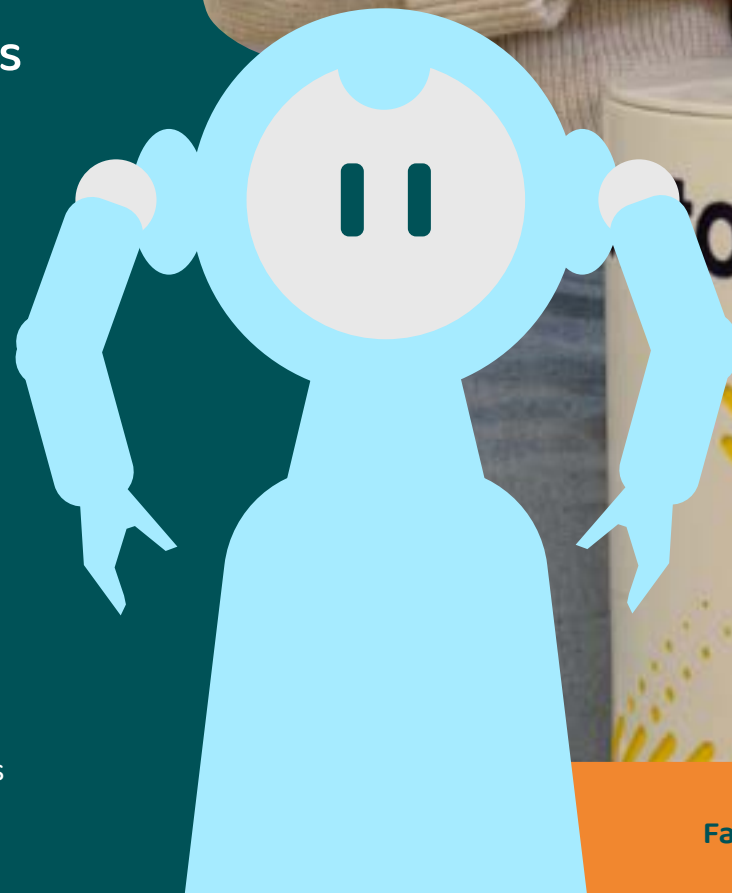


Corporate Governance Report

- ↕ Introduction
- ↕ Company Ownership Structure
- ↕ Company Management Structure
- ↕ Transactions with Related Parties
- ↕ Risk Management System
- ↕ General Meeting of Shareholders



*This Integrated Report was created using the GRI methodology. The Global Reporting Initiative is an international standard that collects best reporting practices worldwide.

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Nourishing
Colombia with
Opportunities

During 2022, the Company managed pertinent matters following the good corporate governance practices adopted, following the principle of transparency that governs its actions, and fully complying with internal policies and applicable regulations in force.

Introduction

The following is a brief chronological account of these matters, which have been disclosed to shareholders and the market via the various available mechanisms.

During the first half of 2022, the procedures for the buyback of the Company's shares were advanced, with the goal of delivering value to the shareholders, paying a price that would provide the fundamental value of their shares, and generating efficiencies for each of them, under conditions of equality and in proportion to their percentage of shareholding, through a procedure that implemented good governance practices. As a result of this transaction, the Company reacquired 14,982,863 common shares, bringing the total number of reacquired shares to 15,618,6981. The price was determined under the provisions of Article 42 of Law 964 of 2005 using technically recognized procedures.

On the other hand, **on September 5, 2022²**, the Company informed its shareholders and the market, via the Relevant Information mechanism provided by the Superintendency of Finance of Colombia (SFC, by its acronym in Spanish), that the

Board of Directors authorized management to initiate procedures for the Company's future registration in the Brazilian stock market and the modification of its DRs (Depository Receipts) program in the United States.

These issues are part of a project of interest to the Company, Grupo Casino, and Companhia Brasileira de Distribuição (GPA), which includes: (i) the implementation of a Brazilian Depository Receipts Level II (BDRs Level II) program, (ii) the modification of the deposit receipts program to American Depository Receipts Level II (ADRs Level II), and (iii) a capital reduction with reimbursement of GPA's contributions in Brazil, in which GPA would distribute approximately 83% of Éxito's capital to its more than 50,000 shareholders in Brazil. This transaction would convert GPA's shareholders into Éxito shareholders directly, and they would receive their shares through ADRs Level II or BDRs Level II, referred to as the "project."

Concerning the project:

- (i) **On October 25, 2022**, the General Shareholders' Meeting approved a bylaws amendment in an extraordinary meeting, reducing the nominal value of the Company's share (split) from COP\$10.00 ML (Legal currency) to

COP3.33 ML (Legal currency). On November 18, 2022, this statutory reform was completed. The execution of the procedures authorized by the Board of Directors for the project began with the split.

- (ii) **On December 30, 2022**, the Company informed its shareholders and the markets that on that day, it registered all documents required to initiate the process for future authorization for registration in the Brazilian stock market and the implementation of a BDRs Level II program with the Brazilian security markets regulators.

The project aims to, in collaboration with its majority shareholder (GPA), generate value for all Éxito shareholders by expanding the shareholder base, increasing the visibility of the business, recognize its value and promote increased market liquidity of the stock in order to facilitate the evaluation of the Company's value and a clear understanding on behalf of investors, on individual business and strategies of Éxito.

¹ This figure corresponds to the buyback share date, which occurred before the split. The total number of own shares reacquired with the split executed is 46,856,094.
² The relevant information release can be found at the following link: <https://www.grupoexito.com.co/es/RI-board-directors-decisions-5-09-2022.pdf>

Other procedures proposed in the project's framework will be conducted in **2023**, and shareholders and the market will be kept informed.

Also, within corporate matters, we emphasize that on October 6, 2022, the Board of Directors approved the process for dematerialization of the Company's shares, allowing the company CEO to implement it in accordance with Letter C. Article 34.9 of the company bylaws. This process was contracted with the Depósito Centralizado de Valores SA (DECEVAL). It was completed on November 15, 2022³, when the Company's shares were circulated dematerialized through the system of registration and accounting of said deposit, achieving parity with the global trading operating standard. The answers to potential questions about the dematerialization process are now available on [the corporate website](#).

During the fourth quarter of the year, an external evaluation of the performance of the Board of Directors and its committees was conducted following the Company's good practices and the provisions of the Board of Directors regulations.

This process was conducted by an independent expert who was hired for the purpose⁴ of evaluating: (i) the qualities



We are motivated to establish open and trustworthy relationships with stakeholders.

of the members of the Board of Directors and its Committees; (ii) the individual performance of each member; and (iii) the overall performance of the respective governing body.

The evaluation results emphasized that **the Board of Directors meetings are adequate in number and**

The Company continued to work to implement best management practices in corporate governance and to maintain previous measures, which contributed to maintaining high standards.

frequency, as well as the preliminary and quality of the information provided prior to their celebration; **the Board's support committees function properly, address the issues required by the Company for the performance of its functions, and present complete information on the issues discussed to the Board of Directors; both bodies (the Board of Directors and its committees) constantly monitor the Company's strategy.** Among the identified opportunities were also the following: promote greater diversity in terms of gender, age, and ethnicity in the election of Board of Directors members; design and implement a standardized

process to treat cases of low performance of Board of Directors members so that if a claim of this nature arises in the future, there is a clear and applicable procedure.

For a more detailed understanding of the advanced assessment process, **please visit the section** on the said topic contained in this report.

The Company continued to work to implement best management practices in corporate governance and to maintain those already in place, thereby maintaining high standards. By 2022, the Company:

- When completing the best corporate practices survey, achieved a **97% adoption of the best corporate** practices promoted by the Financial Superintendency of Colombia (SFC, for its acronym in Spanish) (Country Code).
- Achieved **69 points** on the S&P Global Corporate Sustainability Assessment (CSA) achieving the industry's 95th percentile. The Company received 69 points in the Corporate Governance chapter, placing it in the 94th percentile of the industry.
- Received recognition for the tenth consecutive year for voluntary **adoption**

³ The following link will take you to the relevant information notice: <https://www.grupoexito.com.co/es/RI-modification-securities-characteristics.pdf>
⁴ Hay Group (Korn Ferry Colombia).

of best practices in information disclosure and investor relations from the Colegio de Estudios Superiores de Administración CESA - Business School in collaboration with the Colombian Securities Exchange (BVC).

Grupo Éxito has continued to strengthen compliance programs, which frame the Company's actions in a culture of integrity and respect for the principles, values, and regulations that govern it, becoming enablers that contribute to the generation of value and the achievement of strategic objectives.

