and Risk Committee supervised the financial information and reporting process, risk management, internal audit and tax review management, relevant internal control system issues and regulatory compliance. These primarily address the areas of fraud, bribery and corruption risk prevention programs; money laundering and terrorism financing; protection of personal data and third-party transactions; and the process of managing conflicts of interest at the senior management level.

Corporate Management certifies that the internal control system found no weaknesses that would have prevented the recording, processing, summarizing and adequate presentation of the company's financial information, nor significant fraud that might have affected its quality and integrity. The disclosure of

financial information was verified and complies with current regulations, ensuring that the information through Dec. 31, 2019 is accurate and contains no defects, inaccuracies or errors that would cloud the knowledge of the company's true economic situation.

For more information on corporate governance and the company's internal control system, we invite the reader to review the Corporate Governance Report contained in the Integrated Report starting on page 24.

## Related Party Transactions

Transactions between related parties carried out in 2019 met the guidelines of the Transactions between Related Parties Procedures Policy.

Those most relevant transactions in the eyes of the company are outlined in the Corporate Governance Report and in Note No. 37.2 of the separate Financial Statements.

Finally, in fulfillment of Article 29 of Law 222 of 1995, it is duly stated that the company did not make or fail to make important decisions of interest to its subordinates in 2019, the company officials declare:

- It entered into a transaction with the controlling company, Casino, Guichard-Perrachon S.A., details of which can be found in the Corporate Governance Report in the chapter on the most relevant related-party transactions. Similarly, information on the transaction is also available on the corporate website and was disclosed to the market during 2019 through the relevant information mechanisms provided by the Financial Superintendence.
- The company did not make or refrain from making important decisions in the interest of its subordinates, nor did its subordinates make or abstain from making decisions of importance or interest to the company (the parent company).

# Closing Remarks

- The company did not enter into significant transactions with third parties in the interest of its subordinates.
- The company did not carry out transactions with its officers other than those arising from the labor relationship or honorariums for the performance of their duties on the Board of Directors and its committees.

## Intellectual Property and Regulatory Compliance

Grupo Éxito complied with and fulfilled all Colombian regulations related to the protection of intellectual property, as well as the related requirements in the other countries in which it has operations, produces, distributes or markets its products or services. The company also holds the corresponding licenses for the use of distinctive signs and other copyrights that it does not hold the title to, without prejudice to the conduction of regular business in this realm. These licenses were recorded in our financial statements.

We have also complied with the applicable rules of copyright law and with the conditions defined in the software license agreements.

Regarding personal data protection, accomplishing with the regulations in force and employing good corporate practices, we made progress implementing the principle of demonstrated responsibility aimed at protecting the personal data of our stakeholders.

Finally, we acknowledge that the free circulation of invoices issued by suppliers of goods or services has not been restricted in any way, and that the company is not involved in investigations related to practices that inhibit competition.

2019 was a year of important milestones for Grupo Éxito. Sales in Colombia reflected consistent growth above inflation, leveraged on the successful implementation of innovative proposals such as the Wow and Fresh Market formats, the consolidation of Cash and Carry under the Surtimayorista brand and a modern omnichannel sales strategy.

The deleveraging of the company in Colombia will allow it to continue driving transformation and innovation and to promote the growth of complementary businesses, primarily real estate. Additionally, we will continue to strengthen our digital transformation strategy and cost management plans to maintain profitability. Grupo Éxito's business model combines the attractiveness and traffic of retail customers with its complementary businesses that monetize real estate and intangible assets, generating growing profitability in highly competitive markets.

The operations in both Uruguay and Argentina faced adverse macroeconomic situations and still achieved satisfactory results. Uruguay managed to maintain its high levels of profitability, and Argentina progressively increased its commercial performance during the year and reached positive EBITDA levels supported by the contribution of the real estate business.

We thank our almost 45,000 employees for their constant and committed work, and we hope to continue consolidating a sustainable and profitable growth path.

## Carlos Mario Giraldo Moreno

Luis Fernando Alarcón Mantilla  
Felipe Ayerbe Muñoz  
Ana María Ibáñez Londoño  
Ronaldo Iabruji dos Santos  
Peter Paul Estermann  
Christophe José Hidalgo  
Rafael Russowsky  
Philippe Alarcon  
Bernard Petit









# Corporate Governance

For Grupo Éxito, corporate governance is a set of practices to achieve a balance in the company's relationship with its different stakeholders.

In order to forge more valuable relationships with its stakeholders, company management is abiding by national and international guidelines, along with analyzing the practices adopted by other participants in the Colombian stock market and those of comparable international companies.

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## Fostering Valuable Relationships with our Stakeholders

As a result of adopting some of the **best practices in corporate governance**, the company in 2019:

➤ *Was recognized for its high sustainability standards and ranked in the top 10 in the food category globally, according to the Dow Jones Sustainability Emerging Markets Index.*

➤ *Achieved a significant increase in the overall Dow Jones Sustainability Index score. This rating in the Corporate Governance dimension increased by 12 points over the previous year, rising from 42 to 54 points and surpassing the average (48 points). Likewise, in the Risk and Crisis Management dimension, the company earned 93 points, positioning itself as the best in the industry in this dimension.*

➤ *Received, for the seventh consecutive year, the Emisores-IR recognition from the Colombian Stock Exchange for its voluntary adoption of best practices in the areas of information disclosure and investor relations.*



# Ownership Structure

Grupo Éxito has an authorized capital of 530 million common shares, of which 448,240,151 have been issued and 81,759,849 are in reserve. Of the issued shares, 447,604,316 are outstanding and 635,835 have been reacquired.

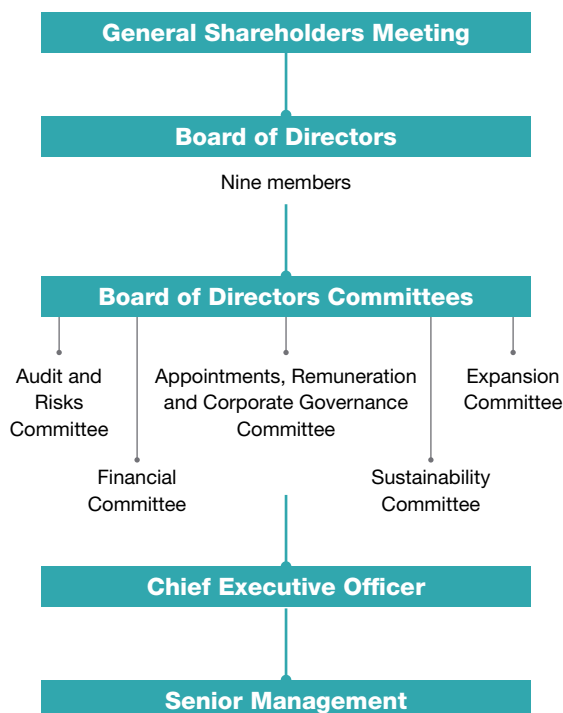
As a result of the public tender offer of the company's shares on Dec. 31, 2019, **Sendas Distribuidora S.A.** (Sendas) now holds **96.57%** of the capital stock. Companhia Brasileira de Distribuição (GPA) is the only shareholder of Sendas.

In addition, **Casino, Guichard-Perrachon S.A.** (Casino) owns 41.25% of GPA's shares.



**Learn more**  
about the ownership  
structure here

# Management Structure





**Learn** about the composition of the previous Board of Directors and the percentage of assistance in the different meetings.



# Board of Directors

## INDEPENDENT MEMBERS

- 1. Luis Fernando Alarcón Mantilla**  
Chairman of the Board of Directors
- 2. Felipe Ayerbe Muñoz**
- 3. Ana María Ibáñez Londoño**

## NON-INDEPENDENT MEMBERS

- 4. Ronaldo labrudi dos Santos**
- 5. Peter Paul Estermann**
- 6. Christophe José Hidalgo**
- 7. Rafael Russowsky**
- 8. Philippe Alarcon**
- 9. Bernard Petit**



**Learn** about the profiles of the members of the new Board of Directors.

\* This new Board was elected on Jan. 23, 2020 for the period 2020 - 2022, at the extraordinary meeting of the General Shareholders Meeting.



# Related Party Transactions

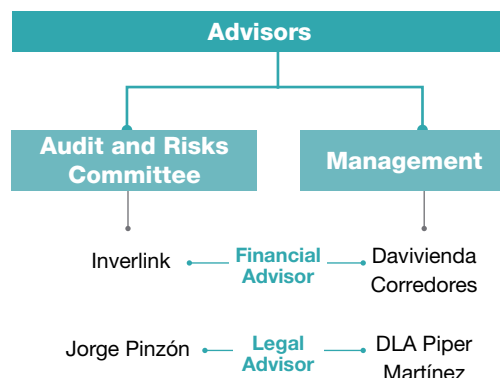
The following were the most important transactions from the company's point of view:

## Project to simplify the corporate structure of Casino, Guichard-Perrachon S.A. in Latin America

The simplification process included:

- a. A public tender offer of shares in cash presented by GPA for up to 100% of the company's shares, in which Casino contributed with its equity capital in Éxito (55.3%).
- b. The acquisition by Casino of the company's indirect stake in GPA, through the French company Segisor S.A.S. (the Transaction).

— **The Transaction** was completed in accordance with the company's policies and procedures, and in compliance with all legal requirements. Additionally, the company had the counsel from top advisors.



The rigorous analysis carried out by the Committee was characterized by the compliance of high corporate governance standards. The details of the Committee's evaluation were published by the company as relevant information published Aug. 26 and also shared during the extraordinary meeting of the General Shareholders Meeting held on Sept. 12.

The company informed both the stock market and its shareholders, through the relevant information channel provided by the Superintendence of Finance of Colombia, all the matters related to the Transaction and the public tender offer.



**Learn more** about the related party transactions policy.



**Extraordinary meeting** of the General Shareholders Meeting (Sept. 12, 2019)

## Other transactions

The most relevant related party transactions in 2019, from the company's point of view, were as follows:

- With respect to Casino, the company reported earnings of COP60 million, which correspond to the agreement providing strategic guidance services in Latin America.
- With the Casino companies there were transactions that reported revenues of COP\$14,042 million, derived primarily from the provision of services. The company also reported COP61,902 million in expenses resulting mainly from implementation of energy efficiency services, intermediation and the cost of purchasing and importing merchandise.
- Regarding national affiliates and subsidiaries, the main transactions carried out are related to income from (i) the sale of merchandise to Éxito Industrias S.A.S. (previously known as Distribuidora de Textiles de Colombia S.A.S. – Didetexco); (ii) the provision of administrative services to Almacenes Éxito Inversiones S.A.S., Gemex O & W S.A.S., Logística, Transporte y Servicios Asociados S.A.S. and Patrimonios Autónomos; and (iii) leasing of property to Patrimonios Autónomos and Éxito Viajes y Turismo S.A.S. The income from these transactions surpassed COP 44,743 million.
- The reported expenditures with national affiliates and subsidiaries of COP 363,631 million were come from (i) the purchase of goods for resale to Éxito Industrias S.A.S. (previously known as Distribuidora de Textiles de Colombia S.A.S. Didetexco); (ii) transportation services received from Logística y Transporte y Servicios Asociados S.A.S.; (iii) leasing and management of property with Patrimonios Autónomos; (iv) the purchase of corporate plans from Almacenes Éxito Inversiones S.A.S.; and (v) services received, the purchase of goods and reimbursements from other subsidiaries. With respect to joint ventures, the company reported revenues of approximately COP111,192 million, primarily from (i) bond and coupon returns and energy from Compañía de Financiamiento Tuya S.A.; (ii) participation in the company collaboration agreement with Compañía de Financiamiento Tuya S.A.; (iii) leases of real estate to Compañía de Financiamiento Tuya S.A.; (iv) other services to Compañía de Financiamiento Tuya S.A.; and (v) the provision of services to Puntos Colombia S.A.S.
- The company reported costs and expenditures of COP363,631 million from its joint ventures, which come primarily from the cost of the loyalty program Puntos Colombia S.A.S. and the management of its liability, and from the payment method commissions with Tuya S.A..
- Finally, with other related parties, as is the case of the Board of Directors, there were expenses for the provision of services (fees) of COP1,464 million. It should be noted that the company did not enter into any transactions with the members of the Board of Directors other than for the payment of their fees described above.

The details of related party transactions can be examined in Note 37.2 of the Financial Statements report.

# Risk Management System

## Internal Control System and its modifications during the year

During 2019, Grupo Éxito maintained its process of continuous improvement and strengthening of the internal control system in accordance with the Corporate Governance Code, which includes the best corporate governance standards to guarantee the achievement of strategic objectives, support the businesses sustainability and continuity and meet the expectations of the different stakeholders.

The following aspects of the system's components had positive results in 2019:

### Control Environment

The Control Environment operates within the established guidelines of the bylaws, the Corporate Governance Summary and the policies and procedures. It's also backed up with a strong commitment and performance from senior management with oversight provided by the Board of Directors and its supporting committees.

The Board of Directors approved changes to the organizational structure that leverages the company's governance, accountability and control environment, including internal promotions, succession planning and continued leverage of regional synergies. The Company:

- Applied the best corporate governance standards: rules, policies, procedures and performance evaluations; consolidating the best practices; and forming valuable relationships with stakeholders.
- Maintained its internal control environment based on the self-control principle, with the support of risk managers, the integrated risk management division and internal auditing.
- Obtained the Sello Plata Equipares by going above and beyond the certification requirements with a rating of 84.8%. The company plans to reach the third level of the Sello Oro Cierre de Brechas through the implementation of new initiatives.
- Redesigned the management model for selection processes to improve the transparency, agility and experience of people who want to join the company.

### Integrated Risk Management

The goal of Integrated Risk Management is to contribute to the company's sustainability, continuity and fulfilment of its strategic objectives through a systematic and standardized risk and opportunity management process.

## Milestones

- > *A renewed focus on studying the environment for threats and opportunities was incorporated into the company's strategic definition, helping to create a new definition of the risk categories at a strategic level.*
- > *The Business Continuity Plan (BCP) continued to mature, and the Crisis Management Plan was updated.*
- > *The company monitored the businesses risk management processes during the year, including the definition of new administrative strategies that were coordinated with the various risk managers.*
- > *The sustainability risk matrix was formalized as part of strategic risk management, which considers the impact on the different stakeholders.*
- > *Progress was made in the development of initiatives to limit some frequency risks through non-traditional risk transfer mechanisms.*
- > *The risk management program for contracting providers of goods and services was strengthened*



## STRATEGIC RISKS

### Ranking Level

Risks monitored by the Audit and Risks Committee and presented to the Board of Directors.

Risks monitored by Senior Management and presented to the Audit and Risks Committee.

Risks monitored by Senior Management and presented to the Audit and Risks Committee when they were found to be beyond the company's appetite for such risks during the annual risk valuation.

### Risks

- Information Security
- Country Risk
- Compliance – Habeas Data
- Market Share
- Macroeconomic
- Retail Operations
- Information Technology
- Human Resources
- Natural Hazards
- Financial Risk

### Change of rating compared to 2018

Increases + Decreases - Stays the same = New \*



## Control Activities

The main control activities are incorporated in the internal policies and procedures for process management. We highlight the never-ending search for operational optimization and excellence, technological advances and digital transformation through the application of continuous improvement methods.

The Company:

- Structured its governing framework to embrace the digital transformation.
- Implemented mechanisms to optimize work methods, processes and their connections, with best practices such as: Six Sigma, Lean, and agile methodologies, among others.
- Moved forward with the implementation of tools for the creation of safe collaborative spaces, digital connectivity, records and interaction among users, with identification, classification and controls according to the type of information.
- Updated the e-commerce platform to improve the customer experience and strengthen the control framework for online purchases.
- Adapted Éxito and Carulla's mobile Apps, with direct and effective communication and greater control for transaction security.
- Advanced projects to synchronize the different channels, product and process controls related to order management, customer knowledge, discount management, customer experience and others within the omnichannel framework.
- Increased the number of store formats with advanced technology focusing on improving services, processes and controls during the shopping experience.
- Obtained ISO 9001 certifications in the Risk Management Model as an Authorized Economic Operator [AEO] and in the Business Anti-Smuggling Coalition for its logistic and transport operations model.
- Implemented the new DIAN electronic invoicing model ahead of time.
- Developed the risk matrix procedure for the disclosure of both financial and non-financial information.

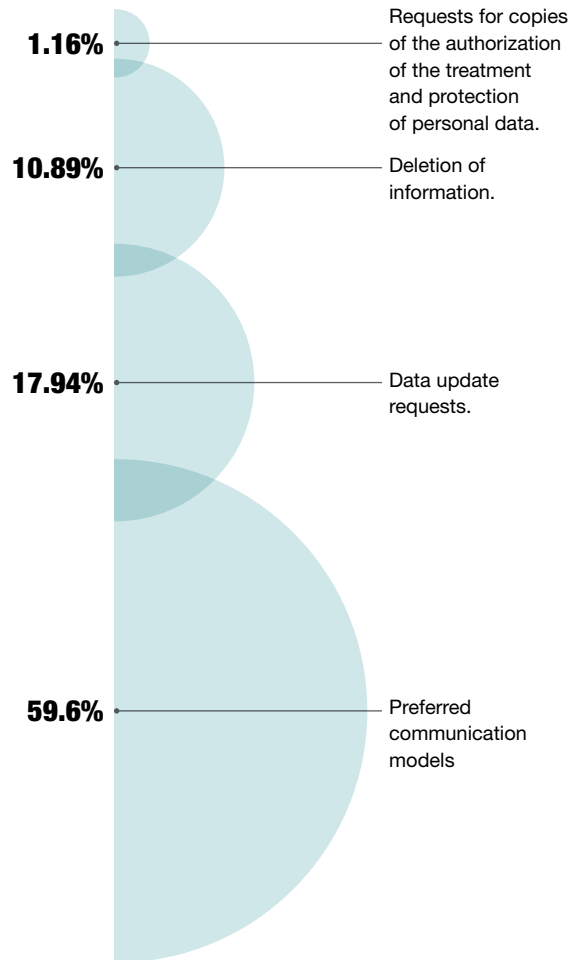
## Ethics and Compliance

At Grupo Éxito, compliance risk management integrates programs for the prevention of fraud, bribery, corruption, money laundering, the financing of terrorism and the protection of personal data. These operate under the common banner of transparency and corporate ethics, which govern the conduct of all those involved.

## Milestones

- *The cornerstone of the Transparency Program is the commitment of the Board of Directors and senior management to strengthen the culture of zero tolerance for corruption.*
- *This program set the bar of action for both national and foreign subsidiaries. Therefore, its implementation was monitored by each member of the Board of Directors in 2019.*
- *During 2019, Grupo Éxito developed policies in specific risk areas such as sponsorships, paid trips by third parties, interest and relationship management involving civil servants and the possibility of declaring assets for critical events and positions.*
- *Focusing on the prevention and control of money laundering and financing of terrorism amid the context of the digital transformation, the company began revamping the mechanisms for the exercise of due diligence of knowledge and monitoring of counterparts. This helped achieve greater assertiveness, efficiency and opportunity.*
- *The company strengthened the personal data protection system, which was raised to the level of strategic risk, demonstrating the commitment of management at the highest levels of the organization.*
- *In turn, the personal data protection system, under a risk-based prioritization, focused on the alignment of initiatives aimed at the expansion of e-commerce and digital transformation.*
- *Grupo Éxito improved its process for handling queries and complaints from personal data holders leveraged on the implementation of Customer Relationship Management.*

## MANAGEMENT OF HABEAS DATA REQUESTS



### Contributing to a culture of transparency

Grupo Éxito launched its annual “Soy Transparente” communications campaign, which served as a vehicle for direct messages from the CEO and senior management regarding the uncompromised transparency that should be applied to each of the company’s actions in relation to every single stakeholder.

- ➔ In response to the ongoing communication and training on this subject, the number of conflict of interest declarations increased by 16% compared to the previous year. The Conflicts of Interest Committee made recommendations on properly addressing these situations.
- ➔ Of Grupo Éxito’s 40,000 employees, the company trained:

**28,242**

employees, who were enrolled in the new virtual module "I am a compliance manager, I am transparent," which integrates the three compliance programs.

**6,650**

employees, who were enrolled in the virtual course for the promotion of free and fair competition.

**3,302**

employees, who were trained on the Anti-Money Laundering and Counter Terrorist Financing System.

**38**

real estate employees, who were trained on the risk of abandoned domains

**27**

employees of critical processes for third-parties' connections, who were trained in warning signals and reporting of unusual operations.