Considering the significance of developing transparent and trusting relationships with stakeholders, Grupo Éxito has continued to strengthen its compliance programs, which frame the Company's actions in a culture of integrity as well as respect for the principles, values, and regulations that govern it, becoming enablers that contribute to the generation of value and the achievement of its strategic objectives.

It is highlighted the senior management's leadership and commitment in the development of various initiatives aimed at increasing maturity and consolidating programs. It stands out among the initiatives: First, the implementation of risk exercises to strengthen the prevention and control framework, resulting in more efficient and timely risk management; second, continuous training and the development of a culture of transparency in all employees on the various elements that make up the programs, which contain actions that integrate guidelines, such as the importance of timely managing situations that may give rise to a potential risk of loss of objectivity,

in the development of the tasks and in the mechanisms to record these situations, demonstrating a high level of commitment in all levels of the Company, by means of events such as the annual conflict of interest declaration day.

As an expression of the risk management culture permeating the Company and the evolution of its level of maturity, **Grupo Éxito's comprehensive risk management, which includes trend and opportunity analysis, is conceived as an intrinsic part of the corporate strategy, with its fundamental purpose being to protect and create value by leveraging the achievement of strategic objectives and pillars, support informed and conscious decision-making, and maximize Opportunities, and together with business continuity management, develop capacities so that the Company can anticipate, prepare, respond and recover in a timely and assertive manner in the event of a given event.** In this regard, in 2022, an analysis of the main risks, opportunities, and trends was carried out in light of the internal and external context, the dynamics of the industry on the operation of the business, and the strategic vision, resulting in a new profile of strategic risks, on which treatment measures were determined to mitigate their occurrence and negative impacts, and identified the opportunities that can be capitalized on. In



addition, as part of the business continuity management strengthening, plans, protocols, and associated procedures were updated, and crisis event simulation workshops were implemented, raising the level of awareness of the Company regarding concepts of governance, structure, methodology, and tools for crisis management, allowing to refine organizational skills to facilitate, structure, and streamline decision making in the face of a corporate crisis.

Company Ownership Structure

Capital and Structure [GRI 2-4]

Each share listed in the Share Registry book shall entitle the holder to one vote at the General Shareholders' Meeting, without restriction in terms of the number of votes that the holder or proxy can make, but maintaining the prohibitions or ineligibilities established by law to vote on certain decisions, such as the case of company administrators and employees in the events indicated by law, as well as those contained in the Use of Privileged Information policy that is on the Corporate Governance Code. Thus, Grupo Éxito shall recognize and guarantee shareholders the same rights and privileges.



As stated in the introduction to this report, the following procedures for repurchasing the Company's shares were conducted during the first half of 2022:

- On **March 24, 2022**, the General Shareholders' Meeting, in its ordinary meeting: (i) approved the change in reserve allocation; and (ii) granted the Board of Directors the instruction to regulate buyback share⁵.
- On **May 24, 2022**, at its extraordinary meeting, the General Meeting of Shareholders approved the buyback share proposal⁶.

Thus, after properly informing the market and shareholders, the repurchase was conducted on **June 16, 2022**, following the terms approved by the General Shareholders' Meeting. As a result, 14,982,863 shares were repurchased, bringing the total number of repurchased shares to 15,618,698⁷.

The number of outstanding shares of the Company changed as a result of the repurchase as follows⁸:



⁵ Relevant information in this regard can be found at: <https://www.grupoexito.com.co/es/RI-Share-buyback-decisions.pdf>

⁶ This buyback share proposal included the operational changes requested by the Colombian Stock Exchange (BVC) in accordance with the powers conferred by its regulations and circulars, and can be found at: <https://www.grupoexito.com.co/es/RI-share-buyback-24-05-2022.pdf>

⁷ This figure depicts the date of the share repurchase, which occurred prior to the split. After the split, the total number of own shares repurchased was 46,856,094.

⁸ The figures in the graph correspond to the number of shares before the split.

⁹ The total number of shares repurchased by the Company is the sum of 635,835 shares in the reserve as a result of previous repurchases, plus 14,982,863 shares repurchased under the authority granted by the General Shareholders' Meeting in its extraordinary meeting on May 24, 2022. These figures correspond to the date of the buyback share, which occurred before the split. Accordingly, the total number of shares repurchased with this action is 46,856,094.

After October 25, 2022, the General Shareholders' Meeting approved a bylaws reform consisting of reducing the nominal value of the Company's share (split), moving from a nominal unit value of COP\$10.00 ML (Legal currency) to COP3.33 ML (Legal currency). This split began the execution of the procedures authorized by the Board of Directors¹⁰ to implement the project on September 5. As a result of the split, the nominal value of the shares decreased while the number of shares (authorized and subscribed) increased.

To gain a better understanding of the stock split and its implications. More information can be found [here](#).

The Company has an authorized capital of 1,590 million common shares as of December 31, 2022, of which 1,344.72 million have been issued and 46.86 million are held in reserve. A total of 1,344.720,453 million shares have been issued, with 46,856.09411 representing reacquired shares.

As of December 31, 2022, there are 6,006 shareholders, of which 95.14% are individuals with a 0.91% shareholding and 4.86% are legal entities with a shareholding equivalent to 99.09% of the share capital.

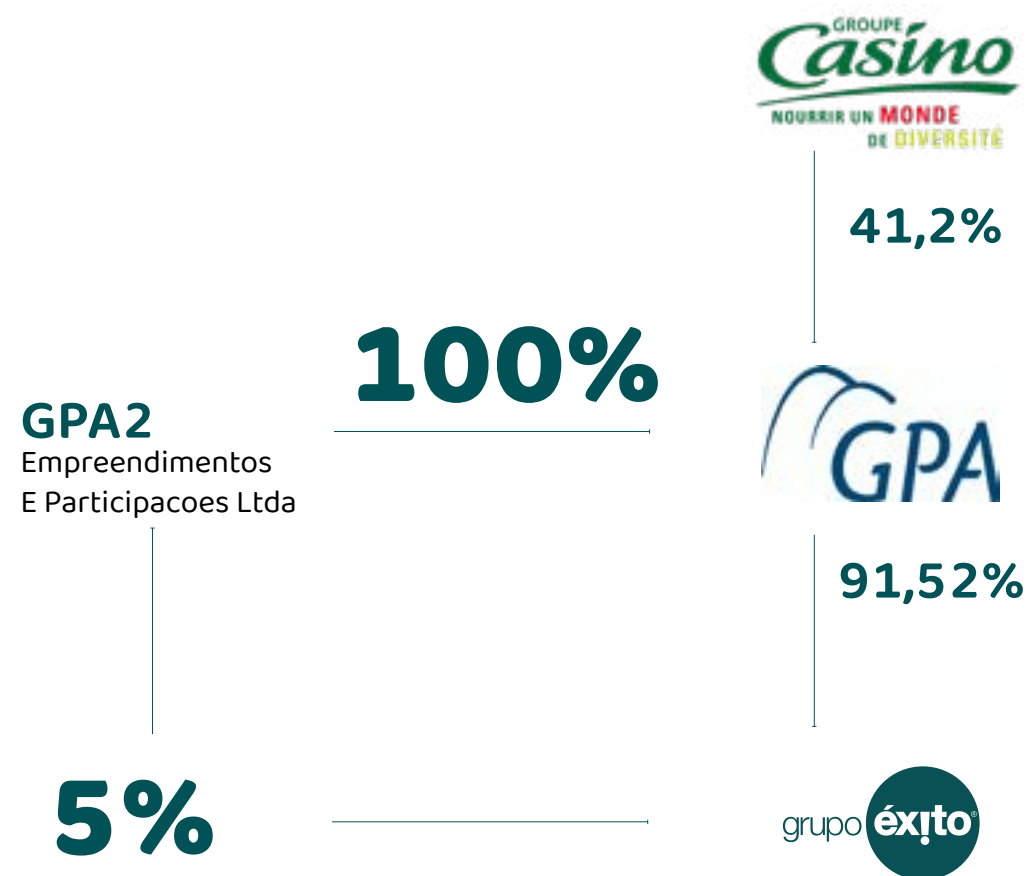


See shareholder structure here

Major Direct and Indirect Shareholders [GRI 2-9]

The Company is controlled by Companhia Brasileira de Distribuição (CBD or GPA) through two companies. Directly by CBD with 1,187,821,914 common shares equivalent to a 91.52% stake in the Company and indirectly by GPA2 Empreendimentos E Participacoes Ltda. with 64,857,915 common shares, equivalent to a 5% stake in the Company.

Of the remaining shareholders, none holds a stake equal to or greater than 10% of the Company's share capital.



Shares and Securities held Directly or Indirectly by Board Members, Senior Management, and other Administrators, Trading, and the Rights to Vote they Grant.

On December 31, 2022, Luis Fernando Alarcón Mantilla is shareholder holder of 30,000 common shares of the Company. The acquisition of these shares was duly authorized and disclosed in 2016, and no transactions were made that required them to be informed. As of that date, no other member of the Board of Directors held shares in the Company.

As of December 31, 2022, five members of Senior Management (levels one, two, and three of the Company's organizational structure) held 5,556 shares. During 2022, said members did not make any transactions with said shares.

Currently, the Company does not have any securities other than its outstanding shares.

¹⁰ The relevant press release is available at: <https://www.grupoexito.com.co/es/RI-board-directors-decisions-5-09-2022.pdf>

¹¹ Because these figures have been adjusted for the split, the total number of own shares repurchased is the result of adding 1,907,505 shares that were in reserve as a result of repurchases, plus 44,948,589 shares repurchased based on the authorization granted by the General Shareholders' Meeting at its extraordinary meeting on May 24, 2022.

Family, Commercial, Contractual, or Business Relationships that Exist between Major Shareholders and the Company or between Major Shareholders

Given the previous shareholding structure, the Company has no other major shareholders, defined as parties holding 10% or more of the outstanding shares.

Shareholder Agreements

In 2022, Grupo Éxito did not receive information about the signing, amendment, or termination of Shareholder Agreements.

Company Management Structure [GRI 2-9]



Composition of the Board of Directors and Committees

According to Article 29 of the bylaws, Grupo Éxito's Board of Directors is made up of nine members who are elected by the General Shareholders' Meeting. The Board of Directors had only eight members as of December 31, 2022, because Mr. Ronaldo labrudi Dos Santos, who had served as a non-independent member since January 23, 2020, resigned on December 14, 2022.

Board of Directors [GRI 2-9]

For the Board of Directors Rules and Regulations, please click [here](#).

Elected by the General Shareholders' Meeting for the 2022-2024 period

During 2022, the General Shareholders' Meeting elected the Board of Directors twice: (i) at the Annual Meeting on March 24 and (ii) at the Extraordinary Meeting on October 25.

In keeping with the administration's commitment to promoting the diversity criterion in the Board of Directors election process and thus contributing to better corporate governance, the formation of the Board of Directors was characterized by complementarity between its members (in professional and academic aspects, as well as personal ones, such as nationality, gender, age, and race, among others) and the provision of multiple identities and perspectives for proper decision-making.

a. Board of Directors elected by the General Shareholders' Meeting during its ordinary meeting on March 24, 2022.

INDEPENDENT MEMBERS

1. Luis Fernando Alarcón Mantilla
2. Felipe Ayerbe Muñoz
3. Ana María Ibáñez Londoño

NON-INDEPENDENT MEMBERS

4. Ronaldo Iabrudi Dos Santos Pereira*
5. Christophe José Hidalgo
6. Susy Midori Yoshimura*
7. Rafael Russowsky
8. Bernard Petit
9. Philippe Alarcón



*On September 23, 2022, Mrs. Susy Midori Yoshimura, who had served as a non-independent member of the Board of Directors since March 24, 2022, presented her resignation to the Board of Directors.

b. Board of Directors elected by the General Shareholders' Meeting during its extraordinary meeting on October 25, 2022.

This election follows Mrs. Susy Midori Yoshimura's resignation on September 23, 2022, following the provisions of Article 30, first paragraph, and Article 197 of the Commercial Code, which state that directors may not be replaced in partial elections..

INDEPENDENT MEMBERS

1. Luis Fernando Alarcón Mantilla
2. Felipe Ayerbe Muñoz
3. Ana María Ibáñez Londoño

NON-INDEPENDENT MEMBERS

4. Ronaldo Iabrudi Dos Santos Pereira*
5. Christophe José Hidalgo
6. Guillaume Michaloux
7. Rafael Russowsky
8. Bernard Petit
9. Philippe Alarcón



*On December 14, 2022, Mr. Ronaldo Iabrudi dos Santos Pereira, a Non-Independent member of the Board of Directors since January 23, 2020, presented his resignation to the Board of Directors..



Main functions of the Board of Directors and Senior Management

The Board of Directors understands the broadest mandate to manage the Company as a delegated role. As a result of the previous, the Board of Directors primarily performs the following functions::

-  **Approve**, review, and monitor the Company's strategy.
-  **Monitor** corporate governance and the effectiveness of the measures put in place.
-  **Encourage** an adequate control environment in the workplace.
-  **Recognize** and manage potential conflicts of interest.
-  **Authorize** and define financial and investment management.
-  **Regulate** the operation of the Board of Directors by presenting before the General Shareholders' Meeting aspects that are within their competence.
-  **Designate** Senior Management members.
-  **Examine** the financial and non-financial information to be made public.
-  **Regulate** all things related to the Company's shares.a.

For more information about the roles and functions of the Board of Directors, please [click here](#).

Senior Management, for its part, primarily performs the following functions by area:



Learn More About our Major Purpose

SENIOR MANAGEMENT



- Chief Executive Officer:** Overall company coordination and supervision, including commercial and financial management, as well as administrative actions in accordance with company bylaws and policy.
- Chief Operating Officer - Colombia:** Accompany, support, and supplement the CEO on strategic issues, government and media relations, expansion plans, investor relations, and new business initiatives, among other things.
- Vice-President of Services:** Plan, direct, and guide support processes (services, asset management, resource protection, information technology, and operational excellence) in accordance with the Company's and the law's policies.
- Vice-President of Corporate Affairs and General Counsel:** Support and advise the CEO on legal issues that affect or may affect the Company's normal operations. Similarly, it contributes to the sustainability strategy, compliance, and external communications.
- Commercial Vice-president:** Direct, plan and define commercial, logistical, and replenishment processes following the Company's policies, needs, and results.
- Chief Financial Officer:** Direct, plan, and define the Company's financial strategies while following the policies of the Board of Directors and all legal requirements.
- Real Estate Vice-President:** Define, identify, and propose new business alternatives from the start based on expansion plans and commercial strategies.
- Vice-President of Marketing:** Direct, plan, and guide each brand's strategy and marketing activities to ensure market performance.
- Vice-President of Omnichannel and Innovation:** Define, plan, and direct the Company's omnichannel strategy, digital transformation, and innovation, as well as the Super Inter, Surtimax, and Surtimayorista brands' strategies.
- Vice-president Human Resources:** Plan, direct, and strategically guide personnel management processes while keeping the Company's and the law's policies in mind.
- Vice-President of Retail:** Answer for the omni-customer sales strategy and the operation of brands and retail complementary businesses (Éxito and Carulla).
- Internal Auditor:** Define and direct the internal audit strategy to ensure its implementation and compliance.

Board Members who belong to the Boards of Directors of Subsidiary Companies or Hold executive Positions thereof:

- **Bernard Petit** is an alternate member of the boards of directors of Grupo Disco Uruguay S.A., Supermercados Disco del Uruguay S.A., Odaler S.A.
- **Philippe Alarcón** is a principal member of the boards of directors of Grupo Disco Uruguay SA, Supermarkets Disco del Uruguay S.A., Odaler S.A., and Devoto Hermanos S.A. as well as subsidiary Libertad SA in Argentina.
- **Christophe Hidalgo** is a principal member of the boards of directors of subsidiaries Grupo Disco Uruguay S.A., Supermercados Disco del Uruguay S.A., Odaler S.A., and Devoto Hermanos S.A.
- **Guillaume Michaloux** serves as an alternate member on the boards of directors of the Uruguayan subsidiaries Grupo Disco Uruguay S.A., Supermercados S.A., Supermercados Disco del Uruguay SA, and Odaler S.A.

Policies Approved by the Board of Directors in the 2022 Period

The Board of Directors did **not approve any new policies** in 2022, but it did approve the following changes to these three policies::

- (i) **Conflicts of Interest Policy:** guidelines for the authorization of transactions for the sale or acquisition of securities by directors and employees were included in Chapter 6.5.2, in accordance with the rules established in the Use of Privileged Information Policy and the provisions of Article 404 of the Code of Commerce.

Furthermore, the participation of company employees on boards of directors, advisory committees, director councils, or similar bodies of other companies or entities was modified with the goal of incorporating specific guidelines regarding this type of participation by company employees. There are specific guidelines for employee participation in this type of activity. In addition, clarity was provided on situations that may give rise to a potential conflict of interest, and preventive recommendations were included for those situations.