**162**

employees with critical roles in personal data management, who improved their knowledge through the lecture "The Value of Protecting Personal Data." An expert consultant personally trained 20 suppliers and 50 employees with the purpose of ensuring more secure personal data among our supplier networks.

## GRUPO ÉXITO EMPLOYEES TRAINED IN COMPLIANCE

### Performance of the transparency line

- An independent third-party consultant managed transparency line channels, which operated without interruption and guaranteed confidentiality and anonymity.
- Of the reports received, 75% came from employees and 25% from customers, suppliers and contractors.

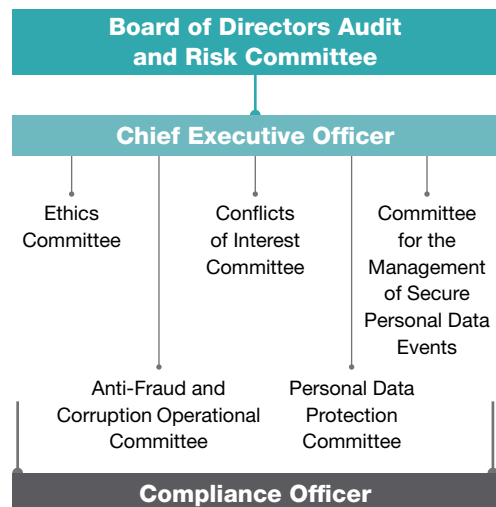
### Participation in different initiatives.

- We participated in No eXcuses!, an initiative led by the Alliance for Integrity in conjunction with the Colombian Secretariat of Transparency, to promote transparency and integrity in the economic system.
- We had representation on the Compliance Officers Committee of Antioquia, a business initiative that aims to share good practices for the prevention of compliance risks.

### Top management commitment

#### -Tone at the top

In 2019, Grupo Éxito's directors and managers actively participated in compliance risk management through the following governance framework:





Grupo Éxito participated in the No eXcuses! Initiative led by the Alliance for Integrity, in conjunction with the Secretariat of Transparency of the Republic of Colombia. The goal was to promote transparency and integrity in the economic system.

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### **Information and Communication**

The company:

- Supports operations on information and communication platforms and systems, supervised and centralized with security standards by the stakeholders in this collaboration.
- Grupo Éxito conducted internal communication and training campaigns to promote and strengthen structure elements and corporate governance processes, fulfill compliance with the main regulatory regimes and ensure best practices in information security. These efforts included campaigns on transparency to foster transparent relations with stakeholders.
- It renewed the Portal Pro website platform and implemented a supplier's registration web tool to provide them with fast, complete, secure information in real time.

Senior management depends on:

- Communication and supervision mechanisms between the different work teams and within the teams themselves.
- Internal support committees for process management, businesses or key risks.

### **Monitoring and Supervision**

- The supporting committees of the Board of Directors – the Audit and Risk Committee, the Financial Committee, the Appointments, Remuneration and Corporate Governance Committee, the Sustainability Committee and the Expansion Committee – carried out their functions of managing and monitoring important elements of governance.
- The Audit and Risk Committee supported the Board of Directors in overseeing financial reporting and information, risk management, internal and external audit management, relevant internal controls and compliance issues, related party transactions and conflicts of interest.
- The Internal Auditing Division performed the function of independent oversight to ensure compliance with corporate governance rules and standards, risk management and control and the main strategic projects. It also supports the company in the investigation of possible fraud cases submitted via reporting channels.
- The external auditing firm, Ernst & Young Audit S.A.S., evaluated the accounting and financial processes and systems, the preparation and disclosure of financial information including related risks and internal control, and internal and external compliance.
- The self-monitoring program facilitated periodic self-assessment of risks and relevant controls at the corporate and operational level by the process owners.

# General Meeting of Shareholders

## Meetings

In 2019, the General Shareholders Meeting met twice:

1. The **ordinary** meeting was held on March 27.
2. The **extraordinary** meeting took place on September 12.

The company fully complied with the provisions of the External Circular Letter 028 of 2014 - issued by the Superintendence of Finance (known as Country Code measures) – and with the provisions contained in the bylaws and the Corporate Governance Code, which require timely, clear and complete information disclosure to shareholders and to give adequate notice prior to the date of the meeting of the General Shareholders meeting. By fulfilling these requirements, the company guarantees the rights of shareholders and encourages their participation.

## Learn more

about the decisions made by the General Shareholders Meeting



Wednesday,  
March 27, 2019



Thursday,  
Sept. 12, 2019

## Regulations of the General Meeting of Shareholders.

Within the subsequent paragraphs, we will be highlighting the differences in the operation of the General Shareholders Meeting between the minimum requirements of current regulations and those defined by the company's bylaws and the rules of procedure of the General Shareholders Meeting:

- The company has surpassed the term legally established for the call to the meeting of the General Shareholders Meeting, in order to provide more time for the shareholders to know and understand the matters to be discussed.
- The company granted shareholders a period of five calendar days following the call of the meeting to: (i) propose the inclusion of one or more items on the agenda; (ii) present new proposals for decisions on the matters included on the agenda; and (iii) request additional information or ask questions on such issues.
- Upon giving the meeting call and in order to provide shareholder equality, the company posted proxy forms on its corporate website reflecting each of the items on the agenda to be discussed and/or approved at the meeting of the General Shareholders Meeting. This enabled shareholders to indicate to their representatives prior to the meeting how they would have liked them to vote.
- The company published the call for the meeting of the General Shareholders Meeting in various media including (i) a newspaper of broad local and national circulation; (ii) through the relevant information channel provided by the Superintendence of Finance of Colombia; (iii) at the offices of Fiduciaria Bancolombia, the company's stockholders' ledger; (iv) on the corporate website; and (v) in the News to Investors Bulletin sent by the Investor Relations Department.







# Financial Statements

Grupo Éxito presented the financial statements based on its new consolidation perimeter in Colombia, Uruguay and Argentina.



INTEGRATED REPORT 2019

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**Financial  
Statements**

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**Consolidated**

Almacenes Éxito S.A.

# Certification by the Parent's Legal Representative and Head Accountant

Envigado, February 17, 2020

We, the undersigned Legal Representative and Head Accountant of Almacenes Éxito S.A., Parent company, each of us duly empowered and under whose responsibility the accompanying financial statements have been prepared, do hereby certify that regarding the consolidated financial statements of the Parent and its subsidiaries, at December 31, 2019 and at December 31, 2018, the following assertions therein contained have been verified prior to making them available to you and to third parties:

1. All assets and liabilities included in the consolidated financial statements do exist, and all transactions included in such consolidated financial statements have been achieved during the annual periods ended December 31, 2019 and December 31, 2018.
2. All economic events achieved by the Parent and its subsidiaries during the annual periods ended December 31, 2019 and December 31, 2018, have been recognized in the consolidated financial statements.
3. Assets represent likely future economic

benefits (rights) and liabilities represent likely future economic sacrifice (obligations) obtained by or in charge of the Parent and its subsidiaries at December 31, 2019 and December 31, 2018.

4. All items have been recognized at proper values.
5. All economic events affecting the Parent and its subsidiaries have been properly classified, described and disclosed in the consolidated financial statements.

We do certify the above assertions pursuant to section 37 of Law 222 of 1995.

Further, the undersigned legal representative of Almacenes Éxito S.A., Parent company, does hereby certify that the consolidated financial statements and the operations of the Parent and its subsidiaries at December 31, 2019 and at December 31, 2018, are free from fault, inaccuracy or misstatement that prevent users from having a true view of its financial position.

This certification is issued pursuant to section 46 of Law 964 of 2005.

# Consolidated statements of financial position

At December 31, 2019 and at December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	December 31, 2019	December 31, 2018 (1)	December 31, 2017 (2)
<b>Current assets</b>			
Cash and cash equivalents	2,562,674	5,973,680	5,281,618
Trade receivables and other accounts receivable	379,921	1,000,267	1,172,380
Prepaid expenses	43,351	143,889	132,430
Accounts receivable from related parties	55,044	131,720	230,690
Inventories	1,900,660	6,720,396	5,912,514
Other financial assets	43,237	141,214	11,588
Tax assets	333,850	724,290	722,658
Non-current assets held for trading	37,928	23,572,841	23,642,095
<b>Total current assets</b>	<b>5,356,665</b>	<b>38,408,297</b>	<b>37,105,973</b>
<b>Non-current assets</b>			
Trade receivables and other accounts receivable	34,310	135,284	667,920
Prepaid expenses	9,631	14,751	13,463
Accounts receivable from related parties	-	28,316	22,483
Other non-financial assets with related parties	15,000	-	30,000
Other financial assets	48,329	754,065	767,772
Property, plant and equipment, net	3,845,092	12,317,515	12,486,938
Investment property, net	1,626,220	1,633,625	1,496,873
Use rights, net	1,303,648	5,141,400	4,692,922
Goodwill	2,929,751	5,436,868	5,559,953
Intangible assets other than goodwill, net	304,215	5,199,801	5,502,689
Investments accounted for using the equity method	210,487	804,400	811,504
Tax assets	-	2,302,451	1,575,743
Deferred tax assets	177,269	133,991	2,105,550
Other non-financial assets	398	398	398
<b>Total non-current assets</b>	<b>10,504,350</b>	<b>33,902,865</b>	<b>35,734,208</b>
<b>Total assets</b>	<b>15,861,015</b>	<b>72,311,162</b>	<b>72,840,181</b>

	December 31, 2019	December 31, 2018 (1)	December 31, 2017 (2)
<b>Current liabilities</b>			
Financial liabilities	616,822	2,291,116	1,861,062
Employee benefits	2,978	3,657	3,464
Other provisions	14,420	36,997	29,329
Accounts payable to related parties	80,995	236,698	212,656
Trade payables and other accounts payable	4,662,801	13,117,074	12,565,146
Lease liabilities	222,177	858,349	785,444
Tax liabilities	72,910	298,699	289,376
Other financial liabilities	114,871	1,037,191	645,363
Other non-financial liabilities	118,240	338,735	275,210
Non-current liabilities held for trading	-	19,618,293	19,550,480
<b>Total current liabilities</b>	<b>5,906,214</b>	<b>37,836,809</b>	<b>36,217,530</b>
<b>Non-current liabilities</b>			
Financial liabilities	43,531	4,633,554	3,940,584
Employee benefits	20,920	27,680	28,538
Other provisions	18,998	2,330,648	2,457,220
Trade payables and other accounts payable	114	40,720	47,831
Lease liabilities	1,308,054	4,577,359	4,650,359
Deferred tax liabilities	116,503	1,409,857	3,456,966
Tax liabilities	800	397,014	521,870
Other financial liabilities	370	2,583,089	2,302,008
Other non-financial liabilities	669	11,963	51,761
<b>Total non-current liabilities</b>	<b>1,509,959</b>	<b>16,011,884</b>	<b>17,457,137</b>
<b>Total liabilities</b>	<b>7,416,173</b>	<b>53,848,693</b>	<b>53,674,667</b>
<b>Shareholders' equity, see accompanying statement</b>	<b>8,444,842</b>	<b>18,462,469</b>	<b>19,165,514</b>
<b>Total liabilities and shareholders' equity</b>	<b>15,861,015</b>	<b>72,311,162</b>	<b>72,840,181</b>

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Amounts shown to comply with the requirements of IAS 1 regarding retrospective adoption of a new accounting policy.

The accompanying notes are an integral part of the consolidated financial statements.



# Consolidated statements of income

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1) (2) (3)
<b>Continuing operations</b>		
Revenue from ordinary activities under contracts with customers	15,293,083	14,870,027
Cost of sales	(11,338,977)	(10,989,579)
<b>Gross profit</b>	<b>3,954,106</b>	<b>3,880,448</b>
Distribution expenses	(1,673,462)	(1,660,580)
Administration and sales expenses	(329,244)	(281,546)
Employee benefit expenses	(1,232,813)	(1,243,510)
Other operating revenue	54,342	30,673
Other operating expenses	(85,428)	(66,634)
Other net (losses)	(13,314)	(4,156)
<b>Profit from operating activities</b>	<b>674,187</b>	<b>654,695</b>
Financial revenue	634,863	296,982
Financial expenses	(1,127,793)	(850,074)
Share of profits in associates and joint ventures accounted for using the equity method	(10,123)	40,516
<b>Profit from continuing operations before income tax</b>	<b>171,134</b>	<b>142,119</b>
Tax revenue (expense)	(23,296)	55,799
<b>Net period profit from continuing operations</b>	<b>147,838</b>	<b>197,918</b>
Net period profit from discontinued operations	774,838	1,014,764
<b>Net income for the period</b>	<b>922,676</b>	<b>1,212,682</b>
<b>Profit is attributable to:</b>		
<b>Profit attributable to the shareholders of the controlling entity</b>	<b>57,602</b>	<b>253,168</b>
Profit attributable to non-controlling interests	865,074	959,514
<b>Earnings per share (*)</b>		
<b>Earnings per basic share (*):</b>		
Basic earnings per share attributable to the shareholders of the controlling entity	128.69	565.61
Earnings per basic share from continuing operations attributable to the shareholders of the controlling entity	85.80	231.32
Earnings per basic share from discontinued operations attributable to the shareholders of the controlling entity	42.89	334.29
<b>Earnings per diluted share (*):</b>		
Diluted earnings per share attributable to the shareholders of the controlling entity	128.69	565.61
Earnings per diluted share from continuing operations attributable to the shareholders of the controlling entity	85.80	231.32
Earnings per diluted share from discontinued operations attributable to the shareholders of the controlling entity	42.89	334.29

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) For comparison to the annual financial statements at December 31, 2019, the annual financial statements at December 31, 2018 include certain reclassifications in employee benefit expenses, distribution expenses and cost of sales.

(3) Amounts include the effect of the reclassification of revenue, costs and expenses of subsidiaries Companhia Brasileira de Distribuição - CBD, Ségisor S.A., Wilkes Participações S.A. and Gemex O & W S.A.S. to net gains

for the period from discontinued operations, for purposes of comparison to the annual financial statements at December 31, 2019.

(\*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim consolidated financial statements.

Almacenes Éxito S.A.

# Consolidated statements of comprehensive income

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
Net income for the period	922,676	1,212,682
<b>Other comprehensive income for the period</b>		
<b>Components of other comprehensive income that will not be reclassified to period results, net of taxes</b>		
(Loss) from new measurements of defined benefit plans	(267)	(351)
(Loss) from investments in equity instruments	(6,003)	(104,756)
<b>Total other comprehensive income that will not be reclassified to period results, net of taxes</b>	<b>(6,270)</b>	<b>(105,107)</b>
<b>Components of other comprehensive income that will be reclassified to period results, net of taxes</b>		
(Loss) from translation exchange differences	(508,534)	(1,365,493)
(Loss) from investment hedges abroad	(1,459)	-
Gain from the hedging of cash flows	3,827	9,052
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to period results	41,486	(66,463)
<b>Total other comprehensive income that will be reclassified to period results, net of taxes</b>	<b>(464,680)</b>	<b>(1,422,904)</b>
<b>Total other comprehensive income</b>	<b>(470,950)</b>	<b>(1,528,011)</b>
<b>Total comprehensive income</b>	<b>451,726</b>	<b>(315,329)</b>
<b>Profit is attributable to:</b>		
<b>(Loss) attributable to the shareholders of the controlling entity</b>	<b>(307,135)</b>	<b>(400,938)</b>
Profit attributable to non-controlling interests	758,861	85,609
<b>Earnings per share (*)</b>		
<b>Earnings per basic share (*):</b>		
(Loss) per basic share from continuing operations	(686.17)	(895.74)
<b>Earnings per diluted share (*):</b>		
(Loss) per diluted share from continuing operations	(686.17)	(895.74)

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(\*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the consolidated financial statements.

# Consolidated statements of cash flows

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
Cash flows provided by operating activities		
<b>Net income for the period</b>	<b>922,676</b>	<b>1,212,682</b>
<b>Adjustments to reconcile profit for the period</b>		
Current income tax	76,257	96,596
Deferred income tax	(52,961)	(152,395)
Financial costs	735,698	962,560
Impairment of receivables	267,682	528,195
Reversal of receivable impairment	(276,027)	(17,784)
Inventory impairment	3,690	1,552
Reversal of inventory impairment	(4,906)	(4,668)
Impairment	6,768	(2,386)
Employee benefit provisions	2,183	2,452
Other provisions	682,227	1,554,487
Reversal of other provisions	(439,390)	(851,269)
Expense from depreciation of property, plant and equipment, use rights and investment property	1,373,262	1,387,176
Amortization of intangible assets expense	103,143	146,482
Share-based payments	20,315	44,505
(Gain) loss from the application of the equity method	10,123	(40,516)
Loss (gain) from the disposal of non-current assets	9,762	(5,456)
Net gain from the disposal of discontinued operations	(489,320)	-
Other adjustments to reconcile period income in discontinued operations	(165,302)	-
Other adjustments for which the effects on cash are cash flows provided by investment or financing activities	(463,895)	(279,115)
<b>Operating income before changes in working capital</b>	<b>2,321,985</b>	<b>4,583,098</b>
Decrease (increase) in trade receivables and other accounts receivable	2,627,171	(782,859)
(Increase) in prepaid expenses	(52,628)	(20,730)
Decrease in receivables from related parties	54,876	106,211
(Increase) in inventories	(319,404)	(1,056,576)
(Increase) in tax assets	(530,150)	(1,207,119)
(Decrease) in employee benefits	(10,005)	(3,420)
(Decrease) in other provisions	(383,259)	(887,287)
(Decrease) increase in trade payables and other accounts payable	(1,773,654)	901,998
(Decrease) increase in accounts payable to related parties	(1,664)	9,140
(Decrease) in tax liabilities	(38,226)	(94,531)
(Decrease) increase in other non-financial liabilities	(89,652)	35,869
(Increase) in non-current assets held for trading	-	57,401
(Decrease) increase in non-current liabilities held for trading	(2,267,707)	1,529,302
<b>Net cash flows (used in) provided by operating activities</b>	<b>(462,317)</b>	<b>3,170,497</b>

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
<b>Cash flows provided by investment activities</b>		
Net cash flows from the loss of control over subsidiaries or other businesses	(4,608,124)	13,825
Cash flows used to gain control of subsidiaries or other businesses	(1,619)	(2,480)
Cash flows used to maintain joint control in joint ventures	(26,309)	(5,106)
Acquisition of property, plant and equipment	(1,831,459)	(2,437,741)
Acquisition of investment property	(52,929)	(150,801)
Acquisition of intangible assets	(220,923)	(464,436)
Proceeds of the sale of property, plant and equipment	6,584	383,302
Proceeds of the sale of intangible assets	-	35
<b>Net cash flows (used in) investment activities</b>	<b>(6,734,779)</b>	<b>(2,663,402)</b>
<b>Cash flows provided by financing activities</b>		
Cash flows provided by changes in interest in subsidiaries that do not result in loss of control	14,597	279,225
(Increase) in other financial assets	(109,115)	(164,857)
Increase in other financial liabilities	8,187,196	854,348
(Decrease) increase in financial liabilities	(3,616,268)	1,124,124
(Decrease) in financial liabilities under lease agreements	(3,303)	(1,974)
Dividends paid	(202,168)	(310,726)
Financial yields	463,268	307,215
Interest paid	(755,189)	(981,726)
Transactions with non-controlling entities	(42,075)	(690,981)
Other cash inflows	40,837	156
<b>Net cash flows provided by financing activities</b>	<b>3,977,780</b>	<b>414,804</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(3,219,316)</b>	<b>921,899</b>
<b>Effects of variation in exchange rates</b>	<b>(191,690)</b>	<b>(229,837)</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>5,973,680</b>	<b>5,281,618</b>
<b>Cash and cash equivalents at the end of period</b>	<b>2,562,674</b>	<b>5,973,680</b>

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.



# Consolidated statements of changes in shareholders' equity

At December 31, 2019 and at December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	Issued share capital	Premium on the issue of shares	Treasury shares repurchased	Legal reserve	Occasional reserve	Reacquisition of shares
<b>Balance at December 31, 2017</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,665,209</b>	<b>22,000</b>
Cash dividend declared	-	-	-	-	-	-
Net income for the period	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Appropriation for reserves	-	-	-	-	108,856	-
Increase from changes in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-
Increase from other contributions of non-controlling interests	-	-	-	-	-	-
(Decrease) from other distributions to non-controlling interests	-	-	-	-	-	-
Measurement of the put option at fair value	-	-	-	-	-	-
Other developments in shareholders' equity	-	-	-	-	(1,494)	-
<b>Balance at December 31, 2018 (1)</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,772,571</b>	<b>22,000</b>
<b>Balance at December 31, 2018 (1)</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,772,571</b>	<b>22,000</b>
Cash dividend declared	-	-	-	-	(139,706)	-
Net income for the period	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Appropriation for reserves	-	-	-	-	139,701	-
(Decrease) from the sale of Via Varejo S.A., Companhia Brasileira de Distribuição – CBD, Ségisor S.A. and Wilkes Participações S.A.	-	-	-	-	-	-
Increase from changes in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-
Other developments in shareholders' equity (2)	-	-	-	-	(1,544)	-
<b>Balance at December 31, 2019</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,771,022</b>	<b>22,000</b>

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Other shareholders' equity components include \$265,691 relevant to the equity method on the inflationary effect of subsidiary Libertad S.A. Retained earnings and Other reserves include \$168,371 (offset to each other) relevant to the equity method on the appropriation of results of subsidiary Spice Investment Mercosur S.A. and its subsidiaries.