- (ii) **Cash Management Policy:** : the limit established for cash deposited in securities transportation companies was updated to optimize the use of money according to current needs and thus achieve optimizations. Furthermore, the list of eligible entities was expanded.

- (iii) **Tax Policy:** the strategy and higher purpose of the Company were updated in light of the S&P Global Corporate Sustainability Assessment (CSA). Furthermore, terminology and appropriate disclosures were included following the Company's guidelines and commitments and tax policy trends.

Similarly, in keeping with its commitment to adopt best practices in corporate governance continuously, the Company conducted analyses and reviews of its policies considering national and international standards, as well as the everyday practices of similar issuers in the Colombian securities market, to identify potential issues that could lead to a higher level of maturity.

Procedure for the Election of Candidates to the Board of Directors [GRI 2-10]

The General Shareholders' Meeting approved the Policy for the Election and Succession of the Board of Directors on **March 17, 2015**, which has been strictly followed to date. Following the Board of Directors analysis and favorable recommendation, the General Shareholders' Meeting approved the policy modification on March 25, 2021, in order to expressly clarify that the election of the Board of Directors considers the diversity criteria, as promoted by the Company.

This was based on the fact that board diversity management is increasingly necessary for business prosperity and growth, thus contributing to better corporate governance.

Likewise, it should be noted that, in addition to the referred policy, since February 24, 2016, the Board of Directors approved the procedure for the election of the members of the Board of Directors.

The policy and procedure govern, among other things, the deadline and process for nominating candidates, the independence criteria that candidates must meet, the methodology used for their evaluation, and the composition of the candidates' profiles (functional and personal).

The policy and procedure and the model **resume and acceptance letter** are available on the corporate website (section 2.2.2 of the Corporate Governance Code).

The provisions in the policy and procedure referred to above were **strictly followed during the two election processes** for the Board of Directors that took place in 2022. In this regard, the following resources are available:

- [Click here](#) or information on the election of the Board of Directors, which took place on March 24 at the General Shareholders' Meeting ordinary meeting.
- [Click here](#) for information on the election of the Board of Directors, which took place on October 25 at the extraordinary meeting of the General Shareholders' Meeting.

Board of Directors

Compensation Policy [GRI 2-19] [GRI 2-20]

On June 11, 2015, the General Shareholders' Meeting approved the Board of Directors Compensation Policy, which establishes that members of this body shall be entitled to a fixed remuneration for attending meetings,

both in person and virtually, the value of which for the corresponding period shall comply with a set of principles and criteria and shall be defined by the General Meeting of Shareholders at the meeting at which the election is held. Accordingly, the remuneration the Board of Directors received in 2022 corresponded to that approved at the General Shareholders' Meeting ordinary meeting on March 24, 2022.

As previously stated, following the resignation of Susy Midori Yoshimura¹³ on September 23, 2022, the General Shareholders' Meeting elected the Board of Directors at its extraordinary meeting on October 25, 2022. Accordingly, no new compensation was approved; instead, the remuneration approved in the previous session was retained.

The Company's adopted Board of Director remuneration system does not account for the recognition of a variable component linked to the Company's performance over the medium and long term.

More information on this policy can be found in Section 2.2.3 of the Corporate Governance Code.

The General Meeting of Shareholders approved a change to the Election and Succession Policy on March 25, 2021, to expressly state that the election of the Board of Directors considers the diversity criteria, as promoted by the Company.

¹³ Quien se desempeñaba como miembro patrimonial, en virtud de su elección en la reunión ordinaria del 24 de marzo de 2022.

Remuneration for the Board of Directors and Senior Management

[GRI 2-19] [GRI 2-20]

The following is the Board of Directors' remuneration for the period 2022-2024, as approved by the General Shareholders' Meeting, which was held on March 24, 2022:

Board of directors		Committees
Chairman of the Board	For the Chairman of the Board, a fee of twelve million eight hundred and sixty-six thousand seven hundred pesos (COP12,866,700) was approved for the preparation and attendance of each Board meeting.	A fee of eight million five hundred seventy and seven thousand eight hundred pesos (COP8,577,800) was approved for the preparation and attendance of each meeting of the respective Committee.
Other members	A fee of eight million five hundred seventy and seven thousand eight hundred pesos (COP8,577,800) for preparation and attendance of each Board meeting	UA fee of four million two hundred eighty-eight thousand and nine hundred pesos (COP4,288,900) was approved for the preparation and attendance of each meeting of the respective Committee.

As a result, in 2022, the Company paid its Board of Directors members a total of COP2,666 million for Board and committee meetings attendance.

The Board of Directors approved the Senior Management Remuneration and Assessment Policy on September 14, 2016, which establishes the criteria and guidelines that need to be considered for the remuneration and other financial benefits for Senior Management, i.e., the CEO, Chief Operative Retail Colombia, Chief Officers, the General Counsel, and the Internal Audit Officer. The policy specifically states

that the total annual compensation of Senior Management is made up of a fixed compensation component and a variable compensation component. Click here to learn more about the compensation methodology outlined in the policy. For the composition and professional profiles of the Senior Management, click here.

Senior Management remuneration is disclosed in Note 9.8 to the Company's financial statements and can be found on the corporate website: www.grupoexito.com.co.

¹⁴ Mr. Guillaume Michaloux joined the Board of Directors on October 25, 2022.

¹⁵ Mr. Peter Paul Lorenço Estermann served on the Board of Directors until March 24, 2022, when the new Board of Directors was elected.

¹⁶ Mrs. Susy Midori Yoshimura served on the Board of Directors from until September 23, 2022.

¹⁷ Mr. Ronaldo labrudi Dos Santos Pereira served on the Board of Directors until December 14, 2022.

Board of Directors Support Committees

The Board of Directors had five committees in 2022 that assisted it with management and served as advisory or decision-making bodies. [Click here](#) for more information.

Board of Directors Support Committees

Quorum and attendance 2022



89%

100%

Member	Attendance	Percentage
Luis Fernando Alarcón Mantilla	19/19	100%
Felipe Ayerbe Muñoz	19/19	100%
Ana María Ibáñez Londoño	17/19	89%
Christophe José Hidalgo	19/19	100%
Guillaume Michaloux ¹⁴	4/4	100%
Rafael Russowsky	19/19	100%
Bernard Petit	19/19	100%

The attendance of members who retired in 2022 is shown below:

Member	Attendance	Percentage
Peter Paul Lorenço Estermann ¹⁵	4/4	100%
Susy Midori Yoshimura ¹⁶	9/9	100%
Ronaldo labrudi Dos Santos Pereira ¹⁷	18/18	100%

Audit and Risk Committee

Attendance of committee members^é

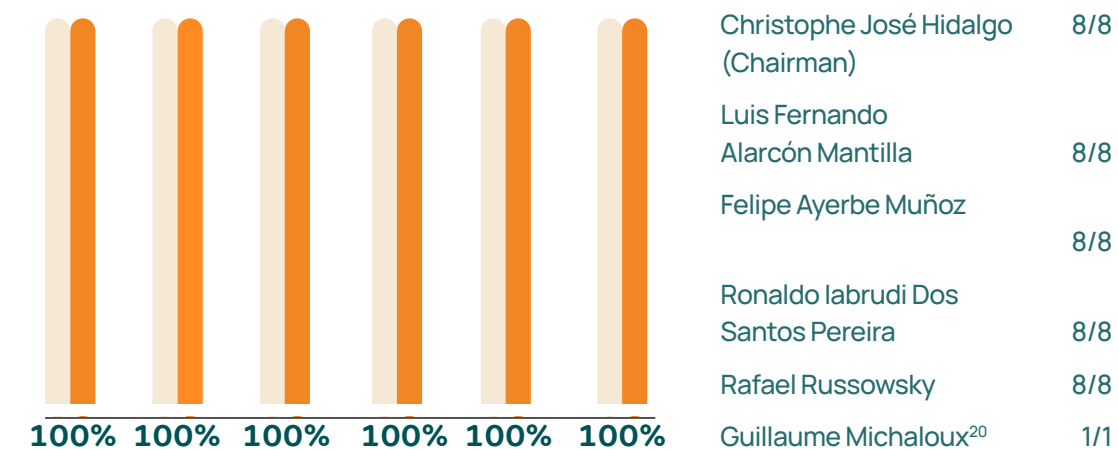


Attendance of invited committee members



Financial Committee

Attendance



Appointments, Remuneration, and Corporate Governance Committee



Member	Attendance
Felipe Ayerbe Muñoz (Chairman)	11/11
Luis Fernando Alarcón Mantilla	11/11
Ana María Ibáñez Londoño	11/11
Ronaldo labrudi Dos Santos Pereira	11/11
Peter Paul Lorenço Estermann ²¹	3/3
Philippe Alarcón ²²	8/8

Sustainability Committee



Member	Attendance
Ronaldo labrudi Dos Santos Pereira (Chairman)	7/7
Ana María Ibáñez Londoño	6/7
Felipe Ayerbe Muñoz	7/7
Philippe Alarcón	7/7
Rafael Russowsky	7/7
Susy Midori Yoshimura ²³	3/3

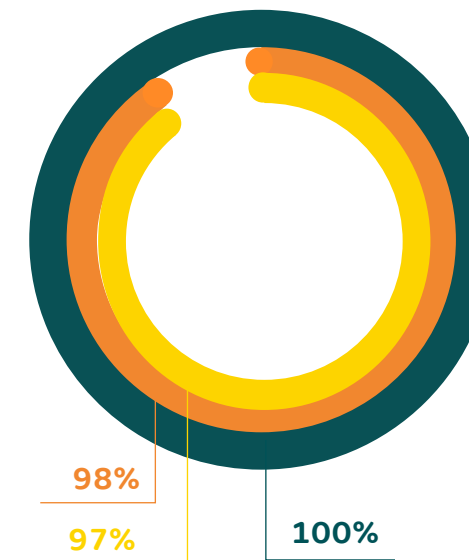
Business and Investment Committee



Member	Attendance
Ronaldo labrudi Dos Santos Pereira (Chairman)	5/5
Luis Fernando Alarcón Mantilla	7/7
Christophe José Hidalgo	7/7
Bernard Petit	7/7
Peter Paul Lorenço Estermann ²⁴	2/2
Guillaume Michaloux ²⁵	5/5

Quorum for Board and Committee Meetings

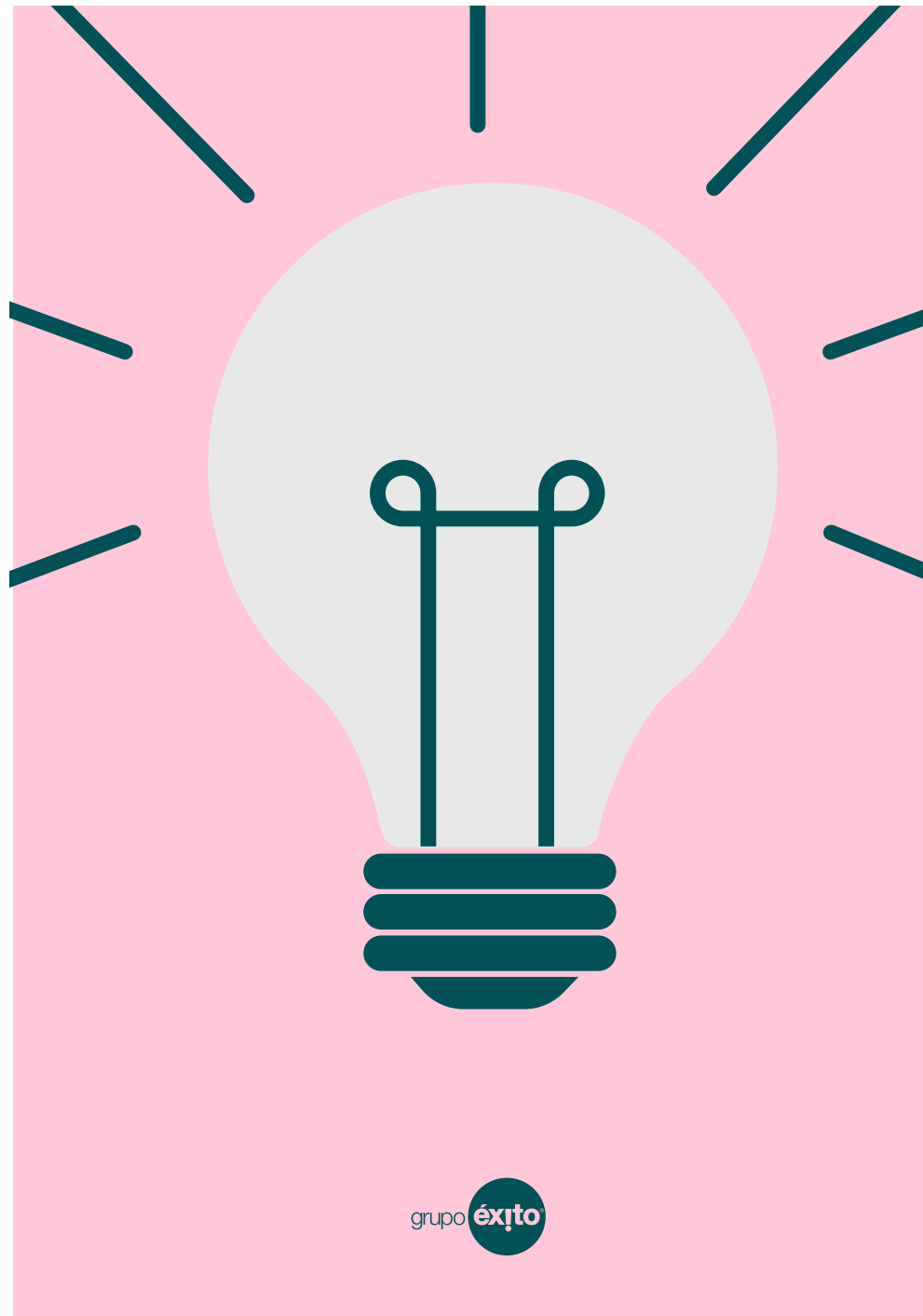
During 2022 the quorum of the Board of Directors was 99%.



Committee	Attendance
Audit and Risks Committee	98%
Financial Committee	100%
Appointments, Remuneration, and Corporate Governance Committee	100%
Sustainability Committee	97%
Business and Investment Committee	100%

For more details, [click here](#)

¹⁸ Mr. Bernard Petit is a permanent Audit and Risks Committee guest.
¹⁹ Mr. Christophe José Hidalgo serves as a permanent guest on the Audit and Risks Committee.
²⁰ Mr. Guillaume Michaloux has been appointed to the Finance Committee, effective October 25, 2022.
²¹ Mr. Peter Paul Lorenço Esterman served on the Appointment, Remuneration, and Corporate Governance Committee until March 24, 2022.
²² On March 24, 2022, Philippe Alarcón was elected to the Appointments, Remuneration, and Corporate Governance Committee.
²³ Ms. Susy Midori Yoshimura served on the Corporate Sustainability Committee until September 23, 2022.



Chairman of the Board of Directors [GRI 2-11]

Since his first appointment as a director on June 11, 2015, Luis Fernando Alarcón Mantilla has served as the organization's Chairman of the Board of Directors. In addition, he has led and supervised the organization of the Board of Directors meetings, adhering to the agenda and developing the proposed topics.

He must also carry out the functions outlined in Article 31 of the company bylaws, which can be [found here](#). He is treated differently than the other members in terms of obligations and remuneration due to the scope of his functions and his time commitment.

Board of Directors Secretary

Since December 9, 2019, Claudia Campillo Velasquez has served as Secretary of the Board of Directors, at the General Shareholders' Meeting, and Vice President of Corporate Affairs. The duties of the General Secretary are provided in Article 43 of the Company bylaws, found on the [following link](#).

Relationships of the Board of Directors with the Statutory Auditor, financial analysts, investment banks, rating agencies, and with the Board of Directors from its external advice

The relationship between the Board of Directors and the Statutory Auditor is characterized by the active participation of the members of the Audit and Risks Committee in the follow-up of auditing processes on the quarterly and year-end financial statements conducted by the Statutory Auditor to ensure the reliability of the financial statements and business figures of the company and its subsidiaries.

At the Audit and Risks Committee meetings, the Statutory Auditor reports progress regarding the auditing plan, the findings, and recommendations related to the internal control system, the accounting and financial processes, and systems, as well as the follow-up of compliance with the action plans proposed by the Administration to ensure the integrity and ongoing reliability of the Group's information.

The Audit and Risks Committee and the Board of Directors reviewed the proposals for the appointment of KPMG SAS as the company's statutory Auditor for the fiscal year 2022-2024, which was approved at the Ordinary General Shareholders' Meeting in March 2022.

²⁴ Mr. Peter Paul Lorenzo Esterman served on the Business and Investment Committee until March 24, 2022.