The accompanying notes are an integral part of the interim consolidated financial statements.

Future dividends	Other reserves	Total reserves	Other accumulated comprehensive income	Retained earnings	Other equity components	Total equity of the controlling entity	Changes in non-controlling interests	Total in net equity
15,710	9,662	<b>1,720,438</b>	<b>(50,269)</b>	<b>1,095,361</b>	<b>10,873</b>	<b>7,621,617</b>	<b>11,543,897</b>	<b>19,165,514</b>
-	-	-	-	(108,857)	-	(108,857)	(204,670)	(313,527)
-	-	-	-	253,168	-	253,168	959,514	1,212,682
-	-	-	(654,106)	-	-	(654,106)	(873,905)	(1,528,011)
-	-	108,856	-	(108,856)	-	-	-	-
-	-	-	-	-	(74,822)	(74,822)	350,331	275,509
-	-	-	-	-	-	-	1,483	1,483
-	-	-	-	-	-	-	(692,464)	(692,464)
-	-	-	-	-	-	-	22,791	22,791
-	15,750	14,256	-	(130,161)	490,120	374,215	(55,723)	318,492
<b>15,710</b>	<b>25,412</b>	<b>1,843,550</b>	<b>(704,375)</b>	<b>1,000,655</b>	<b>426,171</b>	<b>7,411,215</b>	<b>11,051,254</b>	<b>18,462,469</b>
<b>15,710</b>	<b>25,412</b>	<b>1,843,550</b>	<b>(704,375)</b>	<b>1,000,655</b>	<b>426,171</b>	<b>7,411,215</b>	<b>11,051,254</b>	<b>18,462,469</b>
-	-	(139,706)	-	-	-	(139,706)	(151,875)	(291,581)
-	-	-	-	57,602	-	57,602	865,074	922,676
-	-	-	(364,737)	-	-	(364,737)	(106,213)	(470,950)
139,702	-	279,403	-	(279,403)	-	-	-	-
-	-	-	-	-	-	-	(10,411,214)	(10,411,214)
-	-	-	-	-	(7,649)	(7,649)	(39,831)	(47,480)
-	173,868	172,324	-	(160,823)	228,302	239,803	41,119	280,922
<b>155,412</b>	<b>199,280</b>	<b>2,155,571</b>	<b>(1,069,112)</b>	<b>618,031</b>	<b>646,824</b>	<b>7,196,528</b>	<b>1,248,314</b>	<b>8,444,842</b>

INTEGRATED REPORT 2019

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# Financial Statements

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# Separate

Almacenes Éxito S.A.

# Certification by the Company's Legal Representative and Head Accountant

Envigado, February 17, 2020

We, the undersigned Legal Representative and Head Accountant of Almacenes Éxito S.A., each of us duly empowered and under whose responsibility the attached financial statements have been prepared, do hereby certify that the separate financial statements of the Company at December 31, 2019 and at December 31, 2018 have been fairly taken from the books of accounts, and that the following assertions therein contained have been verified prior to making them available to you and to third parties:

1. All assets and liabilities included in the separate financial statements do exist, and all transactions included in such separate financial statements have been achieved during the annual periods ended December 31, 2019 and December 31, 2018.
2. All economic events achieved by the Company during the years ended December 31, 2019 and December 3, 2018, have been recognized in the separate financial statements.
3. Assets represent likely future economic

benefits (rights) and liabilities represent likely future economic sacrifice (obligations) obtained by or in charge of the Company at December 31, 2019 and December 31, 2018.

4. All items have been recognized at proper values.
5. All economic events having an impact on the Company have been properly classified, described and disclosed in the separate financial statements.

We do certify the above assertions pursuant to section 37 of Law 222 of 1995.

Further, the undersigned Legal Representative of Almacenes Éxito S.A., does hereby certify that the separate financial statements and the operations of the Company at December 31, 2019 and December 31, 2018, are free from fault, inaccuracy or misstatement that prevent users from having a true view of its financial position.

This certification is issued pursuant to section 46 of Law 964 of 2005.



# Separate statements of financial position

At December 31, 2019 and at December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	December 31, 2019	December 31, 2018 (1)	December 31, 2017 (2)
<b>Current assets</b>			
Cash and cash equivalents	2,206,153	1,885,868	1,619,695
Trade receivables and other accounts receivable	199,712	218,109	189,750
Prepaid expenses	25,421	18,539	22,837
Accounts receivable from related parties	92,900	108,951	114,969
Inventories, net	1,555,865	1,398,724	1,111,981
Other financial assets	27,031	89,022	10,462
Tax assets	314,736	168,907	173,580
Non-current assets held for trading	26,648	26,608	-
<b>Total current assets</b>	<b>4,448,466</b>	<b>3,914,728</b>	<b>3,243,274</b>
<b>Non-current assets</b>			
Trade receivables and other accounts receivable	32,888	23,177	15,203
Prepaid expenses	9,631	10,231	5,432
Accounts receivable from related parties	49,157	3,807	7,587
Other non-financial assets with related parties	19,783	-	30,000
Other financial assets	48,329	75,951	51,119
Property, plant and equipment, net	2,027,180	2,055,879	2,382,494
Investment property, net	91,889	97,680	339,704
Use rights, net	1,411,410	1,299,546	1,385,110
Goodwill	1,453,077	1,453,077	1,453,077
Intangible assets other than goodwill, net	159,225	144,245	156,209
Investments accounted for using the equity method, net	3,614,639	7,745,970	8,186,505
Deferred tax assets, net	153,141	106,936	-
Other non-financial assets	398	398	398
<b>Total non-current assets</b>	<b>9,070,747</b>	<b>13,016,897</b>	<b>14,012,838</b>
<b>Total assets</b>	<b>13,519,213</b>	<b>16,931,625</b>	<b>17,256,112</b>

	December 31, 2019	December 31, 2018 (1)	December 31, 2017 (2)
<b>Current liabilities</b>			
Financial liabilities	204,705	1,042,781	799,920
Employee benefits	2,973	3,648	3,457
Other provisions	12,365	12,292	8,349
Accounts payable to related parties	177,615	120,972	116,490
Trade payables and other accounts payable	3,901,549	3,567,527	3,301,661
Lease liabilities	224,492	179,392	168,339
Tax liabilities	66,270	50,458	41,816
Other financial liabilities	95,437	111,269	128,239
Other non-financial liabilities	161,672	197,708	258,078
<b>Total current liabilities</b>	<b>4,847,078</b>	<b>5,286,047</b>	<b>4,826,349</b>
<b>Non-current liabilities</b>			
Financial liabilities	6,293	2,838,433	3,292,824
Employee benefits	20,897	27,560	28,430
Other provisions	53,056	38,788	28,892
Lease liabilities	1,394,323	1,327,404	1,401,103
Deferred tax liabilities, net	-	-	10,776
Other financial liabilities	370	1,451	13,915
Other non-financial liabilities	668	727	32,206
<b>Total non-current liabilities</b>	<b>1,475,607</b>	<b>4,234,363</b>	<b>4,808,146</b>
<b>Total liabilities</b>	<b>6,322,685</b>	<b>9,520,410</b>	<b>9,634,495</b>
<b>Shareholders' equity, see accompanying statement</b>	<b>7,196,528</b>	<b>7,411,215</b>	<b>7,621,617</b>
<b>Total liabilities and shareholders' equity</b>	<b>13,519,213</b>	<b>16,931,625</b>	<b>17,256,112</b>

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Amounts shown to comply with the requirements of IAS 1 regarding retrospective adoption of a new accounting policy.

The accompanying notes are an integral part of the interim separate financial statements.

# Separate statements of income

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1) (2)
<b>Continuing operations</b>		
Revenue from ordinary activities under contracts with customers	11,484,272	11,021,135
Cost of sales	(8,982,809)	(8,585,096)
<b>Gross profit</b>	<b>2,501,463</b>	<b>2,436,039</b>
Distribution expenses	(1,271,840)	(1,242,947)
Administration and sales expenses	(173,439)	(174,020)
Employee benefit expenses	(670,941)	(664,783)
Other operating revenue	32,111	26,602
Other operating expenses	(63,320)	(49,862)
Other (losses), net	(10,268)	(23,372)
<b>Profit from operating activities</b>	<b>343,766</b>	<b>307,657</b>
Financial revenue	592,522	268,480
Financial expenses	(1,065,904)	(757,942)
Share of profits in subsidiaries, associates and joint ventures that are accounted for using the equity method	159,949	386,213
<b>Profit from continuing operations before income tax</b>	<b>30,333</b>	<b>204,408</b>
Tax revenue	27,269	48,760
<b>Net period profit from continuing operations</b>	<b>57,602</b>	<b>253,168</b>
<b>Earnings per share (*)</b>		
<b>Earnings per basic share (*)</b>		
Earnings per basic share from continuing operations	128.69	565.61
Earnings per diluted share (*)		
<b>Earnings per diluted share from continuing operations</b>		
Ganancia por acción diluida procedente de operaciones continuadas	128.69	565.61

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) For comparison to the annual financial statements at December 31, 2019, the annual financial statements at December 31, 2018 include certain reclassifications in employee benefit expenses, distribution expenses and cost of sales.

(\*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim separate financial statements.

Almacenes Éxito S.A.

# Separate statements of comprehensive income

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
Net income for the period	57,602	253,168
<b>Other comprehensive income for the period</b>		
<b>Components of other comprehensive income that will not be reclassified to period results, net of taxes</b>		
(Loss) from new measurements of defined benefit plans	(267)	(351)
Gain (loss) from investments in equity instruments	4,715	(4,224)
<b>Total other comprehensive income that will not be reclassified to period results, net of taxes</b>	<b>4,448</b>	<b>(4,575)</b>
<b>Components of other comprehensive income that will be reclassified to period results, net of taxes</b>		
(Loss) from translation exchange differences (1)	(413,040)	(628,857)
(Loss) from investment hedges in foreign businesses	(1,459)	-
Gain from the hedging of cash flows	3,827	9,052
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to period results	41,487	(29,726)
<b>Total other comprehensive income that will be reclassified to period results, net of taxes</b>	<b>(369,185)</b>	<b>(649,531)</b>
<b>Total other comprehensive income</b>	<b>(364,737)</b>	<b>(654,106)</b>
<b>Total comprehensive income</b>	<b>(307,135)</b>	<b>(400,938)</b>
<b>Earnings per share (*)</b>		
<b>Earnings per basic share (*):</b>		
(Loss) per basic share from continuing operations	(686.17)	(895.74)
<b>Earnings per diluted share (*):</b>		
(Loss) per diluted share from continuing operations	(686.17)	(895.74)

(1) Amounts include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(\*) Amounts expressed in Colombian pesos.

The accompanying notes are an integral part of the interim separate financial statements.



# Separate statements of cash flows

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
<b>Cash flows provided by operating activities</b>		
<b>Net income for the period</b>	<b>57,602</b>	<b>253,168</b>
<b>Adjustments to reconcile profit for the period</b>		
Current income tax	20,205	55,933
Deferred income tax	(47,474)	(104,693)
Financial costs	750,733	542,552
Impairment of receivables	19,554	14,518
Reversal of receivable impairment	(18,151)	(11,815)
Reversal of inventory impairment	(1,833)	(3,218)
Impairment	1,017	3,307
Employee benefit provisions	2,207	2,426
Other provisions	58,980	67,847
Reversal of other provisions	(6,899)	(11,555)
Expense from depreciation of property, plant and equipment, use rights and investment property	393,098	389,347
Amortization of intangible assets expense	19,453	17,681
(Gain) from the application of the equity method	(159,949)	(386,213)
Loss from the disposal of non-current assets	13,129	19,751
Other cash (outflows)	(10,769)	(10,882)
Other adjustments for which the effects on cash are cash flows provided by investment or financing activities	(436,305)	(212,885)
<b>Operating income before changes in working capital</b>	<b>654,598</b>	<b>625,269</b>
(Increase) in trade receivables and other accounts receivable	(3,957)	(39,036)
(Increase) in prepaid expenses	(6,282)	(2,391)
(Increase) decrease in receivables from related parties	(45,755)	16,740
(Increase) in inventories	(155,308)	(178,898)
(Increase) in tax assets	(166,034)	(51,260)
(Decrease) in employee benefits	(9,926)	(3,420)
(Decrease) in other provisions	(41,466)	(42,474)
Increase in trade payables and other accounts payable	151,393	84,780
Increase (decrease) in accounts payable to related parties	43,138	(7,579)
Increase in tax liabilities	15,812	8,642
(Decrease) in other non-financial liabilities	(36,095)	(91,849)
<b>Net cash flows provided by operating activities</b>	<b>400,118</b>	<b>318,524</b>

	January 1 to December 31, 2019	January 1 to December 31, 2018 (1)
<b>Cash flows provided by investment activities</b>		
Cash flows used to maintain control over subsidiaries and joint ventures	(31,099)	(5,000)
Cash flows provided by reimbursement of contributions in subsidiaries or other businesses	4,067,568	695,853
Acquisition of property, plant and equipment	(200,450)	(171,043)
Acquisition of investment property	(3,436)	(10,551)
Acquisition of intangible assets	(37,011)	(8,950)
Proceeds of the sale of property, plant and equipment	15,203	1,448
Dividends received	127,225	39,665
<b>Net cash flows provided by investment activities</b>	<b>3,938,000</b>	<b>541,422</b>
<b>Cash flows provided by financing activities</b>		
Cash flows provided by changes in interest in subsidiaries that do not result in loss of control	20,390	153,333
Increase (decrease) in other financial assets	89,757	(102,463)
(Decrease) in other financial liabilities	(11,369)	(16,374)
(Decrease) in financial liabilities	(3,666,913)	(209,556)
(Decrease) in liabilities from finance leases	(3,303)	(1,974)
Dividends paid	(131,967)	(87,072)
Financial yields	436,305	212,885
Interest paid	(750,733)	(542,552)
<b>Net cash flows (used in) financing activities</b>	<b>(4,017,833)</b>	<b>(593,773)</b>
<b>Net increase in cash and cash equivalents</b>	<b>320,285</b>	<b>266,173</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>1,885,868</b>	<b>1,619,695</b>
<b>Cash and cash equivalents at the end of period</b>	<b>2,206,153</b>	<b>1,885,868</b>

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

# Separate statements of changes in shareholders' equity

For the annual periods ended December 31, 2019 and December 31, 2018  
(Amounts expressed in millions of Colombian pesos)

	Issued share capital	Premium on the issue of shares	Treasury shares repurchased	Legal reserve	Occasional reserve
<b>Balance at December 31, 2017 (1)</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,665,209</b>
Cash dividend declared	-	-	-	-	-
Net period results	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Appropriation for reserves	-	-	-	-	108,856
(Decrease) from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-
Other net increase (decrease) in shareholders' equity	-	-	-	-	(1,494)
<b>Balance at December 31, 2018 (1)</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,772,571</b>
<b>Balance at December 31, 2018 (1)</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,772,571</b>
Cash dividend declared	-	-	-	-	(139,706)
Net period results	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Appropriation for reserves	-	-	-	-	139,701
(Decrease) from changes in the ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-
Other net increase (decrease) in shareholders' equity (2)	-	-	-	-	(1,544)
<b>Balance at December 31, 2019</b>	<b>4,482</b>	<b>4,843,466</b>	<b>(2,734)</b>	<b>7,857</b>	<b>1,771,022</b>

(1) Amounts shown include the effect of the adjustments arising from the retrospective application of IFRS 16 - Leases, adopted as of January 1, 2019.

(2) Other shareholders' equity components include \$265,691 relevant to the equity method on the inflationary effect of subsidiary Libertad S.A. Retained earnings and Other reserves include \$168,371 (offset to each other) relevant to the equity method on the appropriation of results of subsidiary Spice Investment Mercosur S.A. and its subsidiaries.

The accompanying notes are an integral part of the interim separate financial statements.

Reserve for the reacquisition of shares	Reserve for future dividends	Other reserves	Total reserves	Other accumulated comprehensive income	Retained earnings	Other equity components	Total Shareholders' equity
22,000	15,710	9,662	<b>1,720,438</b>	<b>(50,269)</b>	<b>1,095,361</b>	<b>10,873</b>	<b>7,621,617</b>
-	-	-	-	-	(108,857)	-	(108,857)
-	-	-	-	-	253,168	-	253,168
-	-	-	-	(654,106)	-	-	(654,106)
-	-	-	108,856	-	(108,856)	-	-
-	-	-	-	-	-	(74,822)	(74,822)
-	-	15,750	14,256	-	(130,161)	490,120	374,215
<b>22,000</b>	<b>15,710</b>	<b>25,412</b>	<b>1,843,550</b>	<b>(704,375)</b>	<b>1,000,655</b>	<b>426,171</b>	<b>7,411,215</b>
<b>22,000</b>	<b>15,710</b>	<b>25,412</b>	<b>1,843,550</b>	<b>(704,375)</b>	<b>1,000,655</b>	<b>426,171</b>	<b>7,411,215</b>
-	-	-	(139,706)	-	-	-	(139,706)
-	-	-	-	-	57,602	-	57,602
-	-	-	-	(364,737)	-	-	(364,737)
-	139,702	-	279,403	-	(279,403)	-	-
-	-	-	-	-	-	(7,649)	(7,649)
-	-	173,868	172,324	-	(160,823)	228,302	239,803
<b>22,000</b>	<b>155,412</b>	<b>199,280</b>	<b>2,155,571</b>	<b>(1,069,112)</b>	<b>618,031</b>	<b>646,824</b>	<b>7,196,528</b>







# Sustainability

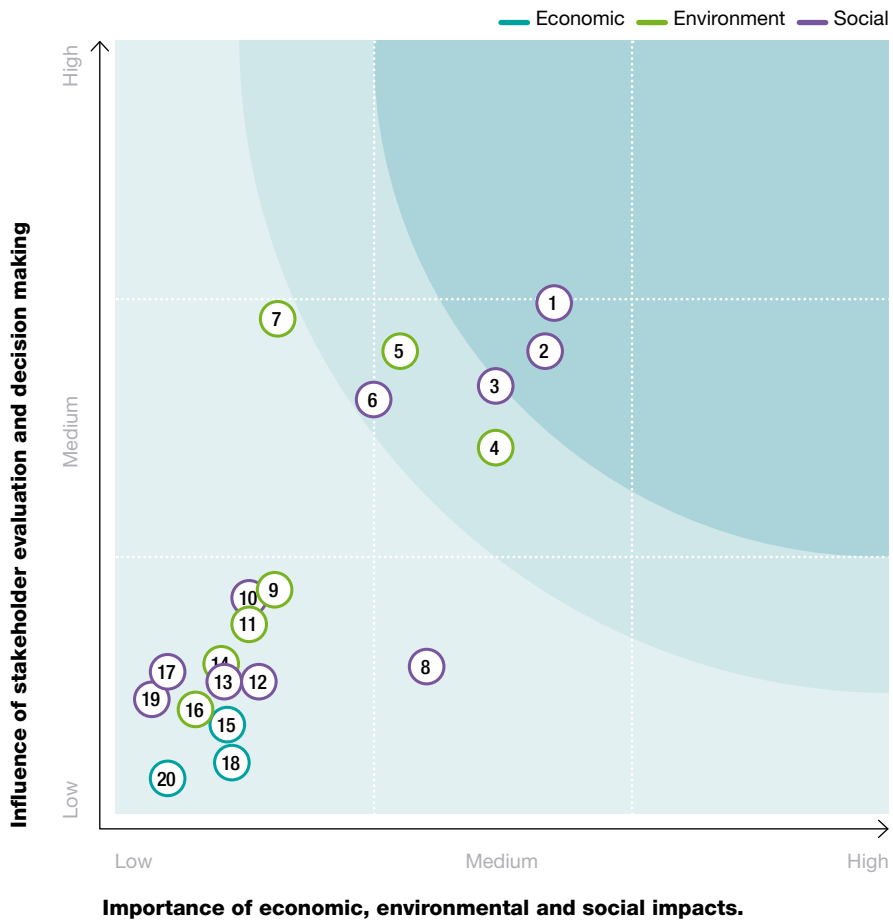
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Our sustainable strategy contributes to social development, the growth of our suppliers, the protection of the environment, the promotion of healthy habits and the well-being of our employees.