²⁵ Mr. Guillaume Michaloux joined the Business and Investment Committee as an external advisor on March 24, 2022. He was appointed as a member of this Committee on October 25, 2022.

Similarly, the Board of Directors and the Audit and Risks Committee continue to monitor the SOX control model issues, monitoring the plan defined for the period and the results of control execution, encouraging directors to pay timely attention to the gaps identified in order to ensure the organization's accounting and financial information, while strengthening the internal control system.

Management of Board of Directors Information

During 2022, the company complied with the term provided in the Company's Corporate Governance Code for forwarding information to the Board members regarding the items on the agenda for the respective meeting. This information was prepared by the Secretary of the Board of Directors and Senior Management under the leadership of the Chairman of the Board.

After each meeting of the Board of Directors and its respective Committees, the General Secretary and the secretaries of each body took responsibility for the custody of the information and ensuring that it serves as support to draft the minutes for the respective meetings.

During 2022, the company continued the use of the Diligent Boards application, through which, prior to each meeting, supporting material for each session is made available to Board members and their support committees. The application ensures secure custody of information and traceability of updates. Also, tools for interaction with its content are provided.

Additionally, as the person responsible for disclosing relevant information to the market, the company's CFO led the process of disclosing the decisions made by the Board of Directors when they were deemed relevant, in coordination with the company's Information Disclosure Committee.



Board of Directors Committees Activities

[GRI 2-9]

Audit and Risks Committee

The Audit and Risks Committee is made up of the three independent members of the Board of Directors. The Committee carries out its supporting role in the monitoring and supervision of accounting processes, information and financial reporting, strategic risk management, corporate governance, the internal control system and architecture, internal audit and Statutory Auditor review processes, compliance with laws and regulations, and internal codes of conduct, as well as monitoring transactions between related parties and conflicts of interest within their jurisdiction.

In 2022, the Committee's activities focused primarily on the following:

- **Analysis of the individual and consolidated interim and year-end financial statements** before submitting and disclosing information to the market.
- **Follow-up to the Disclosure of Information Procedure (financial, non-financial, and relevant information)**, complying with the regulations established in the Corporate Governance Code, as recommended by the Financial Superintendence of Colombia in the Country Code survey. In addition, it reviewed and approved the annual disclosure report 2021.

- **Compliance with the Sarbanes-Oxley Act (SOX)** by the company and its national and international subsidiaries is monitored.
- **Revised and approved the internal audit's scope, resources, and annual plan.** The Committee was in charge of following up based on performance, independence, indicators, and the outcomes of the evaluated and advised processes.
- **Knowledge of the internal audit strategy for the period 2022-2024,** as well as follow-up on strategic initiatives aimed at ensuring competence, relevance, and evolution in the provision of a superior service that protects and adds value to stakeholders by strengthening governance, risk, and control processes, based on methodologies and practices aligned with international standards and the company's strategy.
- Knowledge of the **company's interactions with inspection, surveillance, and control authorities.**
- **Seguimiento al alcance, al plan anual, a los resultados, al cumplimiento SOX y a la independencia en la prestación del servicio de revisoría fiscal** de la firma Ernst & Young Audit S.A.S. y revisión de la opinión emitida sobre los estados financieros individuales y consolidados de 2021.
- **Follow-up on scope, annual plan, results, SOX compliance, and independence in auditing services** provided by the firm Ernst & Young Audit SAS and review of the opinion issued on the individual and consolidated financial statements for 2021.
- Consideration and recommendation to the Board of Directors for the approval of the firm KPMG SAS for the provision of statutory auditing services for the statutory period 2022-2024, as well as their fees, to subsequently submit it to the General Shareholders' Assembly for consideration. Also included are the scope, the plan, the results, and their independence as external auditors.
- **Comprehensive risk management monitoring,** including analyzing and updating Grupo Éxito's strategic risk profile and the opportunities, treatment measures, and follow-up established for the same monitoring. For this period, the following risks were prioritized: social, political, macroeconomic, cybernetic, and those related to personal data and privacy management. Furthermore, considering the dynamics of the industry on the operation of the business, the company's strategic vision, and the external and internal context, in light of trends in the political, economic, social, technological, environmental, and legal fields, the Committee provided recommendations and guidelines to continue evolving with the level of maturity of the organization's Integrated Risk Management System.
- **Follow-up to the exercise of risk mapping of fraud, bribery, and corruption** under the provisions of the regulations applicable to the parent company (Sapin II Law) and the guidelines of the French Anti-Corruption Agency.
- **Follow-up on managing events that may indicate irregular activities against processes, people, or the company's facilities.**
- **Management's knowledge and approval of transactions between related parties,** including materiality analysis, value generation, protection of the parties' interests, equal treatment among shareholders, and market conditions validated by independent third parties, ensuring compliance with the policy and defined procedures.
- **Knowledge of the annual report** of transactions between related parties.
- **Reviewing situations regarding conflicts of interest in the Board of Directors and Senior Management** (levels 1 and 2 of the corporate structure), providing recommendations about effective management.
- **Monitoring of the efficiency and proper functioning of regulatory compliance,** including transparency programs, personal data protection programs, and the Prevention and Control of Money Laundering, Financing Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction (ML/FT/PWMD) prevention system; including the review of the Compliance Officer's management reports before approval. By the Board of Directors as part of a due diligence process; the statistics reports of the internal reports of unusual operations; and the external reports to the Financial Information and Analysis Unit (UIAF, for its acronym in Spanish). In

Consideration and recommendation to the Board of Directors of the approval of the Principal and Alternate Compliance Officer for the Transparency, Prevention, and Control of LA/FT and Data Protection programs.

In addition, it reviewed and approved a gap analysis for the Transparency Program in light of new legislation (Law 2195 of 2022) concerning the company's Transparency and Business Ethics Program.

- **Consideration and recommendation to the Board of Directors of the approval of the Principal and Alternate Compliance Officer** for the Transparency, Prevention, and Control of LA/FT and Data Protection programs.
- **Examined the most relevant cases of third parties who may be at risk of money laundering**, providing recommendations for their management.

- Implementation of the company's **Use of Privileged Information Policy guidelines**, following the provisions of the Company's Conflict of Interest Policy, for transactions involving the sale or acquisition of securities.
- **Review and approve proposed changes to the Conflict of Interest Policy** in the Code of Ethics and Conduct.

Furthermore, within the scope of its functions and powers, the Committee accompanied management in matters relating to the project of interest to Éxito, GPA, and Casino²⁶ to ensure proper planning, execution, and adequate market disclosure at all stages of the process.

Appointments, Remuneration, and Corporate Governance Committee

The Committee monitored the policies and main indicators related to the company's human resources strategy, including short- and long-term variable compensation schemes, talent and leadership planning models, the leadership development program, the diversity and inclusion model, the reputation, climate and commitment measurements, the presentation of the company's higher purpose and values, the state of our people, and the bills on labor issues, which were presented during the year. Similarly, the Committee approved the plans for human talent relief and personnel cost and expense adjustments. Regarding executive compensation, the Committee approved

the investment of resources for the long-term variable compensation scheme and executive benefits through 2022.

Similarly, in 2022, the Committee presented to the Board of Directors: (i) the salary increase for 2022, applicable to base staff, which was due to the company's negotiation with the union organizations; (ii) the proposal of the salary increase for the rest of the personnel; (iii) the status of the inter-administrative loans; (iv) the negotiating commissions with the labor unions and the collective bargaining agreement, and the outcomes of the respective negotiations; and (v) its evaluation and opinion on the proposed corporate governance reforms, in order to continue the continuous improvement of standards in this area and to contribute to the development of valuable relationships between the company and its stakeholders.

In terms of appointments, the Committee recommended to the Board of Directors that the Vice Presidents of the following vice presidencies be appointed following a rigorous evaluation process and favorable opinion:

En materia de nombramientos, el Comité, tras adelantar un riguroso proceso de evaluación y emitir un concepto

²⁶ As previously stated and based on market disclosed information, the project entails: (i) the implementation of a Brazilian depository receipt program, Brazilian Depository Receipts Level II (BDRs Level II), (ii) the modification of the depository receipt program to the American Depository Receipts Level II (ADRs Level II), and (iii) a capital reduction with reimbursement of contributions of Companhia Brasileira de Distribuição (CBD), GPA would distribute approximately 83% of Éxito's capital to its more than 50,000 shareholders in the transaction, which would take place in Brazil. As a result of this transaction, GPA shareholders would become direct shareholders of Éxito, and their shares would be delivered via ADRs Level II or BDRs Level II. Lugar en Brasil, mediante la cual GPA distribuiría aproximadamente el 83% del capital de Éxito a sus más de 50.000 accionistas. **Con esta operación, los(as) accionistas de GPA pasarían a ser accionistas de Éxito de forma directa y recibirían sus acciones a través de ADRs Nivel II o BDRs Nivel II.**

Assessment by Standard & Purse, being one of the best-performing food retailers worldwide.