# Materiality Analysis

The company's materiality analysis delivered in 2019 allowed us to identify the expectations of our stakeholders on environmental, social and economically relevant issues.

The programs that we head up guided by our sustainability strategy are aligned with the materiality analysis and the issues prioritized by our different stakeholders, who include our customers, suppliers, opinion leaders, the media, employees, the Board of Directors, senior management and the Executive Committee. The issues are also checked by the technical benchmark analysis of the sector and the expertise of the world's business leaders.



## Strategic Topics

- 1 **Healthy lifestyles for everyone**  
Offer to our customers a safe and high-quality product portfolio which includes organic and healthy foods for special nutritional needs. Likewise, we provide information to help consumers make better food choices.
- 2 **Attraction, retention and development of human talent**  
Provide technical and human training for our employees to facilitate their professional and personal growth. We also ensure our employees receive fair compensation, an additional complete benefit portfolio and options for working remotely.
- 3 **Social responsibility in the supply chain**  
Work together to make possible the development of our small, medium and large providers and our Surtimax and Super Inter partners, promoting alliances and cooperation. We also provide strategies that encourage local and direct purchasing.
- 4 **Prevention and proactive work on mitigation and adaptation to climate change**  
Development of initiatives to measure, mitigate and compensate for environmental emissions from our operations.
- 5 **Circular Economy**  
Generate a disposal process for the used packaging and containers of our private labels, exclusive brands and from those of national suppliers. We also, encourage initiatives for producing environmentally friendly packaging.
- 6 **Strategic social and philanthropic investment**  
Develop, generate and invest resources to achieve the first generation with zero chronic malnutrition by the year 2030.

## Relevant Issues

- 7 **Production practices. Responsible and sustainable consumption**
- 8 **Diversity and inclusion**
- 9 **Protection of natural resources (inside Grupo Éxito)**
- 10 **Safe and healthy work environment**

## Emerging Issues

- 11 **Environmental responsibility in the supply chain**
- 12 **Geopolitical environment in the region**
- 13 **Human rights**
- 14 **Sustainable construction**
- 15 **Economic development where we have operations**
- 16 **Food waste**
- 17 **Rural migration**
- 18 **Economic performance**
- 19 **Real estate management**
- 20 **Tax contributions**



# Sustainability based on a business strategy that fosters building up our nation

## Key Strategy Drivers



### We are working to achieve the first generation with zero child chronic malnutrition by 2030

- Creating a call to action in society to foster the zero-malnutrition initiative among Colombians so we can achieve this higher purpose together.
- Influencing national, regional, and local public policy so that child nutrition is a priority among all government leaders – Social corporate GOAL.



### Direct and local procurement in Colombia. Developing our suppliers and their supply chains

- Buy locally and directly, without intermediation in order to boost the country's economy, generate employment and contribute to the well-being of communities and populations.
- Promote inclusive business models that develop territories, communities and supply chains of our suppliers.



### We measure, mitigate and work to compensate our impact on the environment

- Be a retailer with less plastic use, which reduces the need for packaging and promotes the circular economy.
- Reduce our carbon footprint by 22% by the year 2022 – Environmental corporate GOAL.



### We promote and make healthy living habits accessible to all

- Develop the most extensive portfolio of healthy products in the country that will help our customers improve their quality of life.
- Develop a mechanism in the corporate digital ecosystem that allows our customers to know how to have more balanced lifestyles.



### We improve the quality of life of our employees

- We promote and support our staff on their personal and professional development.
- Be a leader company in gender equity and promote diversity and inclusion in Colombia

# Sustainability risks

In 2019, we identified the main strategic risks associated with the company's sustainability. This identification was carried out using the internal risk methodology and validated by the Corporate Committee. The risks found allow us to measure the impacts and establish control measures and strategies associated with social, environmental and economic issues.





# We are working to achieve the first zero chronic-malnutrition generation by 2030

## To achieve that goal, we are working on:

- Generation and divulgation of knowledge
- Generation of alliances and resources
- Communication and awareness
- Influence in public policy



The commitment is to contribute to the Sustainable Development Goals:

2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



6 CLEAN WATER AND SANITATION



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



“

Receiving Fundación Éxito’s help has been very important to me and to the cognitive development of my daughter Saray.”

---

**EDILMA ROSADO**

*Mother beneficiary of the Fundación Éxito through the Baylor Colombia Foundation - BIPAI (Baylor International Pediatric AIDS Initiative) of the University of Texas in the United States.*



**Listen to the stories**

here telling how the Fundación Éxito contributes to the country.



# Children with better nutrition in Colombia

Chronic malnutrition is a condition that alters the physical and cognitive development of children. The damage caused during pregnancy and during the first five years of life is the most serious and can be irreversible.

## 64,602 children

received a better nutrition thanks to programs led by Fundación Éxito.

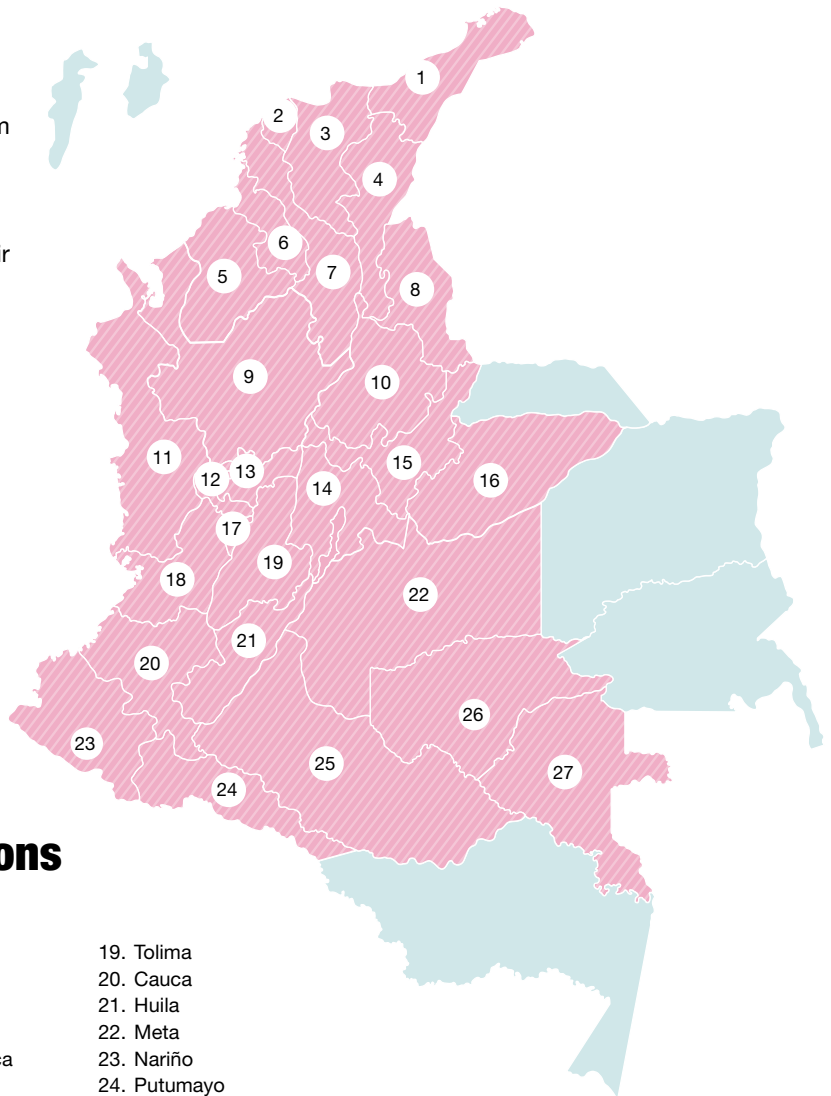
+ 1.8%

**38,346** boys and girls were beneficiaries of nutrition benefited from the Foundation's nutritional programs.

- **28,744** children under 2 years of age received nutritional care in their first 1,000 days of life.
- **9,602** children between the ages 2 to 5.

**3,099** infants were benefitted from breastfeeding counseling programs.

**23,157** children benefitted from the complementary programs (music, reading and training for educators).



## 257 partner institutions

in **188** municipalities and **27** regions

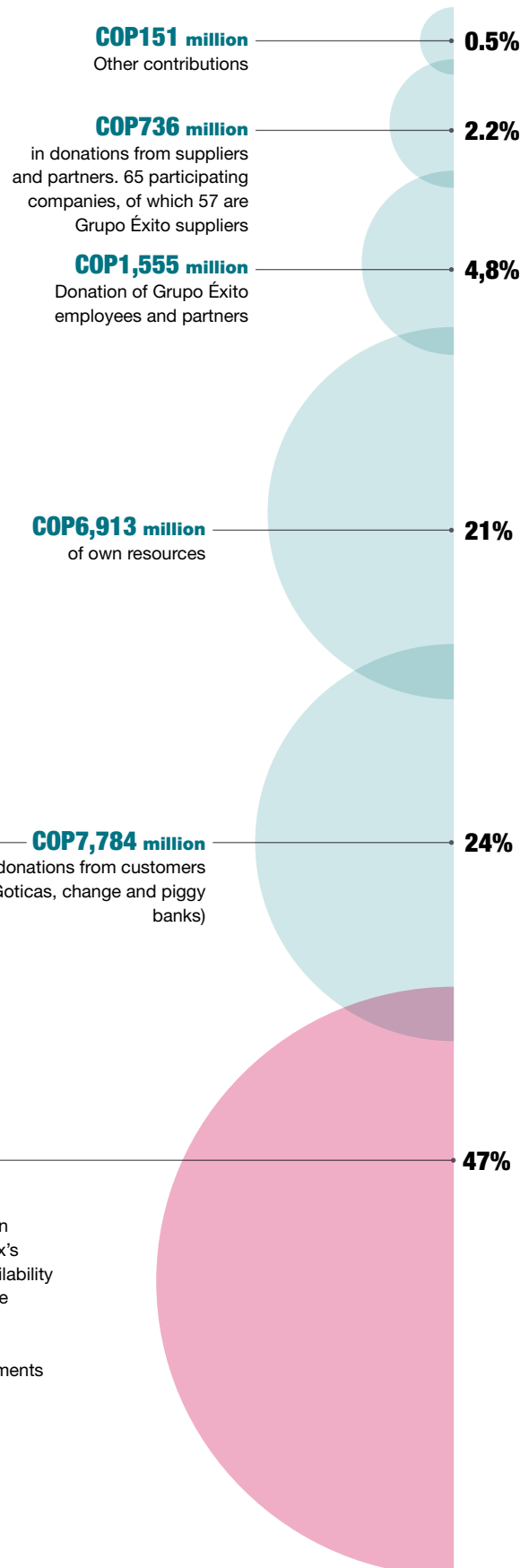
- |                       |                     |              |
|-----------------------|---------------------|--------------|
| 1. La Guajira         | 10. Santander       | 19. Tolima   |
| 2. Atlántico          | 11. Chocó           | 20. Cauca    |
| 3. Magdalena          | 12. Risaralda       | 21. Huila    |
| 4. Cesar              | 13. Caldas          | 22. Meta     |
| 5. Córdoba            | 14. Cundinamarca    | 23. Nariño   |
| 6. Sucre              | 15. Boyacá          | 24. Putumayo |
| 7. Bolívar            | 16. Casanare        | 25. Caquetá  |
| 8. Norte de Santander | 17. Quindío         | 26. Guaviare |
| 9. Antioquia          | 18. Valle del Cauca | 27. Vaupés   |

# Working together for an early childhood with better nutrition

Fundación Éxito had a total revenue of **COP32,330 million**, thanks to the support of various partners. **+ 6.6%**

More than **COP21,600 million** invested in nutrition and complementary care of children, thanks to the support of different partners.

More than **102,000 donation certificates** were provided to customers who contributed with the purchase of Goticas (Drops of help and the donation of their change in the point of sale to help reduce chronic malnutrition.



## **COP15,194 million raised by Grupo Éxito**

**COP11,840 million**  
For the sale of recycled material donated by Grupo Éxito. 22,188 tons of recyclable material produced by its business operations

**COP1,684 million**  
Food banks

**COP1,156 million**  
shareholder-approved donation

**COP391 million**  
in commercial campaign revenues and the Netflix's contribution for the availability of the film Magia Salvaje

**COP123 million**  
in-kind donation of garments by the textile industry

# More food donations from Grupo Éxito

Approximately **1,950 tons** of food and non-food products were donated to **19** food banks and **27** institutions.

**579,301** people benefited, thanks to the administration by food banks.

Grupo Éxito is the largest Colombian retail donor to food banks through the Fundación Éxito.

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## Recovery of agricultural surpluses through REAGRO

Joined by Saciari in Antioquia, we were able to benefit **80,667** with **3,303** tons of food through the administration of the REAGRO Antioquia Program financed by the Fundación Éxito to prevent food loss.

With the national REAGRO program, we salvaged **4,600** tons of food.

“Fundación Éxito has helped children eat better and mothers receive better information about child nutrition.”

---

**LEONARDO MENGUAL**  
*Wayú*



**For the past** five years, Fundación Éxito has orchestrated the Lactaton (Breastfeeding Marathon) to promote mothers' milk as the most natural and irreplaceable food to combat chronic malnutrition.

The Foundation earned the “El Colombiano Ejemplar” (Outstanding Colombian) Award in the children’s category from the El Colombiano newspaper, a prize that awards the people and institutions that contribute to the development and transformation of their communities.

## Breastfeeding, the best sign of love

More than **21,000** breastfeeding women attended the fourth Lactaton in more than **86** municipalities of **21** regions.

+ **74%**

## Recognizing those who work for infant nutrition

The country held its **16th Annual Childhood Nutrition Awards** during Childhood Nutrition Month. The awards are granted to private and public organizations, health institutions and the media for significant efforts to promote childhood nutrition in Colombia.

- **8** prizes were awarded to **7** entities and media.
- **8** Éxito locations received special mention for their commitment to raising funds for child nutrition.
- For the first time, the Family category was added in recognition of beneficiary families who assume their mission with love and responsibility to protect their children with essential efforts such as nutrition.

# The goal of reducing chronic malnutrition is an integral component of the 2018 - 2022 National Development Plan

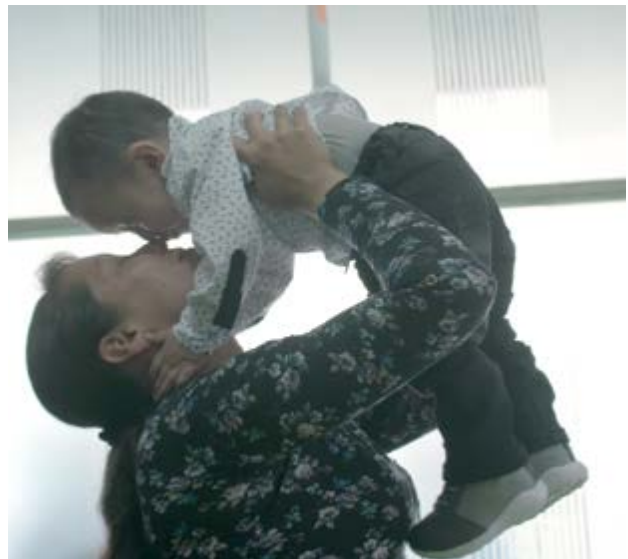
One of the strategic pillars of **Fundación Éxito** is to influence of public policies aimed at improving childhood nutrition.

For the first time, Colombia's 2018 - 2022 National Development Plan included a specific indicator related to chronic malnutrition, whose goal was to reduce the rate from **10.8% in 2018 to 8% in 2022**.

→ **Fundación Éxito** supported **10 municipalities** in the development of work plans to consolidate and laser-focus their efforts toward eradicating chronic malnutrition.

## Fundación Éxito promotes the rights of children and adolescents

As a principal member of the NiñezYa [ChildrenNow] collective, the **Fundación Éxito** participated actively in the creation of NiñezYa Antioquia, an umbrella organization that has united **16 civic organizations** to promote the rights of children and adolescents in local development plans.



**Mireya Cuesta** and her son Dereck benefited from the nutritional packages and complementary care offered by **Fundación Éxito** through the Nutrydar Foundation in Bogotá.

**Fundación Éxito** and the Procuraduría General de la Nación (Office of the Inspector General) signed an agreement with the aim of contributing to the development of public policies and state actions, both at the national and regional levels, to eradicate chronic malnutrition among children in Colombia.





## Eradicating chronic malnutrition is everyone's responsibility

Fundación Éxito, in partnership with the mayor's office of Bogotá and the Santa Fe Foundation, built the first guide in Colombia for the care and prevention of chronic malnutrition in children with a focus on public health.

More than **1,500 boys and girls** in Bogotá were evaluated for **18 months** to understand how a multisector public health intervention could help defeat chronic malnutrition in children.

- Fundación Éxito invested more than **COP2,000 million** in the evaluation and intervention.
- These children received food packages as a result of this intervention.

One out of every two children improved their nutritional status during the development of the *Guía para la Atención y Prevención en niños y niñas menores de un año* (Guide to Care and Prevention in Children Under One Year of Age).



**Learn here** about the application of the Guide for the Care and Prevention of Chronic Malnutrition.

### In 2019, we achieved:

- The inclusion of an indicator related to the reduction of chronic malnutrition in the National Development Plan together in a collaborative effort between Fundación Éxito and the national government.
- An increase in the number of beneficiaries of Fundación Éxito to 64,602 children, which guarantees them better nutrition.
- The creation of an intervention guide for medical attention to children with chronic malnutrition through Fundación Éxito in an alliance with the Bogotá mayor's office and the Santa Fe Foundation.

### In 2020, our challenges are:

- Launching a communication campaign to raise awareness among Colombians about the importance of eradicating childhood malnutrition.
- Supporting the construction of the Municipal and Regional Development Plans and seeking the inclusion of technical elements that will allow to work towards zero child malnutrition in this territories with the support of Fundación Éxito.
- Maintaining the number of children benefited by Fundación Éxito.



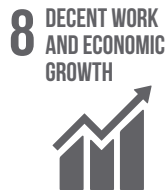
# We buy locally and directly in Colombia and help develop our providers and their supply chains

In order to achieve this, we worked on these fronts:

- Buying locally and directly
- Developing our suppliers and partners



The commitment is to contribute to the Sustainable Development Goals:



“

Thanks to the creation of formal jobs, Grupo Éxito's partnership with Sangara is a light of hope for families who have been affected by the violence in San Andrés de Tumaco.”

---

**PAULINO OCORO**

*Productive Projects Advisor for the Asociación de Acuicultores del Pacífico (Fish Farmers Association of the Pacific).*



**Learn here** how we contribute to building up our nation in San Andres de Tumaco through the purchase of fish and shrimp.

## When we join forces, we build a better country and transform realities

In different parts of Colombia there are people, communities and institutions that, with determination, build up a country.



**Ancizar Gómez**, coffee grower for Café Quindío.

We build up our nation hand-in-hand with:

- 3,302** Didetexco suppliers
- 1,383** of goods and services
- 1,855** real estate companies
- 99** textile industry partners

## We support our small providers in order to accompany them in their growth and strengthening process

We support the growth of our small suppliers, joining forces with Promotora de Comercio Social.

- **265** micro-entrepreneurs sell their products at Éxito, Carulla, Sutimax and Super Inter stores.
- **208** businesses participated in the product portfolio offered by Éxito wow Carulla FreshMarket.
- **32%** growth in sales during the year, through the Promotora de Comercio Social.

“The first big challenge we made with Grupo Éxito, and which the company also made with us, was to take us from the regional to the national level. We found a complementary partnership because it allow us to offer a wide variety of high-quality, premium products. They have been a great support to our expansion.”

**JAIME MORENO**

*Operations Manager of Café Quindío*



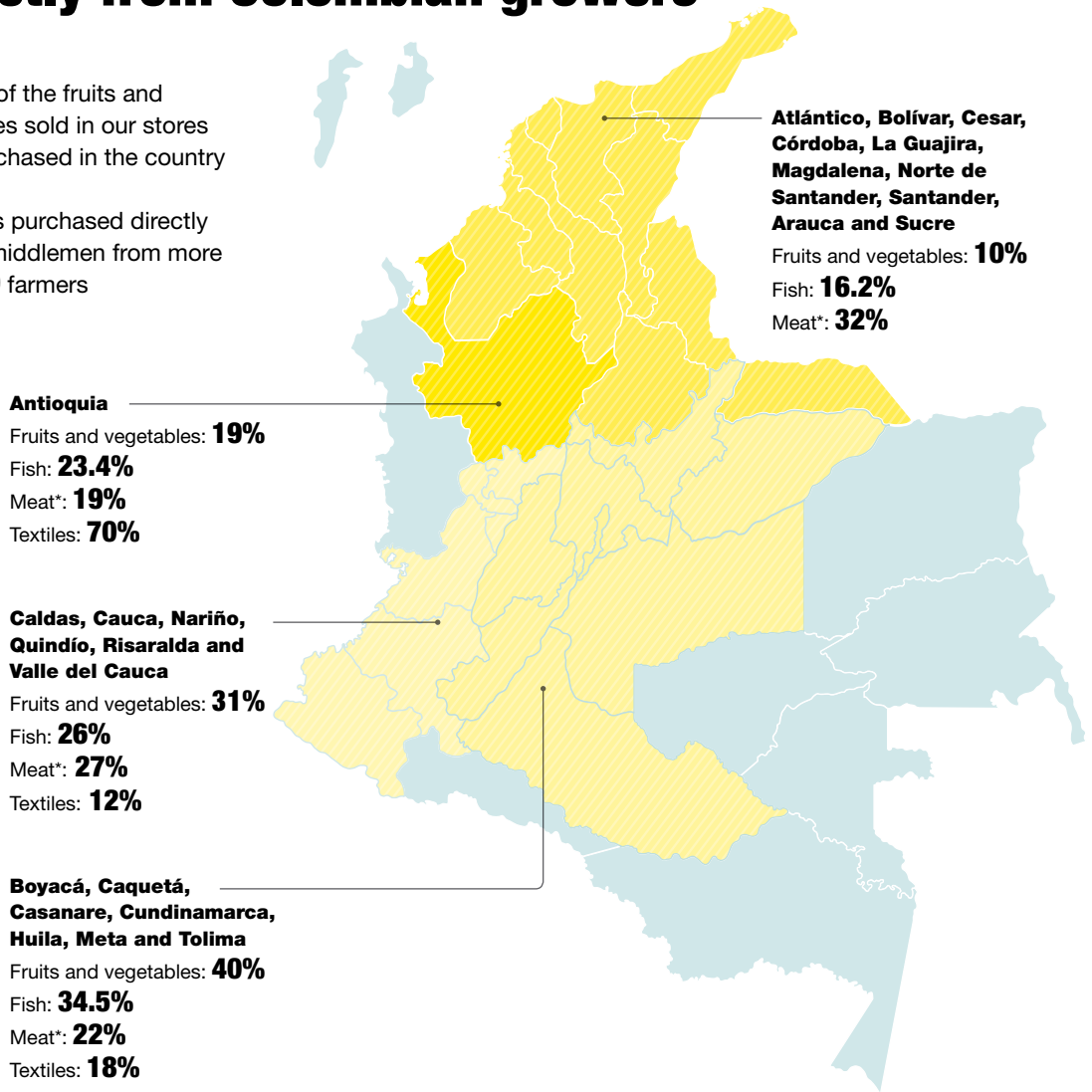
**Here you can learn**

how we build up our nation in partnership with Café Quindío.

# We buy local fruits and vegetables directly from Colombian growers

**91%** of the fruits and vegetables sold in our stores were purchased in the country

**82%** was purchased directly without middlemen from more than **650** farmers



\* Beef, pork and chicken

We rely on national and direct purchasing, without intermediaries, to boost the country’s economy, create new jobs, contribute to the welfare of communities and populations and develop more sustainable supply chains.



# Alliances to promote direct purchasing

We work together with our micro, small, medium and large suppliers to obtain greater benefits through the generation of shared value.



**Yilbert Alonso**, a farmer and member of the Asociación Prestadora de Servicios Integrales del Bajo Jordán of Aspresín, suburb of La India township in Santander an organization through which we obtain baby (murrapo) bananas for our stores.

## We work with 21 rural associations and farmers foundations

More than **650** farmers have been benefited in Antioquia, Atlántico, Bolívar, Boyacá, Caldas, Cauca, Caquetá, Casanare, Cesar, Córdoba, Cundinamarca, Huila, La Guajira, Magdalena, Meta, Nariño, Norte de Santander, Quindío, Risaralda, Santander, Sucre, Tolima and Valle del Cauca  
More than **5.7 million** items sold.

## We develop inclusive businesses in the agricultural sector

### National Government Agreement Coseche y Venda a la Fija (Harvest and Sell for Sure)

We are the main ally of the national government in the Coseche y Venda a la Fija program.

→ **2,375,381** units of agricultural products purchased from **12** suppliers during **10** farmer roundtable negotiations.

### Comproagro

We buy directly from **120 producers** in Boyacá, Antioquia and Cundinamarca.

**1,592,332 units** of marketed fruit and vegetables.

+ **149%**

### SalvaTerra

We buy and sell avocados and onions from Ocaña grown in the Reincorporation and Training Territories (ETCR) in Catatumbo, which benefit **34 families**.

We visited 10 regions in Colombia and participated in the farmer business roundtables in order to encourage direct purchase of agricultural products without intermediaries.



**Orlando Lafaux found** legal alternative work in the seafood industry in 2019 through Grupo Éxito's alliance with Sangara

### **We support sustainable supply chains in San Andres de Tumaco**

In order to help stimulate the shrimp and fish farming industry in San Andres de Tumaco, we formed an alliance with Sangara, a seafood provider in the same region. In this way, families from Tumaco can find an alternative option for legal employment.

- More than **100 direct and indirect jobs were created**
- We purchased **76 tons** of shrimp and **12 tons** of fish last year, thanks to this alliance

### **Our meat and fish are Colombian**

We buy **91%** of the beef, pork, veal and buffalo in Colombia from more than **110** producers.

We buy **81%** of our fish and seafood from Colombian fishers

“The fact that Grupo Éxito and Sangara have joined forces to promote Tumaco’s fishing industry means a lot because legal jobs will be created in the region.”

---

#### **ORLANDO LAF AUX**

*A fisher from the Farmers and Fishers Association of Soledad Curay, Tumaco.*

“We are proud because even though we have lost our liberty, we are able to work for Éxito, even in here. We are already thinking about moving forward and not going back to a life of crime or continue making mistakes.”

**JUAN CARLOS OSORNO**  
*Inmate, Yarumal prison*



**In the Yarumal** prison in Antioquia, 50 inmates make between 6,000 and 8,000 private-label jeans per month that are sold at Éxito stores.

*hecho en colombia*

## Socially conscious fashion made by Colombian hands

**93%** of our garments are produced in Colombia.

Of the **48 million** garments we sell per year, 57.8% correspond to our own brand. Of these, nearly 90% are made in the country.

In **99** workshops located in **6** regions, we promote the generation of some **8,000 jobs**, mostly for single mothers.

We export close to **730,000** garments of our own brands to the Dominican Republic, Uruguay, Ecuador and Argentina, which helps promote the growth of the national textile industry.



**Learn here**  
how clothing manufacturing contributes to the development of opportunities

# We Generate win-win relationships with neighborhood minimarkets and mom-and-pop grocery stores.

More than **1,400** merchants participate in Aliados Surtimax and Aliados Super Inter, a business model aimed at generating win-win relationships that promote the growth of neighborhood minimarkets, mom-and-pop groceries and Grupo Éxito.



Close to **1,200** Aliados Surtimax in **18** regions



More than **200** Aliados Super Inter in **5** regions

**180** Aliados business partners were trained in diploma courses and seminars on innovation and digital transformation.



**Edier Coneo, investment manager** at La Central de Clemencia in the Bolivar Region, is part of the Aliados Surtimax program, a sustainable trade proposal that brings together formal and traditional market practices so that the owners of minimarkets and mom-and-pop groceries can grow and develop their businesses.

“I had the idea of turning my store into a supermarket, but I didn’t have the resources or infrastructure to be able to set it up – I just had the shop. Thanks to the Aliados Surtimax program of Grupo Éxito, I was able to fulfill my dream.”

**EDIER CONEO**  
*Investment manager  
of La Central de Clemencia.*



**Learn more**  
about how we build up our nation with the Aliados program.



# We support environmentally and socially sustainable supply chains

During 2019, we launched a new model of social and environmental audits, along with the quality and safety assessments for the suppliers of our private label products.

100% of our providers have been audited under the social audit model. With the model implemented in 2019, 15% of our private label suppliers were audited.



**Susanita was one** of the providers audited with the new social audit model, which follows the universal principles of human rights, conventions of the International Labour Organization and the labor guidelines of the Colombian legislation.

## We work with our providers to make our supply chain sustainable

Nearly **900** providers signed the Supplier Charter of Ethics, which outlines the necessary standards to make our supply chain more sustainable.

## We train our suppliers to strengthen their production processes

More than **460** providers attended **18** training sessions about good farming practices, managing water resources, food safety and quality and processes, among others.





Coca-Cola, Industrias Fantasía, Postobón, Operadora Avícola Colombia, MIC, Industrias Cannon de Colombia, Oster, Comercializadora de Hielos Iglú, ABBA, Dar Ayuda Temporal and Grupo Uribe were the winning suppliers.



“We are very proud to have won the Sustainable Development Award. The [comproagro.com](http://comproagro.com) project benefits more than 27,000 farmers in 29 regions of the country who promote their products on the platform. We thank Grupo Éxito for recognizing the hard work we have done.”

**GINNA JIMÉNEZ**  
*Founder of Comproagro*

## Proveedores de Éxito 2019 (Exito’s 2019 Successful Suppliers), an evening when the company honored its best suppliers

During the 11<sup>th</sup> Annual Proveedores de Éxito awards, Grupo Éxito named **12** winners from **104** nominees in several categories.

### We succeeded in:

- Strengthening local and direct purchasing in the country’s regions, benefiting less-fortunate communities
- Creating and implementing the supplier evaluation model, in which we unified the quality, safety, environmental and social evaluations
- Ensuring our edible oil supply comes from certified farms or farms in the process of certification with zero deforestation

### In 2020, our challenges are:

- To work hand-in-hand with our meat suppliers to consolidate the sustainable livestock model, which ensures compliance with aspects related to forest management of the farms
- To implement the training model for suppliers joined by EAFIT social, where aspects related to the development of our supply chains are strengthened
- Gathering geographic information on our suppliers from the meat and Fruver departments



# We measure, mitigate and compensate our impact on the environment

We work on these initiatives to achieve:

- The measurement and mitigation of the carbon footprint
- Efficiency in resource and waste management
- Reduction of material
- Sustainable construction
- Consumer education



The commitment is to contribute to the Sustainable Development Goals:

9 INDUSTRY, INNOVATION, AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



11 SUSTAINABLE CITIES AND COMMUNITIES



15 LIFE ON LAND



“

We support Grupo Éxito in its quest to optimize its energy consumption. Thanks to the implementation of energy efficiency and solar energy strategies, we have achieved company savings of more than 20%. This is how we work for the well-being of Colombians and the planet.

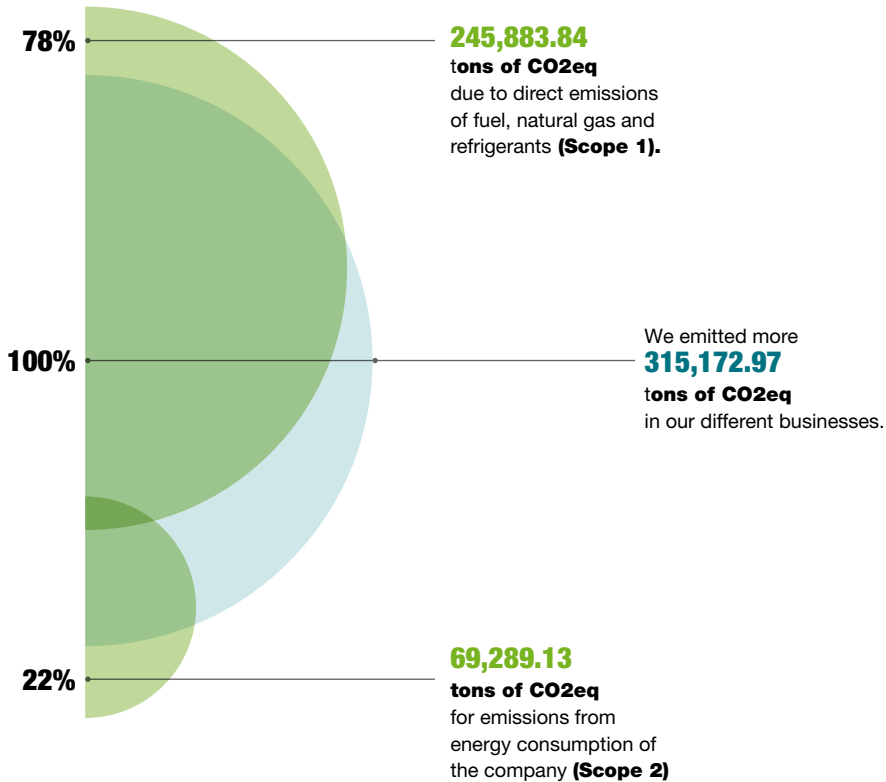
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**RODOLPHE DEMAINE**

*President for Colombia and Panama of Green Yellow.*

# We measured our carbon footprint, worked hard to mitigate it and compensate it

We hold ourselves responsible for our impact on the environment, and we seek to raise awareness in others for them to take care of the planet as well.



## We generated greater efficiency in energy consumption and the use of refrigerants

We are the first retailer in Colombia to implement the new refrigeration system called CO<sub>2</sub> transcritical on the country's Caribbean coast. The Carulla FreshMarket Buenavista in Barranquilla now has natural refrigerants.

This new system enables:

- The reduction of refrigerant needed by **60%** compared to amount needed by conventional systems
- The elimination of 18 tons of **CO<sub>2</sub>eq** into the atmosphere per year
- The need of **10.89** tons of refrigerants in our premises





**We installed more** than 400 solar panels with the Carulla brand, which is equivalent to planting 296 trees. The first to be developed were the carpools (solar parking lots) at Carulla FreshMarket Oviedo.

81 locations under the Carulla, Éxito, Super Inter and Viva have efficient energy programs and solar energy generation in place, implemented by Green Yellow, for a total of 201 stores.

We generate **224,800 kWh/year** of energy with the solar projects, avoiding the emission of **6,382** tons of CO<sub>2eq</sub> into the atmosphere per year.

Since 2013, we have stopped consuming **16,566,866 kWh/year** due to the energy efficiency projects.

We installed eight panels for the solar tree and **two** solar tables for the new Carulla SmartMarket.

We have **8** facilities with photovoltaic plants.

We achieved a reduction in energy consumption in retail operations of **22,287,791 kWh**.



Through the use of **12** double-decker tractor trailers, we cut trips down by more than **216,000** kilometers and eliminated **32** tons of CO<sub>2eq</sub> emissions from the atmosphere.





**We launched our** first fleet of 28 electric vehicles (EVs) for home grocery delivery from Éxito and Carulla markets. This initiative helped us to eliminate 10.7 tons of CO<sub>2eq</sub>.

## **We've placed our bets on sustainable mobility and cleaner air**

We launched our first fleet of 28 EVs for grocery delivery from Éxito and Carulla markets.



We strengthened **Movámonos** (Let's Move), a sustainable mobility collaborative program that encourages employees in Medellín and Bogotá to use sustainable means of transport.

**203 days** of time saved in traffic jams.

**43,752 carpools.**



## **We've mitigated the impact of our operations by protecting strategic ecosystems**

With BanCO<sub>2</sub>, we protected more than **3,201** hectares of strategic ecosystems and compensated for the emission of more than **6,230** tons of CO<sub>2eq</sub>.

**38** families and **one** indigenous community protect forests, wetlands, mangroves and Andean alpine ecosystems, thanks to the company's payments for ecosystem services.

## **We ratified the "The Voluntary Accord for Zero Deforestation in the Palm Oil Chain in Colombia"**

**100%** of our private label edible oil suppliers are certified as Roundtable for Sustainable Palm Oil (RSPO) or are in the process of such certification.

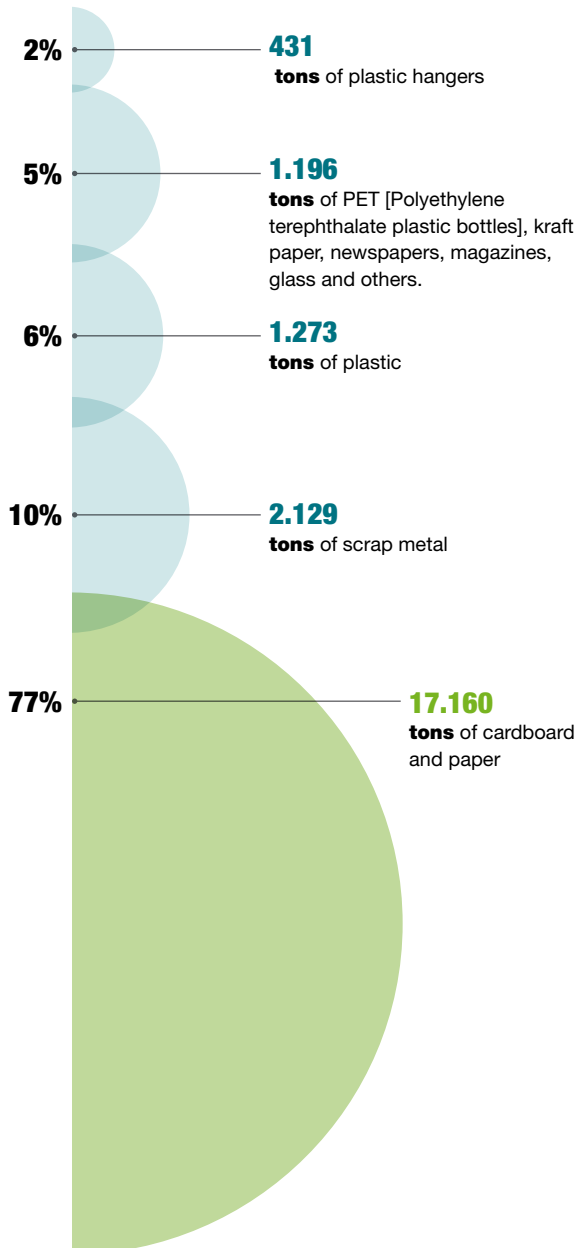
The Tropical Forest Alliance Colombia 2020 (TFA) seeks to protect Colombia's forests and reduce tropical deforestation.

Our water consumption was

**2,243,151m<sup>3</sup>**, which is equivalent to 185m<sup>3</sup> per sqm.

# We have Colombia's largest recycled cardboard process

The more than **22,100** tons of recyclable material collected and sold provided us a funding source for Fundación Éxito projects. This equates to approximately one day without garbage in Colombia.



## We properly dispose waste

We kept **29,700** tons of waste from being sent to landfills

We repurposed **66** tons of hazardous waste with potential for reuse, which would have been previously destined for incineration, stabilization or other treatment for recovery.

We recovered **149** tons of used cooking oil from both customers and businesses, with potential for repurposing and resale.

We took advantage of **12,000** tons of organic waste with potential to be used for soil composting.

# We are advancing to be a retailer with less plastic

We no longer sell straws and plastic mixers in our stores

We eliminated the Styrofoam in the fruit and vegetable section

We have reduced the use of plastic bags at the point of sale by **61%** since 2015, thanks to the commitment of our customers and our internal strategies

We eliminated the use of film as a protective cover display strategy in most of our fruits and vegetables, instead relying on their peeling as a natural form of food packaging and reducing food waste with the help of our customers

We delivered more than **3.8 million** Puntos Colombia [award points] to **688,000** customers to reward their commitment to the environment by utilizing reusable bags.

We replaced plastic tape wrappers used in produce with banana leaves: this eliminates the tape while preserving the life of the product

In all Carulla FreshMarket locations, reusable mesh bags for fruits and vegetables are now available to our customers in the produce section

More than **2.9 million** reusable bags and **90,000** privately owned shopping carts were purchased by our customers

We launched the post-consumption model: Soy RE (I'm a RE), which has recycling points in **11 company stores** to encourage recycling of plastic containers, beverage cans or multilayer packaging (Tetrapak). In 2019, we recovered more than **12 tons** from 11,100 customers

**4,672** reusable mesh bags were purchased by customers in **13** stores.

**3,015,021** reusable bags were acquired by our customers in **500** stores.

For several years now, we have been implementing different initiatives to reduce the use of plastic, being a company that proactively and uniquely manages these issues in Colombia.