Financial Committee

During 2022, the Financial Committee closely monitored the company's cash levels in order to guarantee liquidity and proper management of its resources, ensuring compliance with investment policies. In addition, it regularly monitored macroeconomic and market indicators, mainly the intervention rate of the Bank of the Republic.

Likewise, the Financial Committee was in charge of reviewing the company's debt position and interest rate and exchange derivatives, constructing proposals and strategies for restructuring debt and hedging, achieving optimization of the financial cost, decreased risk of rate variation, and improved economic indicators.

The Committee also monitored the behavior of net financial debt, with special emphasis on behavior and projections of working capital, capex execution, and cash generation to shareholders.

Finally, the Financial Committee examined the company's financial performance by thoroughly examining the income statement and its projections.

favorable, recomendó a la Junta Directiva aprobar los nombramientos de los vicepresidentes de las siguientes vicepresidencias: (i) Omnicanalidad e Innovación, (ii) Mercadeo, (iii) *Retail* (Éxito y Carulla) y (iv) Financiera (i) Omnichannel and Innovation (ii), Marketing (iii), Retail (Éxito and Carulla), and (iv) Financial.

In terms of performance evaluation processes, the Committee:

Advanced the Senior Management performance evaluation process. The Chairman of the Board of Directors evaluated the CEO, while the CEO assessed the Vice Presidents. Both cases produced satisfactory results.

The Committee participated in the external evaluation process of the Board of Directors, which was carried out by an independent third-party expert in this type of process, within the framework of its powers and functions, under the provisions of the Rules of Procedure of the Board of Directors, and in compliance with the best practices in corporate governance promoted by the Superintendency of Finance. This process assessed: (i) the functioning of the Board of Directors as a collegiate body and its committees and (ii) the profile and competencies of each member of the Board of Directors.

Finally, the good corporate governance practices promoted by the Committee have helped the company maintain corporate governance standards at a 95 percentile on the Corporate Sustainability



Business and Investment Committee

In line with the purpose of the Business and Investment Committee, it actively participated in the definition and follow-up of the strategy for the expansion of the company's Real Estate and Retail businesses, closely monitoring the execution of Capex (capital investments) in 2022 to ensure the solid and profitable growth of the organization's various businesses and investments.

Similarly, the Committee addressed different requirements by brand and complementary business issues in the following areas:

- **Follow-up to the investment and performance plan**, as well as the strategies and value propositions of the Éxito, Carulla, Super Inter, and Surtimax brands.
- **R- Reviewing objectives, scope, and strategy**, as well as the performance and results of the company's complementary businesses: Seguros Éxito (insurance business in partnership with Grupo Sura), Logística, Transporte y Servicios Asociados SAS, and Viajes Éxito (travel via Éxito Viajes y Turismo SAS subsidiary).

- **Post-Investment Real Estate assessments of the real estate assets Viva Envigado and Viva Tunja**, which completed their third year of operations at the end of 2021. Similarly, the evaluations correspond to retail, including the stores with a minimum 3-year operation for the Éxito, Carulla, Super Inter, and Surtimayorista brands.
- **Follow-up to the execution of the 2022 Capex** and the estimated figure for the end of the year, as well as the review of the Capex, planned for 2023 to drive project development and expansion of the company.
- **Presentation of the sale of Galería La 33 property**, which is part of the autonomous trust Viva Malls, and a review of the conditions established for the sale of said asset.
- **The Cedi Cali relocation project was presented and reviewed**, including the available bids, the financial model, and the subsequent recommendation to the Board of Directors to approve the contract execution under the conditions presented.
- **Follow up on the status of commercial establishment acquisition negotiations in 2022.**



The Business and Investment Committee followed up on the Investment and Performance Plan, as well as the brands Éxito, Carulla, Super Inter, Surtimax, and Surtimayorista's strategies and value propositions.

- **Review of Cedi Funza's lease agreement renewal** and recommendation to the Board of Directors to proceed with the respective extension.
- **Examine the conditions and requirements for moving Cedi Av. 68 to Parque Siberia.**

- **Presentation and review of the Puerta del Norte shopping mall expansion project status**, including the timeline, participation schemes, project roles, and profitability.
- Presentation of the business called Kiire, which, **through a strategic alliance with Redeban**, seeks to create an aggregator and acquisition business model focused on electronic transactions.
- Follow-up and approval recommendations to the Board of Directors of **projects for renovation and expansion of real estate assets**.
- Presentation and review **of the energy commercialization business** conducted by the subsidiary Transacciones Energéticas S.A.S.

Sustainability Committee [GRI 2-14]

In 2022, the Sustainability Committee reviewed and analyzed strategic issues related to the company's stakeholders. The most relevant issues were biodiversity protection, climate change, sustainable supplier development, zero malnutrition, the Vida Digna project to the employees, and the relationship with communities.

Among the matters managed by the Committee during the mentioned period, the following stand out:

- Approval and monitoring of sustainability strategy indicators during all Committee sessions, particularly of these:
 - Corporate Social Mega .
 - Corporate Environmental Mega .
 - Local and direct procurement.
- The definition of risks associated with the company's sustainability strategy.
- **The Sustainability Policy** and its associated policies were updated **[GRI 2-22]**:
 - Environment Policy.
 - Biodiversity Policy.
 - Climate Change Policy.
 - Food Waste Policy.
 - Human Rights Policy.
 - Packaging and Container Policy.
- Participation in the company's materiality analysis was conducted during the last quarter of 2022 and completed in January 2023.
- Prioritization of climate strategy issues, particularly climate change, at all Committee meetings, in addition to those listed below:
 - Implementation of short, medium, and long-term actions to reduce emissions to Scope 1 and 2 of the carbon footprint .
 - Measuring the carbon footprint Scope 3.
 - Implementation of quarterly indicators strategy to the company's carbon footprint.
 - Follow-up and update on the corporate environmental MEGA, which aims to reduce the



The Sustainability Committee approved the new corporate environmental MEGA.

- carbon footprint by 35% by 2023.
- The new corporate environmental mega has been officially launched to reduce 55% of Scope 1 and 2 emissions by 2025.
- Follow-up to the implementation of the Sustainable Livestock Model and the protection of biodiversity in the supply chain. The company is a pioneer in Colombia in this model. In this regard:
 - The Committee reported on the status of sustainable livestock monitoring (information updated on February 15, 2022).
 - It also presented the progress made in the development of the business technical standard for the Sustainable Livestock Model in collaboration with ICONTEC.
- Follow-up on the Soy RE circular economy program's progress and presentation.
- Follow-up on the Local and Direct purchase Program in accordance with the georeferencing project schedule for 2022.
- Follow-up on the **Diversity, Inclusion, and Gender Equity Model** implementation.
- The **Vida Digna** program was presented, along with the measurement of the company's employees' multidimensional poverty index (IPM for its acronym in Spanish).

- The presentation of the awards obtained by the company, such as the **Responsible Business Awards, Retail of the Future, and XPosible**.
- Presentation of the company's **Net Added Value Evaluation Model (Bien+)**.
- Follow-up on the **projects associated with community relations**, in which the company's management of the first National Graffiti Fair was presented.

Board and Senior Management Assessment [GRI 2-18]

According to the provisions of Article 14 of the Rules of Procedure of the Board of Directors and following best practices in corporate governance, in 2022, an external evaluation of the performance of the Board of Directors and its committees was carried out for the measurement of:

- The quality of the members of the Board of Directors and its committees.
- The individual performance of each member.
- El desempeño general del respectivo órgano de gobierno.
- The overall performance of the respective governing body.

This evaluation was carried out by an independent third party hired: Hay Group (Korn Ferry Colombia, hereafter Korn Ferry), a supplier chosen after an objective and transparent selection process with five potential service providers. Experience, scope, methodology, deliverables, and financial conditions were among the criteria considered. La metodología empleada por Korn Ferry contempló:

Korn Ferry's methodology included the following considerations:

- **The evaluation of the Board of Directors** as a collegiate body and its committees. To that end, they defined the evaluation parameters, conducted interviews, and presented the results.

The evaluation of each director's profile and competencies through creating a director profile, an assessment of the members of the Board of Directors and its committees, and a report of results.