## We make it easy for our customers to separate and recycle waste dangerous to the environment.

Our customers brought more than **46,145 tons** of post-consumer material to the company's approximately **108 collection points**.

We recovered **3.5** tons of plastic, **116.02** tons of aluminum and **121.22** tons of tetrapack [long shelf-life beverage cartons] at the recycling collection points, which are part of the pilot program carried out in alliance with Puntos Colombia to raise awareness and encourage our customers to separate and return the recyclable materials.



## Our real estate projects were developed with high international standards in sustainable construction



**Six** stores (Éxito La Central, Éxito Mosquera, Éxito La Felicidad, Ensueño, Dual, Éxito Tunja) and **3** Viva shopping centers (La Ceja, Wajiira, Tunja) have the LEED (Leadership in Energy & Environmental) certification, awarded by the Green Building Council of the United States, which recognizes projects with superior performance design, construction and sustainable operation.

## We advanced in the optimization of digital receipts and advertising promotions

We reduced the amount of paper used for receipts and advertising promotions at the register by **18%** in **49** company stores.

### In 2019, we achieved:

- The elimination of 100% of expanded polystyrene (EPS-styrofoam) from our produce section and maximize the bulk sales of fruits and vegetables.
- The status of being a retailer with less plastic waste, reinforcing actions such as distributing fewer plastic bags at the point of sale and eliminating plastic straws, among others.
- Creating the post-consumption operation model and implementing it in four locations, in order to strengthen our recycling system for reusable waste.
- The incorporation of 28 electric vehicles into our service fleet for the home delivery of groceries and other products requested by customers through e-commerce platforms and the Éxito and Carulla applications.

### In 2020, our challenges are:

- The expansion of our recycling program, installing recycling drop-off points at six new locations.
- The implementation of a carbon footprint management plan.
- The continual promotion of active mobility among our customers, through the use of bicycles and electric scooters.





# We promote bringing healthy living habits within reach of everyone

In order to do so, we strive to:

- Market healthy alternatives
- Create awareness among customers, suppliers and employees
- Promote physical activity and sports



The commitment is to contribute to the Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



2 ZERO HUNGER



6 CLEAN WATER AND SANITATION





“

Promoting healthy living habits is essential for the body's balance. Consciously focusing on proper nutrition is essential for a healthy life. The Taeq brand offers a wide variety of products with nutritional benefits, which provides its consumers with a number of varied food options for every taste.”

---

**SANDRA LUCÍA RESTREPO**

*Coordinator of the Food and Human Nutrition Research Group at the School of Nutrition and Dietetics of the University of Antioquia. Member of the Board of Directors of the Fundación Éxito*

# We encourage healthy living through healthy food

**3,402** healthy food references endorsed by the nutritionist team under FSA (Food Standards Agency).

The Bueno para ti (Good for you) portfolio has an **8.7%** share in the large food consumption category.

100% of the new Taeq products use the voluntary Guideline Daily Amount labeling system to provide consumers nutritional information and awareness of any risky ingredients.

## We offer natural and nutritious foods

More than **2,200** natural and healthy foods that include fresh produce.

More than **1,100** healthy foods with a focus on special needs that provide nutritional and health benefits.

Nearly **30** organic fruits and vegetables and **70** high demand organic products.

**Fruit of the week:** more than 1.3 million units sold, thanks to the Fruta de la semana (Fruit of the week) strategy, which highlights the nutritional characteristics of different fruits and vegetables each week.

**+ 28% growth in units**

## Taeq is the fourth healthy brand with the highest sales in Colombia

With record sales and figures surpassing **COP5,000 million per month**.

More than **390 foods** with nutritional and health benefits make up Taeq's portfolio of healthy products, the most complete brand in the market with a multi-category healthy portfolio.



# We challenge our employees to have healthy lifestyle habits



Because we are the largest private employer in Colombia, we are committed to encouraging our employees to adopt healthy lifestyles. In 2019 we launched a 21-day challenge, during which we scheduled exercise activities and food tips to promote healthier living.

**2,301** employees signed up for the **21-day challenge**.

- **684** employees underwent initial nutritional screening.
- **38%** of the employees increased their water consumption, **20%** did physical activity more frequently, **21%** decreased their sugar consumption and **11%** improved their fruit and vegetable consumption.

## We promote health and nutrition at work

More than **41,500** servings of fruit were consumed by employees at administrative headquarters.



## We invite our customers to create healthy lifestyle habits

More than **25,000** people visited the **Healthy Carulla** fair, where **150 brands** participated showing off some **1,500 products** focused on healthier living.

“Carulla es saludable (Carulla is healthy) is a pleasant learning space in where I learned how to connect the mind with the body in order to achieve a balance and attain a sense of well-being.”

**PAOLA MENDIETA**  
*Carulla is healthy visitor.*

Thematic days of the Éxito and Carulla stores sought to create awareness and increase consumer popularity in the portfolio of healthy products offered by the brands. More than 140 providers joined this initiative.

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## Promote physical activity and sports

We sponsored sports activities and professional teams as a way to encourage physical activity.



**We support Colombian** cycling and the country's great sporting events; that is why, along with the Éxito, Bronzini Active, Taeq and Viva shopping center brands, we joined the Tour Colombia 2.1 (2019) cycling race held in Antioquia.

### Tour Colombia 2.1

It is one of the most important cycling races in Colombia. **28 teams** and **168 cyclists** participated, such as Chris Froome, Egan Bernal, Nairo Quintana, Rigoberto Urán and Miguel Ángel López.

### Ruta Colombia

The biggest event for Colombian cycling enthusiasts.

More than **2,000 cyclists** and **9,000 attendees**.



## FEI Children's International Classics

Equestrian competition involving all the national leagues and drawing young riders from around the nation.

More than **2,000** participants.



### Carrera de las rosas

The Race of the Roses has distances between 2k and 10k aimed at promoting breast cancer awareness

More than **5,000** participants

### Carrera por la Policía

Charity athletic race to support education, welfare and health programs for law enforcement officers

More than **2,500** participants

### Club América de Cali

We sponsor this soccer team of the Colombian Professional League

### Deportivo Independiente Medellín

We also sponsor this Colombian Professional League soccer team

Clásico de ciclismo infantil del mundo  
(Children's cycling classic of the world)

## In 2019, we attained:

- The consolidation of our healthy portfolio with an offering of new products: no sugar added, gluten-free, fiber-focused, low or no-fat, protein-focused, lactose-free, organic, low or no-sodium, low or no-calories and vitamin and/or mineral-focused.
- The implementation of a healthy lifestyle initiative among our employees through the 21-day challenge, which sought to create healthy habits related to sports, food and personal care.
- The promotion of Lunes de Vida Sana (Healthy Life Mondays) in collaboration with the Éxito brand in which the company promotes the purchase and consumption of healthier products.

## In 2020, our challenges are:

- To hold a healthy living fair in conjunction with the Éxito and Carulla brands, during which healthy living habits are promoted through food and sports.
- To launch digital functionality in Éxito and Carulla's mobile apps that will enable customers to better understand how to make balanced purchases.
- To broaden our healthy products portfolio to offer more alternatives to our consumers.



# We are Colombia's largest private employer

To achieve this, we focus on these sectors:

- Developing our people as individuals and as talented employees
- Becoming an attractive, diverse and inclusive workforce.
- Fomenting social dialogue



The commitment is to contribute to the Sustainable Development Goals

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



1 NO POVERTY



10 REDUCING INEQUALITY



“

After my maternity leave, I was very happy to find a clean, private and comfortable space to extract, store and deliver my breast milk to my baby. Today, Miguel Angel is 10 months old, and thanks to the fact that I was able to exclusively feed him breast milk until he was six months old, he is now a big and healthy baby.”

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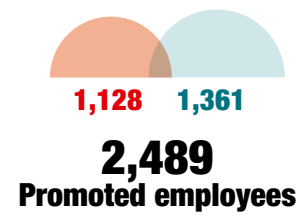
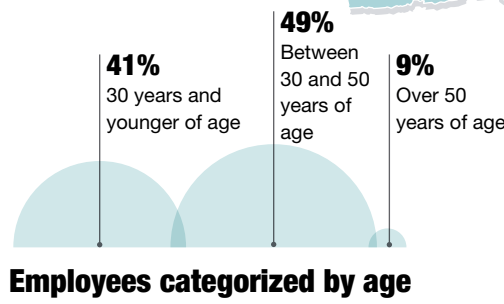
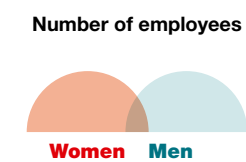
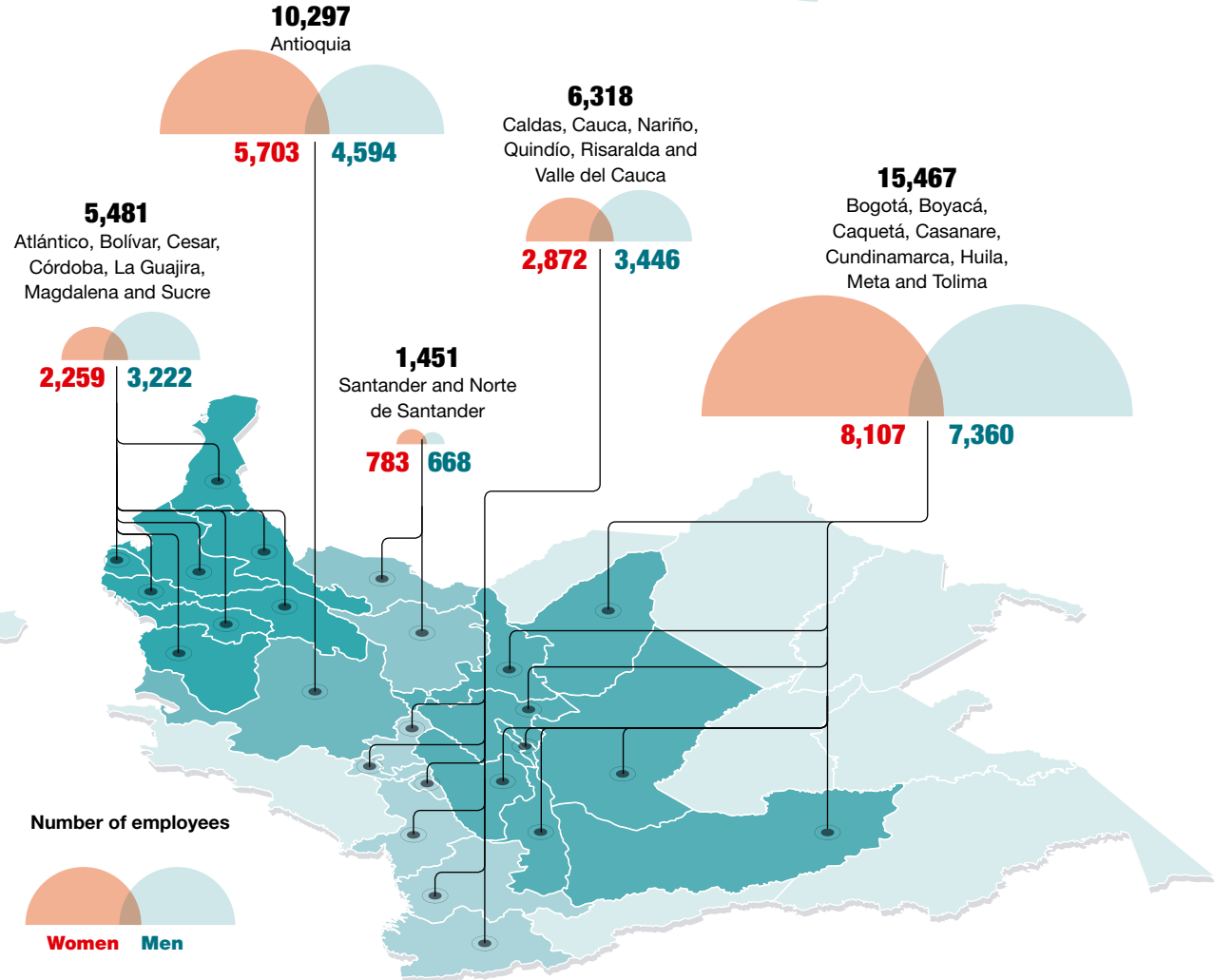
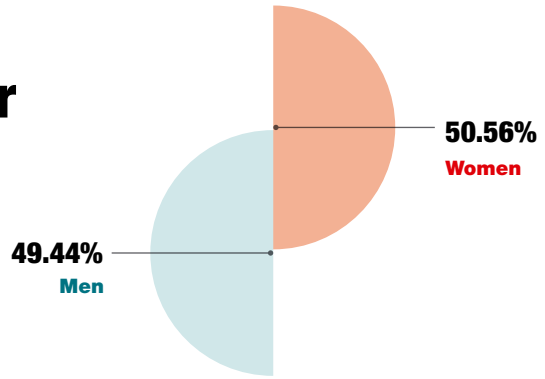
**MÓNICA LOAIZA**

*Payroll Assistant, Éxito wow Envigado*

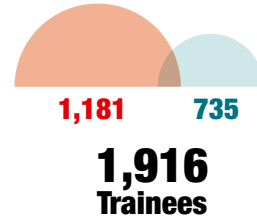
# We are Colombia's largest private employer

We generate more than **40,000** jobs in **23** regions in Colombia.

More than **32,900** contract employees are hired for an undefined term.



We are the company with the largest number of trainees in Colombia.



## Our employees are our best reason to smile

We invested more than **COP85,000 million** in more than **513,000** benefits for our employees and their families.



**Danny Pinchao, PGC** supply and sales coordinator at the Simón Bolívar Éxito in Cali, and his family enjoy the home they acquired thanks to the Plan mi casa program.

93% of employees participated in a survey on the benefits granted by the company. By doing this, we were able to learn about their motivations, needs and lifestyles in order to offer a better benefits strategy in 2020.



**Housing**  
More than **COP5,000 million** invested in loans for buying, building and improving housing.

More than **250** benefits granted.  
+ **11%**



**Education**  
In the realm of education, we invested more than **COP10,500 million** to contribute to the personal and academic growth of our employees and their children.

More than **20,116** benefits granted.  
+ **2%**





### Health

More than **COP1,500 million** invested in programs for promoting health and preventing diseases.

More than **7,900** employees and their families benefited.

**+ 37%**



### Mi pension

We guided **1,222** employees through the retirement process.

**COP244 million** invested in retirement counseling.

**+ 249%**



### Time for you

We made it possible for our employees to enjoy more than **99,421** free hours for personal or family activities.



### Vínculos de amor

We supported close to **886** employees in their role as parents with the bonds of love program.

We provided professional support and economic assistance during birth and additional time for breastfeeding afterward.

### Salas de lactancia

We opened **45** breastfeeding rooms so that employees in the breast-feeding stage have a suitable space to extract and preserve breast milk.



### Escuela de economía personal y familiar

We trained more than **4,038** employees in personal and family financial planning in our school for personal and family finances.

Since its inception, more than **26,600** employees have participated in this school (**67%** of the company's employees).



### Culture and entrepreneurship

We invested **COP1,094 million** on entrepreneurship, leisure and creative expression programs.

**+ 48%**

More than **52,304** benefits granted.

**+ 22%**



### Recreation and sports

We invested **COP17,000 million** in recreation programs and sport for our employees and their families.

More than **90,359** benefits granted.



### Mi renta

"My rent" is an income taxes program, a new benefit to guide employees and their families through the process of preparing income tax returns. In collaboration and through the management of our strategic partner Tributi, we offer this adequate and easy service without cost to our workers. **655** employees and families were benefited.

### Mi Mascota

We created, in alliance with Fondo Presente (Grupo Éxito's employee fund), "My Pet," a benefit for employees' pets to receive medical assistance. **388** services delivered.



We recognized the trajectory of each of our staff members.

**Learn about these moments of recognition here.**



## Movámonos

We fortified our sustainable mobility program Movámonos (Let's move).

We held the Feria de Movilidad Sostenible (Sustainable Mobility Fair) exclusively for employees, where we offered special discounts on bicycles, skateboards and EVs and economic aid for those who participated.

- Close to **1,000** employees participated in the fair.
- We were recognized by Try My Ride\* as the winner of the 2019 sustainability challenge.
- We received an award from the Bogotá District Secretariat of Mobility for the good mobility practices implemented with our employees as part of the Cuando te mueves Bogotá (When you move Bogotá) contest.

\* **Try My Ride** is a trademark of the company **Vita Sana S.A.S.**, which provides the sustainable mobility service for Grupo Éxito. Their app is a technological development that facilitates the mobility of the company's employees.



## Celebrations

Grupo Éxito invested more than **COP34,500** million in programs to celebrate special days for our employees and their families. A total of **194,411** benefits were provided, of which **91%** was used to fund personal days off.



## Por ti es posible (This is possible thanks to you)

We rewarded more than **5,165 employees** for their years of service at the Company.



## Volunteering

We made it possible for nearly **200** employees to participate in the "**Somos Gen Cero**" - We are Generation Zero volunteer program, through which they allocated three working days to support the activities scheduled by the Fundación Éxito.

# We build a better place to work

We developed, promoted and trained the company's talent through close and inspiring leadership models, to achieve the proposed results and generate an appropriate work environment.



87% of the employees participated in the work environment assessment. This led to a more positive perception as evidenced by new initiatives in recognition, organizational clarity, leadership and developmental opportunities.

# We encourage our employees to learn

We consolidated the training processes on corporate culture, knowledge of the organization and work performance through the courses offered by the Organizational Learning Unit.

Employees received more than **2,086,901** million hours of virtual and hands-on training.

More than **52,084** employees participated in training processes.

**82,904** attendees in the face-to-face training programs. **+ 6%**



**44,116** employees were trained on corporate culture and how to develop an adequate and appropriate response to it. **+ 8%**



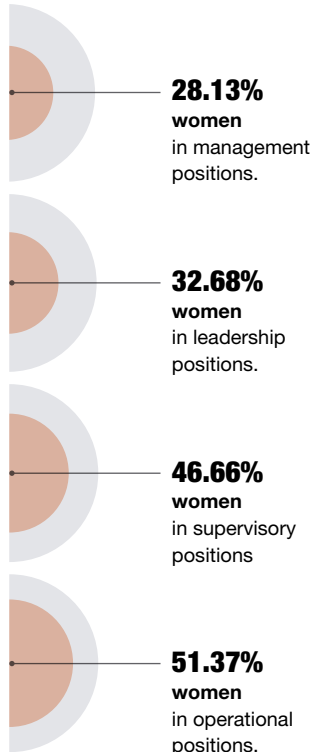
More than **28,500** employees attended courses to learn about the company's businesses and brands, in order to improve both their knowledge and performance in their respective positions. **+ 40%**



More than **49,600** employees attended training on basic and complementary skills for adapting to their positions. **+ 18%**

# We promote gender equality

## Women's participation by position



## We launched the second **Mujeres Líderes de la Operación (Female Leaders of the Operation) program.**

We launched the second “Mujeres Líderes de la Operación” (Female Leaders of the Operation) program with the participation of 15 women who stood out in their positions. The program seeks to enhance their skills and strengthen their professional development.



## We obtained the “Equipares” Silver Seal of Labor Equality certification

In 2019 we achieved the Silver Award, which allows us to identify and advance in closing gender gaps within organizations. The program is led by the Colombian Ministry of Labor, the High Presidential Counselor’s Office for Women’s Equity and the United Nations Development Program.

We will continue with the certification process in the Equidad Laboral (Job Equality) Program in pursuit of the Gold Award in 2021.

“The Operation’s Women Leaders Program has influenced my professional development as a leader in a comprehensive and competitive manner, strengthened greater management skills and knowledge of the retail business.”

**SANDRA MARROQUÍN**  
*Manager Éxito Fontanar Chia.*



**From left to right:** Carlos Mario Giraldo Moreno, CEO Grupo Éxito; Alicia Arango Olmos, Minister of Labor; Iván Duque Márquez, President of Colombia; Luis Alberto Moreno, President of the Inter-American Development Bank.

## We present the Gender Parity Initiative to the National Government

We delivered the action plan of the Gender Parity Initiative (GPI) in Colombia to the National Government as co-leaders and representatives of the business sector. This initiative is led by the Ministry of Labor, with the support of the Inter-American Development Bank and the World Economic Forum.

Through this initiative, we are striving to encourage female participation in the labor force and their promotion to leadership positions, as well as narrowing the gender wage gap in Colombia.



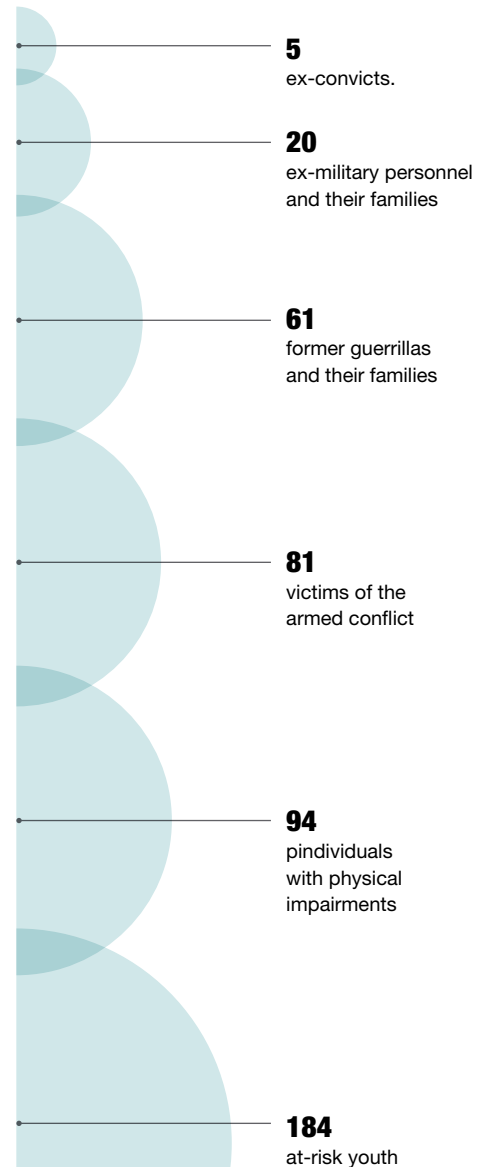
**Learn more here**  
about our commitment  
to diversity and inclusion.

## We promote labor inclusion

Since the creation of the Assistance to Populations at Greatest Risk of Vulnerability program in 2006, nearly

**2,300** people have been given opportunities to join the labor force.

We employed **445 people** in risk or vulnerability.





“Being in Grupo Éxito for 10 years has allowed me to achieve job stability and grow as a person. I am happy for my colleagues and because, as a woman, I have felt the support of the company.”

**ROCÍO BUENO**

*Éxito Piedecuesta, Santander.*

## We protect the health and integrity of our employees

The rate of workplace accidents fell by **12.5%**, and we had no fatal incidents among our employees. We trained **25,000** workers through our Risk Management School, strengthening their skills to protect the life and integrity of colleagues, clients and facilities.

## We encourage social dialogue

We recognize the right to unionize and the right to not unionize. We respect collective bargaining agreements and promote social dialogue between the different stakeholders.

We have **four** collective agreements in effect until 2019 and a collective employment agreement for the food industry, which govern the labor conditions of employees.

### In 2019, we:

- Launched the Equipares in Sello Plata certification process for ensuring equal opportunity employment for both sexes, which will help us overcome the gender gap within the organizations.
- Encouraged leadership competence in all staff who lead teams within the organization, seeking with this to improve productivity and create an appropriate work environment.
- Supported the training in continuous improvement methodologies defined by the company (SixSigma, Kaizen events, 5's).

### In 2020, our challenges are:

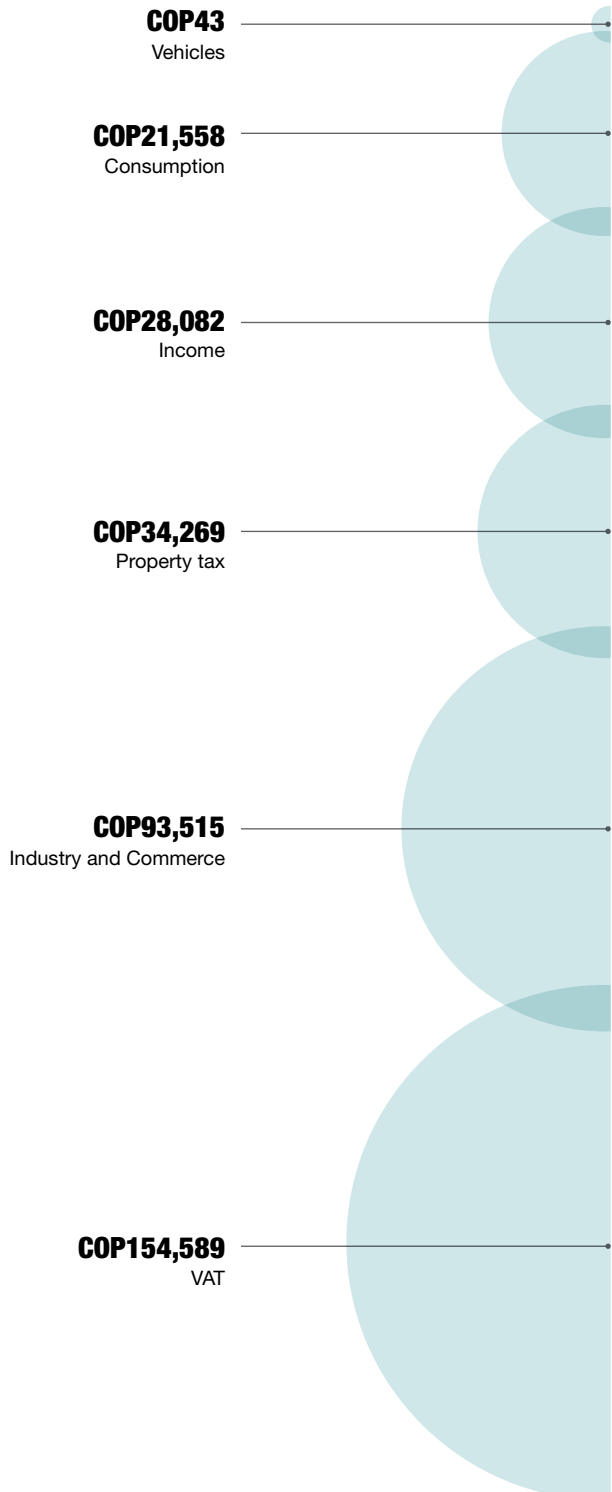
- To strengthen the strategy of Labor Inclusion with a focus on people with disabilities.
- To continue strengthening the gender equality management system in order to obtain the Gold 2021 Award.
- To create the EX 1.0 employee experience model (Before, during and after).
- Designed and implemented an intrapreneurship experience model for employees.

# We contribute to the development of regions through the timely payment of taxes and obligations

We pay more than **COP360,000** million in taxes and obligations

## COMPLIANCE WITH TAX OBLIGATIONS

(Figures in millions of pesos)



More than **COP1,500 million** were donated to institutions to contribute to social projects, environmental protection and knowledge management

## Municipal Tax Payment Details (Industry and Commerce)

(Figures in millions of pesos)

Municipality	2019	Municipality	2019	Municipality	2019
Acacías	COP62	Florencia	COP421	Pitalito	COP114
Albania	COP58	Floridablanca	COP371	Planeta Rica	COP54
Amagá	COP46	Fredonia	COP56	Popayán	COP640
Apartadó	COP289	Funza	COP994	Puerto Berrío	COP133
Aranzazu	COP13	Fusagasugá	COP354	Puerto Colombia	COP65
Armenia	COP715	Gachancipá	COP18	Puerto Salgar	COP9
Barbosa	COP30	Galapa	COP5	Ricaurte	COP124
Barrancabermeja	COP247	Garzón	COP66	Riohacha	COP546
Barranquilla	COP4,788	Girardot	COP233	Rionegro	COP866
Bello	COP2,192	Girardota	COP45	Sabanalarga	COP213
Bogotá	COP29,829	Girón	COP60	Sabaneta	COP802
Bucaramanga	COP2,043	Guarne	COP1	Sahagún	COP30
Buenaventura	COP451	Honda	COP44	Salento	COP3
Buga	COP97	Ibagué	COP602	San Jerónimo	COP118
Caicedonia	COP142	Ipiales	COP344	San Pedro	COP107
Cajicá	COP139	Itagúí	COP248	Santa Fe de Antioquia	COP53
Calarcá	COP129	Jamundí	COP338	Santa Marta	COP1,228
Cali	COP5,580	La Calera	COP68	Santa Rosa	COP28
Campoalegre	COP10	La Ceja	COP217	Sincelejo	COP705
Carepa	COP69	La Dorada	COP75	Soacha	COP365
Carmen de Viboral	COP12	La Estrella	COP144	Sogamoso	COP157
Cartagena	COP2,893	La Mesa	COP25	Soledad	COP534
Cartago	COP151	La Tebaida	COP156	Sopó	COP23
Caucasia	\$COP433	Libano	COP26	Tocancipá	COP25
Cereté	COP56	Lorica	COP105	Tolú	COP108
Chía	COP1,029	Madrid	COP52	Tuluá	COP241
Chinchiná	COP21	Magangué	COP131	Tunja	COP727
Chiquinquirá	COP72	Malambo	COP181	Turbaco	COP77
Circasia	COP75	Manizales	COP448	Turbo	COP147
Corozal	COP45	Marinilla	COP21	Valledupar	COP925
Cota	COP25	Medellín	COP10,076	Villa María	COP42
Coveñas	COP24	Melgar	COP152	Villavicencio	COP983
Cúcuta	COP1,340	Montería	COP1,119	Yopal	COP398
Dosquebradas	COP192	Mosquera	COP204	Yumbo	COP179
Duitama	COP73	Neiva	COP934	Zarzal	COP45
El Retiro	COP48	Ocaña	COP113	Zipacquirá	COP252
Envigado	COP7,064	Palmira	COP306	<b>Total</b>	<b>COP93,515</b>
Espinal	COP25	Pasto	COP382		
Facatativá	COP206	Pereira	COP2,398		
		Piedecuesta	COP205		

# Sustainability in Uruguay and Argentina

Our teams in South American countries in which we are present carry out initiatives that favor sustainability.

These are some of the results:



*Libertad*

# Grupo Disco

**Grupo Disco has committed itself to actions aligned with the Sustainable Development Goals (SDGs) of the 2030 Agenda approved by the United Nations, which generate alliances with strategic partners that pursue the same goals.**

- Carrying out campaigns to contribute to the education of vulnerable children and young people served by specialized organizations and hospitals.
- Contributing to the Coranzocitos Foundation aimed at training Uruguayan physicians to learn how to detect congenital heart defects.
- Reducing the impact on the environment through initiatives to reduce emissions and promote water management, encourage projects to combat deforestation and strive to use less plastic.
- Promoting activities that encourage responsible trade through social audits of suppliers.
- Promoting the use of nylon bags in compliance with the plastic bag law that went into effect in Uruguay in July of 2019. Consumers purchased **80%** less plastic bags.
- Updating the Guide to Labor Inclusion, in alliance with the Working Group on Disability and Businesses, DERES and other public and private companies. The Guide describes how to initiate the process of incorporating people with disabilities into the labor force.
- Training of more than **3,850 employees** in food handling, cardiac resuscitation and corporate fitness.

# Libertad

- **Food recovery:**  
The salvage and donation of **94,235 kilos of food** in alliance with the Food Bank Network of Argentina through its Zero Food Waste Recovery Program. This reflected a 71% increase over the food donation in 2018.
- **Let's donate smiles:**  
Customers donated **COP1,419,382.63** through the Donemos sonrisas (Donate Smiles) program and helped fund 11 social projects in local institutions.
- **Active Schools Campaign:**  
A donation of **five water filters** through an alliance with Colgate and the Proyecto Agua Segura (Safe Water Project) to make water drinkable in five rural schools in the province of Tucumán.
- **Gondolazo:**  
Donation of 1,780 kilos of food to the Food Bank Network thanks to the contribution of our customers.
- **Collections:**
  - School supplies fundraising marathon. A donation of 500 school kits and backpacks to at-risk children, thanks to the contribution of our clients and collaborators.
  - Abrigando corazones. A donation of 1,826 kilos of coats.
  - Toy marathon. A donation of 2,500 dolls made with banner lines by Pyme Vasalisa, an organization promoting diversity.
  - For a different Christmas. A donation of 3,000 educational toys made from recycled cardboard by Pyme Ondulé.
- **Energy from renewable sources:**  
Libertad is the first retailer in Argentina to buy energy from wind power. During 2019 the consumption of energy from renewable sources was 51%.
- **Graduates:**  
27 employees of the distribution center completed their high school studies and were able to graduate.



Almacenes Éxito S. A.

Independent limited assurance report on the environmental indicators included in the 2019 Sustainability Report of Almacenes Éxito S.A. for the year ended December 31, 2019



## Independent limited assurance report on the environmental indicators included in the 2019 Sustainability Report of Almacenes Éxito S.A. for the year ended December 31, 2019

To the Shareholders and the Administration of Almacenes Éxito S.A.

May 15, 2020

We have undertaken a limited assurance engagement on the environmental indicators (hereinafter identified sustainability information), detailed below, included in the 2019 Sustainability Report (hereinafter IS19 by its acronym in Spanish), for the year ended on 31 December 2019 (hereinafter the 'Review Period'). This engagement was conducted by a multidisciplinary team including assurance auditors and sustainability experts.

### Identified Sustainability Information

- a. The Identified Sustainability Information of the environmental indicators included in Almacenes Éxito S. A.'s IS19 (hereinafter 'the Company') issued by the Administration, both printed and, in a PDF<sup>1</sup>, file is listed below:
  - I. Carbon footprint
    - a. Scope 1 and 2
    - b. Specific items of scope 3
  - II. Waste management
    - a. Recycled material
    - b. Other waste

Our limited assurance procedures were only performed on the Identified Sustainability Information, which respond to the assurance criteria described in Appendix I; for the year ended December 31, 2019; and we have not performed any procedure with respect to earlier periods or any other element included in IS19 and, therefore, we do not express a conclusion thereon.

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<sup>1</sup> The maintenance and integrity of the Almacenes Éxito S.A. website ([www.grupoexito.com.co](http://www.grupoexito.com.co)), the repository of the pdf version of the 2019 Sustainability Report, is the responsibility of the Company's Administration. The work carried out by PwC does not include the consideration of these activities and, accordingly, PwC accepts no responsibility for any difference between the information presented on the website and the objects of limited assurance in the Report issued by the Administration of the Company on which said assurance was made and the conclusion was issued.



**To the Shareholders and the Administration of  
Almacenes Éxito S. A.**  
Independent Limited Assurance Report

May 15, 2020

## **Criteria**

The criteria used by the Company to prepare the Identified Sustainability Information, subject matter of the limited assurance, were established in accordance with the formalized procedures that, in relation to those indicators, the Administration defined, set out in Appendix I.

## **Management's Responsibility for the limited assurance objects**

The Company's Administration is responsible for the preparation and presentation of the Identified Sustainability Information in accordance with the Criteria set forth in Appendix I. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

## **Our Independence and Quality Control**

We have complied with the independence and ethical requirements of the Code of Ethics for Certified Public Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We performed our limited assurance engagement in accordance with International Standard on Assurance Engagements, for non-assurance engagements or for reviews of historical financial information, ISAE 3000 (Revised), issued by the International Auditing and Assurance Standards Board, and with respect to greenhouse gas emissions, the "International Standard on Assurance commitments" ISAE 3410 (for its acronym in English). These standards require that we plan and perform the engagement to obtain limited assurance regarding whether the Identified Sustainability Information is free from material misstatement.



**To the Shareholders and Administration of  
Almacenes Éxito S. A.**  
Independent Limited Assurance Report

May 15, 2020

A limited assurance engagement involves assessing the suitability in the specific circumstances, of the Company's use of the criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation processes performed, inspection of documents, and reconciliation of the relevant supporting documentation. Given the circumstances of the engagement, we performed, among others, the following procedures:

- a. Understanding of the tools used to generate, aggregate and report the Identified Sustainability Information through inquiries with those responsible for the processes listed.
- b. Substantive and detailed testing on sampled bases determined in accordance with assurance standards, on the information taken to determine the indicators subject to limited assurance by means of:
  - i. Inspection of policies and procedures established by the Company.
  - ii. Inspection of supporting documentation from both internal and external sources.
  - iii. Arithmetic calculations in accordance with formulas previously defined in the reporting criteria that are set out in the accompanying Appendix I.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria that are set out in Appendix I.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



**To the Shareholders and Administration of  
Almacenes Éxito S. A.**  
Independent Limited Assurance Report

May 15, 2020

### **Limited Assurance Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that:

1. The environmental indicators included in the IS19, regarding the information that responds to the assurance criteria described in the accompanying Appendix I, are not prepared, in all material respects, in accordance with the criteria.

### **Inherent Limitations**

Without qualifying our conclusion, we draw attention to the fact that:

- i. The non-financial information is subject to more inherent limitations than financial information, given both the nature and methods used to determine, calculate, sample or estimate such information. Qualitative interpretations of the relevance, materiality and accuracy of the information are subject to individual assumptions and judgments.
- ii. Our assurance is made on the Identified Sustainability Information corresponding to the year under review and, therefore, does not include information from previous years included in IS19, related to projections and future goals, or with financial information of the Company for the year under revision, unless otherwise stated in the attached Appendix I. We have not performed any work outside the agreed scope and, therefore, our conclusion is restricted to the Identified Sustainability Information that respond to the assurance criteria described in Appendix I.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and which can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determinate emission factors and the values needed to combine emissions of different gases.





**To the Shareholders and Administration of  
Almacenes Éxito S. A.**  
Independent Limited Assurance Report

May 15, 2020

### **Restriction on use and distribution**

Our report, including the conclusion, has been prepared solely for the purpose of the Company's Administration presenting it to the Shareholders of Almacenes Éxito S.A., within the context of reporting its performance and activities in the IS19. We permit the disclosure of this report in the 2019 Sustainability Report. To the fullest extent permitted by the law, we do not accept or assume responsibility to anyone other than the Company's Administration, and the Shareholders of Almacenes Éxito S.A, except in the event that there are express terms agreed with us and with prior written notification.

*(Original in Spanish signed by:)*

Diego Henao  
T.P. 20732-T  
Socio  
PricewaterhouseCoopers AG Ltda.

**Appendix 1**

The assurance criteria detailed below are suitable to environmental indicators (identified sustainability information subject to limited assurance) which were defined in accordance with the formalized procedures that, in relation to these indicators, the Company's Management established.

These assessment criteria are an integral part of our Independent practitioner's limited assurance report on environmental indicators included in the 2019 Sustainability Report of Almacenes Éxito S.A. for the year ended December 31, 2019.

Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A
1. Carbon Footprint Indicator	<p>The Company's Administration included in its Sustainability Report (hereinafter IS19 by its acronym in Spanish), the result for the Carbon Footprint indicator for the Grupo Éxito Company (hereinafter the company), in the period between January 1 and December 31, 2019 (hereinafter the reporting year), which includes the services of Retail, Cedi, HQ (Headquarters), Didetexco, Ideal, Viva Malls, LTSA, Workshop car and airplane based on the procedures established by the company, as indicated below:</p> <p><b>Scope 1</b></p> <p>The calculation of total direct emissions corresponds to the application of the following formula: Greenhouse Gas Emissions (Scope 1): Ton of CO<sub>2</sub> equivalent emissions per fuel consumption + Ton of CO<sub>2</sub> equivalent emissions per fugitive emissions (Consumption of refrigerant gases). This calculation is in the documents "200306_Informe HC 2019 Grupo éxito.docx" and "Calculo Huella de Carbono 2019 Grupo Exito.xlsx".</p> <ul style="list-style-type: none"> <li>• The calculation of emissions per fuel consumption is made with the following equation: <b>GHG emissions = Fuel consumption (gal-m<sup>3</sup>) x EF emission of fuel used (kg CO<sub>2</sub> / gal-m<sup>3</sup>)</b></li> </ul> <p>For this calculation, the information of Diesel Consumption, Natural Gas, Propane Gas, Gasoline and JET A1 was included, which was provided in the following documents:</p> <ul style="list-style-type: none"> <li>○ "Copia de Formato de recolección de información - Retail 2020_V6 def", for Retail Diesel and Propane consumption information.</li> <li>○ "Reporte GAS sostenibilidad 20.04.2020", for Retail Natural Gas consumption information.</li> <li>○ "Formato recoleccion Informacion tiendas Cedi 2019 v2", for Cedi fuel consumption information.</li> <li>○ "Formato recoleccion Informacion tiendas HQ 2019 v2", for Headquarters fuel consumption information.</li> </ul>	<p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>

Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A																
	<ul style="list-style-type: none"> <li>○ “Formato recolección Información Ideal 2019”, for Industria de Alimentos fuel consumption information.</li> <li>○ “Formato recolección de información Didetexco 2019 (2)”, for Didetexco fuel consumption information.</li> <li>○ “Formato recolección Información tiendas Viva 2019v2”, for Viva Malls fuel consumption information.</li> <li>○ “Formato recolección de información LTSA 2019_V2”, for LTSA fuel consumption information.</li> <li>○ “Formato recolección de información n - otros 2019”, for Workshop car and airplane fuel consumption information.</li> </ul> <p>Fuel consumption information is supported as follows:</p> <ul style="list-style-type: none"> <li>○ ACPM is supported by purchase invoices and, for Didetexco, by the fuel tanks filling support.</li> <li>○ Gas Natural is supported by consumption invoices and, for Ideal, by consumption registration forms.</li> <li>○ Propane Gas and Diesel are supported by consumption bills.</li> <li>○ Gasoline is supported by receipt of tanks filling.</li> <li>○ Jet A1 is supported by the monthly consumption report.</li> <li>○ In accordance with the established by the Company's administration, the consumption projections for calculating the Carbon Footprint are valid for the second semester of the year.</li> </ul> <ul style="list-style-type: none"> <li>● The calculation of fugitive emissions was made with the following equation:  <b>GHG emissions</b> = consumption of refrigerant gas (lb) x EF emission of the refrigerant gas used (kg CO<sub>2</sub>/ lb)</li> </ul> <p>For this calculation, the information on the consumption of refrigerants R-22, R-410, R-12, R-404, R-134, R-507, R-290 and Ammonia was included, from the source document “Huella de carbono-Mantenimiento-2019.xlsx” which was built based on the document “Consolidado 2019.xlsx”, which is administered by the National Maintenance Area. The refrigerant consumption information is supported by the purchase invoices and the maintenance report for Viva.</p> <p>The emission factors used for Scope 1 are:</p> <table border="1" data-bbox="411 1252 1728 1455"> <thead> <tr> <th colspan="2">Activity</th> <th>Emission factor</th> <th>Unit</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Fuel consumption</td> <td rowspan="3">Diesel</td> <td>10,15</td> <td>kg de CO<sub>2</sub>/gal</td> <td><a href="http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html</a></td> </tr> <tr> <td>0,001368</td> <td>kg de CH<sub>4</sub>/gal</td> <td>Cálculo a partir de FE, LHV y densidad.</td> </tr> <tr> <td>0,000082</td> <td>kg de N<sub>2</sub>O/gal</td> <td>Cálculo a partir de FE, LHV y densidad.</td> </tr> </tbody> </table>	Activity		Emission factor	Unit	Source	Fuel consumption	Diesel	10,15	kg de CO <sub>2</sub> /gal	<a href="http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html</a>	0,001368	kg de CH <sub>4</sub> /gal	Cálculo a partir de FE, LHV y densidad.	0,000082	kg de N <sub>2</sub> O/gal	Cálculo a partir de FE, LHV y densidad.	<p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p> <p style="text-align: center;">✓</p>
Activity		Emission factor	Unit	Source														
Fuel consumption	Diesel	10,15	kg de CO <sub>2</sub> /gal	<a href="http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emisiones/aplicacion/calculadora.html</a>														
		0,001368	kg de CH <sub>4</sub> /gal	Cálculo a partir de FE, LHV y densidad.														
		0,000082	kg de N <sub>2</sub> O/gal	Cálculo a partir de FE, LHV y densidad.														

Indicators for limited assurance objects	Criteria					Nothing came to our attention (✓) – N/A
		Gasolina	7,618	kg de CO <sub>2</sub> /gal	<a href="http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html</a>	
			0,001141	kg de CH <sub>4</sub> /gal	Cálculo a partir de FE, LHV y densidad.	
			0,000068	kg de N <sub>2</sub> O/gal	Cálculo a partir de FE, LHV y densidad.	
		JET A1	9,84	kg de CO <sub>2</sub> /gal	<a href="http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html</a>	
			0,0003337	kg de CH <sub>4</sub> /gal	Cálculo a partir de FE, LHV y densidad.	
			0,0000667	kg de N <sub>2</sub> O/gal	Cálculo a partir de FE, LHV y densidad.	
		Gas natural	1,980	Kg de CO <sub>2</sub> /m <sup>3</sup>	<a href="http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html</a>	
			0,000178	kg de CH <sub>4</sub> / m <sup>3</sup>	Cálculo a partir de FE, LHV y densidad.	
			0,000004	kg de N <sub>2</sub> O/ m <sup>3</sup>	Cálculo a partir de FE, LHV y densidad.	
	Gas propano	1,3840	Kg de CO <sub>2</sub> /Lb	<a href="http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html">http://www.upme.gov.co/Calculadora_Emissiones/aplicacion/calculadora.html</a>		
		0,0001032	kg de CH <sub>4</sub> /Lb	Cálculo a partir de FE, LHV y densidad.		
		0,0000021	kg de N <sub>2</sub> O/Lb	Cálculo a partir de FE, LHV y densidad.		
	Refrigerant gases	R-404	3,922.00	GPW	<a href="https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf">https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf</a>	
		R.507	3,985.00	GPW	<a href="https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf">https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf</a>	
		R-134A	1,430.00	GPW	<a href="https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf">https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf</a>	
		R-22	1,810.00	GPW	<a href="http://www.linde-gas.com/en/legacy/attachment?files=tcm:Ps17-111483,tcm:s17-111483,tcm:17-111483">http://www.linde-gas.com/en/legacy/attachment?files=tcm:Ps17-111483,tcm:s17-111483,tcm:17-111483</a>	
		R-410	2,088.00	GPW	<a href="https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf">https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf</a>	
		R-12	8,500.00	GPW	<a href="https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf">https://www.epa.gov/sites/production/files/2015-07/documents/emission-factors_2014.pdf</a>	
		R-209	3.00	GPW	<a href="https://www.freshendistribuye.com.ar/manuales/2030.pdf">https://www.freshendistribuye.com.ar/manuales/2030.pdf</a>	

Indicators for limited assurance objects	Criteria					Nothing came to our attention (✓) – N/A
		Ammoniac (R-717)	0	GPW	<a href="http://www.linde-gas.com/en/legacy/attachment?files=tcm:Ps17-111483,tcm:s17-111483,tcm:17-111483">http://www.linde-gas.com/en/legacy/attachment?files=tcm:Ps17-111483,tcm:s17-111483,tcm:17-111483</a>	<p>✓</p> <p>✓</p> <p>✓</p>
<b>Scope 2</b>						
The calculation of total indirect emissions of scope 2 corresponds to the application of the following formula:						
Greenhouse Gas Emissions (Scope 2): Ton of equivalent CO <sub>2</sub> emissions per consumption of electrical energy from the interconnected national network (conventional) + Ton of equivalent CO <sub>2</sub> emissions per consumption of electrical energy from unconventional sources. The above is registered in the documents “200306_Informe HC 2019 Grupo éxito.docx” and “Calculo Huella de Carbono 2019 Grupo Exito.xlsx”.						
<ul style="list-style-type: none"> <li>The calculation of indirect emissions per consumption of electrical energy is made with the following equation:  <b>GHG emissions = Energy consumption (kWh) x EF energy consumption (kg CO<sub>2</sub>/ kWh)</b> </li> </ul>						
The source information for this scope comes from the following documents:						
<ul style="list-style-type: none"> <li>“Formato de recolección de información - Retail 2020_V8”, for conventional electric energy consumption of Retail.</li> <li>“Formato recoleccion Informacion tiendas Cedi 2019 v2” for conventional electric energy consumption of Cedi.</li> <li>”Formato recoleccion Informacion tiendas HQ 2019 v2” for conventional electric energy consumption of Headquarters.</li> <li>“Formato recoleccion Informacion Ideal 2019” for conventional electric energy consumption of Ideal.</li> <li>“Formato recoleccion de información Didetexco 2019 (2)” for conventional electric energy consumption of Didetexco.</li> <li>“Formato recoleccion Informacion tiendas Viva 2019v2” for conventional electric energy consumption and renewable energy consumption of Viva Malls.</li> </ul>						



Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A															
	<p>This information is supported by the electric energy consumption bills and the exported report of the Meteocontrol platform for renewable energy (Photovoltaic). In accordance with the Company's administration, the consumption projections for calculating the Carbon Footprint are valid for the second semester of the year.</p> <p>The emission factors used for Scope 2 are:</p> <table border="1" data-bbox="411 509 1728 734"> <thead> <tr> <th data-bbox="411 509 653 565">Activity</th> <th data-bbox="653 509 764 565">2019</th> <th data-bbox="764 509 892 565">Emission factor</th> <th data-bbox="892 509 1037 565">Unit</th> <th data-bbox="1037 509 1728 565">Source</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 565 653 651">Electric energy consumption (conventional)</td> <td data-bbox="653 565 764 651"></td> <td data-bbox="764 565 892 651">0,164</td> <td data-bbox="892 565 1037 651">Kg de CO<sub>2</sub>/kWh</td> <td data-bbox="1037 565 1728 651"><a href="https://www.xm.com.co/Paginas/detalle-noticias.aspx?identificador=2383">https://www.xm.com.co/Paginas/detalle-noticias.aspx?identificador=2383</a></td> </tr> <tr> <td data-bbox="411 651 653 734">Electric energy consumption (renewable)</td> <td data-bbox="653 651 764 734">2019</td> <td data-bbox="764 651 892 734">0.05</td> <td data-bbox="892 651 1037 734">Kg de CO<sub>2</sub>/kWh</td> <td data-bbox="1037 651 1728 734"><a href="https://emissionfactors.com/factors/">https://emissionfactors.com/factors/</a></td> </tr> </tbody> </table> <p>In IS19, the Carbon Footprint result was included as the sum of the results of Scope 1 and Scope 2. Compared to this total, in the IS19 included the percentage that represents the result of Scope 1 and 2.</p> <p>Note: the result of scope 3 is not included in the Company's 2019 Sustainability Report, however, it is part of the assurance object.</p> <p><b>Scope 3</b></p> <p>The calculation of the total indirect emissions Scope 3 corresponds to the application of the following formula:</p> <p>Greenhouse Gas Emissions (Scope 3): Ton of CO<sub>2</sub> equivalent emissions per air travel + Ton of CO<sub>2</sub> equivalent emissions per land travel in the city of Bogotá + Ton of CO<sub>2</sub> equivalent emissions per waste disposal. The above is registered in the documents “200306_Informe HC 2019 Grupo éxito.docx” and “Calculo Huella de Carbono 2019 Grupo Exito.xlsx”.</p> <ul style="list-style-type: none"> <li>The calculation of other indirect emissions from air and land travel is made with the following equation:  <b>GHG emissions = Distance covered (km) x Travel EF (kg CO<sub>2</sub>/ km)</b></li> </ul> <p>For this calculation, the information of air and land travel provided in the following documents “Huella de carbono 2019viajes exito.xlsx” and “Copia de Formato recoleccion - viajes terrestres.xlsx”, was included. This information is supported by the report sent by the supplier of the Viajes Éxito platform and the sum of routes that have been</p>	Activity	2019	Emission factor	Unit	Source	Electric energy consumption (conventional)		0,164	Kg de CO <sub>2</sub> /kWh	<a href="https://www.xm.com.co/Paginas/detalle-noticias.aspx?identificador=2383">https://www.xm.com.co/Paginas/detalle-noticias.aspx?identificador=2383</a>	Electric energy consumption (renewable)	2019	0.05	Kg de CO <sub>2</sub> /kWh	<a href="https://emissionfactors.com/factors/">https://emissionfactors.com/factors/</a>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>
Activity	2019	Emission factor	Unit	Source													
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Electric energy consumption (renewable)	2019	0.05	Kg de CO <sub>2</sub> /kWh	<a href="https://emissionfactors.com/factors/">https://emissionfactors.com/factors/</a>													

Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A																												
	<p>previously standardized for the mileage travelled in the cities of Bogotá, Barranquilla, Bucaramanga y Cali in the document “MATRIZ ESTANDAR KM - TRANSPORTES VARIOS.xlsx”.</p> <ul style="list-style-type: none"> <li>The calculation of other indirect emissions due to waste disposal is made with the following equation:  <b>GHG emissions</b> = Amount of waste per type of disposal (Ton) x EF per type of disposal (kg CO<sub>2</sub>/ Ton)</li> </ul> <p>The Waste information for the calculation of the Carbon Footprint is supported by final disposal certificates.</p> <p>The emission factors used for Scope 3 are:</p> <table border="1" data-bbox="411 623 1728 1417"> <thead> <tr> <th data-bbox="411 623 632 708">Activity</th> <th data-bbox="632 623 821 708">Emission factor</th> <th data-bbox="821 623 932 708">Unit</th> <th data-bbox="932 623 1728 708">Source</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 708 632 980" rowspan="3">Air travel</td> <td data-bbox="632 708 821 792">Short travel &lt; 300 miles</td> <td data-bbox="821 708 932 792">0,225</td> <td data-bbox="932 708 1728 792">kg of CO<sub>2</sub>/passenger - mile <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a></td> </tr> <tr> <td data-bbox="632 792 821 876">Average travel &gt; = 300 miles &lt; 2300</td> <td data-bbox="821 792 932 876">0,136</td> <td data-bbox="932 792 1728 876">kg of CO<sub>2</sub>/passenger - mile <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a></td> </tr> <tr> <td data-bbox="632 876 821 980">Long travel &gt; = 2300 miles</td> <td data-bbox="821 876 932 980">0,166</td> <td data-bbox="932 876 1728 980">kg of CO<sub>2</sub>/passenger - mile <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a></td> </tr> <tr> <td data-bbox="411 980 632 1133">Land travel</td> <td data-bbox="632 980 821 1133">Work travel</td> <td data-bbox="821 980 932 1133">0,343</td> <td data-bbox="932 980 1728 1133">kg of CO<sub>2</sub>/mile <a href="https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf">https://www.epa.gov/sites/production/files/2018-03/documents/emission-factors_mar_2018_0.pdf</a></td> </tr> <tr> <td data-bbox="411 1133 632 1417" rowspan="3">Solid waste disposal</td> <td data-bbox="632 1133 821 1243">Organic waste sent to landfill</td> <td data-bbox="821 1133 932 1243">587,43</td> <td data-bbox="932 1133 1728 1243">kg de CO<sub>2</sub>/Ton <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf</a></td> </tr> <tr> <td data-bbox="632 1243 821 1328">Security cells</td> <td data-bbox="821 1243 932 1328">21,35</td> <td data-bbox="932 1243 1728 1328">kg de CO<sub>2</sub>/Ton <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf</a></td> </tr> <tr> <td data-bbox="632 1328 821 1417">Incineration</td> <td data-bbox="821 1328 932 1417">21,35</td> <td data-bbox="932 1328 1728 1417">kg de CO<sub>2</sub>/Ton <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf</a></td> </tr> </tbody> </table>	Activity	Emission factor	Unit	Source	Air travel	Short travel < 300 miles	0,225	kg of CO <sub>2</sub> /passenger - 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Activity	Emission factor	Unit	Source																											
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Indicators for limited assurance objects	Criteria				Nothing came to our attention (✓) – N/A		
		Bioremediation	10,20	kg de CO <sub>2</sub> /Ton	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf</a>		
		Harnessing	1,01	kg de CO <sub>2</sub> /Ton	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/829336/2019_Green-house-gas-reporting-methodology.pdf</a>		
	Greenhouse gases included in the calculation						
	Carbon dioxide	CO <sub>2</sub>	1				✓
	Methane	CH <sub>4</sub>	28				
	Nitrous oxide	N <sub>2</sub> O	265				
	Hydrofluorocarbons	HFCs	140 - 12,400				
	Perfluorocarbons	PFCs	7,000 – 23,900				
	In accordance with the document “200306_Informe HC 2019 Grupo éxito.docx” it is established that:						
<i>“For the measurement, the CeBe lines (Retail, Cedi, HQ), Didetexco, Ideal, Viva Mall, LTSA and Grupo are considered. This measurement considered the following methodologies ISO 14064-1 (SGS, 2012), Green House Gas Protocol (World Bussiness Concil for Sustainable Development) and the guide for preparing national inventories of greenhouse gases (IPCC, 2006)”.</i>					✓		
<ul style="list-style-type: none"> <li>• Baseline is 2015</li> <li>• Degree of uncertainty of +/- 8.4%.</li> </ul>					✓		
The scope of the assurance is limited to the crossing of the information reported in IS19 in relation to the sources mentioned in the criteria, provided by the corresponding Areas; to the validation, based on samples, of the existence of the source data, and to the recalculation of the final values of the established formulas in the criteria based on the information included in those sources, for selected samples. It does not include an assessment of the reasonability of the calculation formulas used by the Company, the sources mentioned in the criteria nor the assessment of the integrity of the sources of information base for the calculation in the reporting year.					✓		

Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A
2. Waste Management Indicator	<p>The Company's Administration included in its Sustainability Report (hereinafter IS19 by its acronym in Spanish) the result of the Waste Management indicator for Almacenes Éxito S.A. Company (hereinafter in this criteria the reporting company) in the period between January 1 and December 31, 2019 (hereinafter the reporting year), based on the procedures established by the Company, as indicated below:</p> <ol style="list-style-type: none"> <li>1. <b>Recycled material:</b> corresponds to the sum of the amount of recyclable material, in tons, that were delivered by the Company to Fundación Éxito and sold by it to external managers during the year of review. This information is registered in the recycling matrix, Excel file "Auditoria pwc.xlsx" and includes the following categories: <ol style="list-style-type: none"> <li>a. <b>Cardboard and paper:</b> called "Cardboard" in the waste classification of the Excel document previously mentioned in these criteria. ✓</li> <li>b. <b>Plastic hangers:</b> called "Hanger" in the waste classification of the Excel document previously mentioned in these criteria. ✓</li> <li>c. <b>PET, Kraft paper, newspapers, magazines, glass, among others:</b> called "Others" in the waste classification of the Excel document previously mentioned in these criteria. ✓</li> <li>d. <b>Plastic:</b> called "Plastic" in the waste classification of the Excel document previously mentioned in these criteria. ✓</li> <li>e. <b>Scrap:</b> called "Scrap" in the waste classification of the Excel document previously mentioned in these criteria. ✓</li> </ol> <p>This information is supported by the recyclable material sales invoices from the third party that purchased the recyclable material and its receipt support. ✓</p> </li> <li>2. <b>Other waste:</b> corresponds to the amount of waste generated by the Company in the year of revision, disaggregated into the following categories: <ol style="list-style-type: none"> <li>a. <b>Ordinary waste:</b> corresponds to the total amount of ordinary waste that were generated by the Company (Retail, Cedi and HQ services) and destined to sanitary landfills. This information is included in the document "1. ASEO - Actualización contreebute 07.04.2020" which is administered by the Company's Public Services Area and is supported by the Company's cleaning bills to national level. The established density for this waste is 300 Kg/m<sup>3</sup>. ✓</li> <li>b. <b>Hazardous waste:</b> corresponds to the total amount of hazardous waste that were generated by the Company (Retail, Cedi and HQ services) and treated for its appropriate final disposal. This information is included in the document "CONSOLIDADO RESIDUOS 2019.xlsx", which is administered by the ✓</li> </ol> </li> </ol>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>

Indicators for limited assurance objects	Criteria	Nothing came to our attention (✓) – N/A
	<p>Company's Environmental Management Area and is supported with the final disposal certificates for this type of waste.</p> <p>c. <b>Used cooking oil:</b> corresponds to the total amount of used cooking oil that was generated by the Company (Retail and Cedi services) and treated for its appropriate final disposal. This information is included in the document "CONSOLIDADO RESIDUOS 2019.xlsx" which is administered by the Company's Environmental Management Area and is supported with the final disposal certificates for this type of waste.</p> <p>d. <b>Organic waste:</b> corresponds to the total amount of organic waste that were generated by the Company (Retail and Cedi services) and used for soil bioremediation as treatment. This information is included in the "CONSOLIDADO RESIDUOS 2019.xlsx", which is managed by the Company's Environmental Management Area and is supported with the final disposal certificates for this type of waste.</p> <p>The scope of the assurance is limited to the crossing of the information reported in IS19 in relation to the sources mentioned in the criteria, provided by the corresponding areas; to the validation, based on samples, of the existence of the source data, and to the recalculation of the final values of the established formulas in the criteria based on the information included in those sources, for selected samples. It does not include an assessment of the reasonability of the sources mentioned in the criteria nor the assessment of the integrity of the sources of information base for the calculation in the reporting year.</p>	<p>✓</p> <p>✓</p>





We dream together

We believe together

We create opportunities together

We grow together

We transform realities together

We build up our nation  
**together**



Aquí  
construimos  
país