The points for a board of directors to be a strategic asset and the issues required to reach the required strategic level were identified for the first evaluation. Furthermore, **14 topics were established** and considered when developing the multiple questions in the assessment and interviews.

The final results demonstrated the company's Board of Directors' high level, particularly their contribution to the vision, strategy, and commitment. The following are some of the outcomes:

- The number and frequency of Board meetings and the quantity and quality of the information provided before the meeting are adequate. However, it is recommended that to optimize their dynamics, a balance be struck between informative content and debate, giving greater priority to the latter, stimulating discussion, and broadening participation by all members.
- The Board of Directors' support committees performs adequately, deal with the issues required by the company to perform their functions, and provide the Board with complete information on the topics discussed.
- It should be noted that the Board of Directors and its committees are constantly monitoring the company's strategy.
- Regarding the Board of Directors composition, it is acknowledged that there was greater diversity in gender, age, and ethnicity during the process of electing directors.

- A standardized process should be designed and implemented to deal with cases of director underperformance so that if such a case arises in the future, there is a clear procedure in place.

To carry out the second evaluation, the Nominating, Compensation, and Corporate Governance Committee carried out an exercise that prioritized the leadership competencies proposed by Korn Ferry, classifying the **15 skills into three categories** for the role: critical, important, and less critical. Similarly, it prioritized the **seven capacity, ability, and experience** requirements for Board members as follows:

- Finance
- Sustainability
- Retail
- Risk, control, and legal soundness
- Technology
- Management
- Human Capital

The group results were outstanding regarding the competencies of the members of the Board of Directors and its committees. It was clear that critical competencies, such as courage, strategic vision, and global perspective, stand out, as do other important **competencies with high-level results, such as stakeholder balance, situational adaptability, and ambiguity management.**

The Nominating, Compensation, and Corporate Governance Committee formed a group comprised of the Chairman of the Board of Directors, the Chairman of the Committee, the CEO, and the Vice President of Corporate Affairs to determine the work plan for the adoption of the recommendations resulting from this evaluation and to monitor their implementation.

Senior Management performance evaluations were carried out following the provisions of the Senior Management Remuneration and Assessment Policy, which can be found by clicking here. We specifically considered the qualitative criteria that refer to organizational and leadership competencies, the quantitative criteria reflected in the results of each executive's individual objectives, and the team and company objectives.

Transactions with Related Parties

Decisions by the Board of Directors about Transactions between Related Parties and Conflict of Interest Situations

In accordance with Article 34.4 of the company bylaws, the Board of Directors is responsible for defining the regulations governing the evaluation and authorization of transactions between related parties.

In compliance with that goal, the Board approved the Transactions Between Related Parties Policy in January 2016, the seventh chapter of the Corporate Governance Code, and regulates the identification, classification, evaluation, approval, revelation, and follow-up of such transactions. This policy can be analyzed in chapter seven of the Corporate Governance Code by clicking here

The objective of this policy is to ensure that transactions between related parties always occur at market prices to guarantee the fulfilment of the following principles:

-  To satisfy the interest of the organization and not harm it .
-  To offer better service, better prices, or better conditions to company customers
-  To generate value for the organization
-  To not undermine or risk the Group's capacity to fulfill its obligations to third parties.
-  To respect the rights of minority shareholders
-  To provide transparency .
-  To promote the exploitation of synergies following the limitations and restrictions established by law..

Together with this policy, in the year 2018, the Audit & Risks Committee approved the procedure for the proper treatment of transactions between related parties of the company, the report can be found here.

Throughout this process, the company strives to ensure that the transactions between related parties occur at market rates, with the goal of fulfilling the principles mentioned previously in this report when referring to the Related Party Transactions Policy. In the case of transactions with the majority shareholder or affiliates and subsidiaries, market price analysis shall be carried out by an independent third-party expert in transfer prices.

During 2022, the policy and procedure were fully implemented by submitting the information to the Audit and Risks Committee and the Board of Directors, when applicable.

Detail of the most relevant transactions conducted between related parties as determined by the organization

The most relevant transactions between related parties in 2022 were the following::

- Regarding GPA, the company generated costs and expenses of COP 12,248 million, which correspond to consultancy services provided by GPA.
- Some transactions generated income from **the Casino Guichard Perrachon S.A. companies, primarily from the provision of services valued at COP 2,997 million**, and expenses primarily for the provision of energy-efficient services and intermediation in the import and purchase of merchandise and consultancy services for COP 58,853 million.
- As for the **national subsidiaries**, the principal transactions carried out correspond to revenues from (i) the provision of administrative services to administrators at Éxito Industrias S.A.S., Almacenes Éxito Inversiones S.A.S., Transacciones Energéticas S.A.S. E.S.P., Logística, Transporte y Servicios Asociados SAS, and Patrimonios Autónomos (trust funds); and (ii) real estate leases to Patrimonios Autónomos (trust funds) and Viajes Éxito y Turismo SAS. The income from these transactions surpassed COP 67,440 million.
- Costs and expenses generated with **domestic subsidiaries amounting to COP 398,061 million** are mainly due to (i) the purchase of merchandise and goods to be marketed by Éxito Industrias SAS; (ii) transportation services received from Logística y Transporte y Servicios Asociados SAS; (iii) leasing and management of a real estate with Patrimonios Autónomos (trust funds); (iv) the purchase of corporate plans from Almacenes Éxito Inversiones SAS; and (v) services received, the purchase of goods and reimbursements from other subsidiaries.
- With regards to **joint businesses**, the company obtained revenues of COP 71,845 million mainly from (i) bond, coupon, and energy yields with Compañía de Financiamiento Tuya SA, (ii) participation in the business collaboration agreement with Compañía de Financiamiento Tuya SA, (iii) real estate leases to Compañía de Financiamiento Tuya SA, (iv) recovery of commercial activities, and (v) the provision of services to Compañía de Financiamiento Tuya SA and Puntos Colombia SAS. The costs and expenses generated with joint businesses of COP 109,194 million were due mainly to the customer loyalty program of Puntos Colombia SAS and to the commissions of means of the payment generated with the Compañía de Financiamiento Tuya SA.
- Finally, **with other related parties**, such as the case of the Board of Directors members, expenses were generated from the provision of services (fees) amounting to COP 2,666 million. It should be noted that the company did not enter into any transaction

with the members of the Board of Directors other than the payment of fees described above.

The breakdown of transactions with related parties can be consulted in Note 9.2 of the Separated Financial Statements.

Details of legal proceedings that may have a material impact on the operation

Litigation and legal proceedings that could materially affect the company's operations in 2022 were as follows.

- Judicial proceeding with the DIAN seeking the declaration of nullity of the official review liquidation, by virtue of the notification of the special requirement 112382018000126 of September 17, 2018, by means of which it was proposed to amend the 2015 income tax return, for MCOP 35,705 (December 31, 2021 – MCOP 32,225). In September 2021, the company received a new notice from the DIAN in which it ratified its proposal. However, external advisors consider the process as a contingent liability.
- Judicial proceeding to declare the sanction resolution of September 2020 null and void, by which the refund of the balance in favor liquidated in the income tax for the taxable period 2015 was ordered for MCOP 2,211 (December 31, 2021 - \$ 0).

- A judicial proceeding seeking a declaration of nullity of resolutions by which the Bogotá District Tax Directorate of Bogotá issued the official liquidation of revision to the company concerning the Industry and Commerce tax for the fourth, fifth, and sixth bimonthly periods for 2011 due to an alleged inaccuracy in the payments, for MCOP 11,830 (December 31, 2021 – MCOP 11,830).
- Administrative discussion with the Municipality of Cali regarding special requirement 4275 notification dated April 8, 2021, in which the company is invited to correct the codes and rates declared in the Industry and Commerce Tax for 2018, for MCOP 2,535 (December 31, 2021 - \$ 0).

Conflicts of Interest [GRI 2-15]

The Company Bylaws define the responsibilities of the Board of Directors concerning conflicts of interest as follows:

- To know and manage conflicts of interest that arise between the company and its Shareholders, Board Members, and Senior Management ● Aprobar las políticas para el manejo de conflictos de intereses y para el uso de información privilegiada por parte de cualquier empleado(a).
- To approve policies to manage conflicts of interest and use of privileged information by any employee

- To regulate the creation and operation of the Conflict of Interest Committee.

Additionally, the Board's Audit and Risks Committee is responsible for fulfilling the following roles related to conflicts of interest::

- To assess and inform the Board of Directors of conflicts of interest in which a major shareholder or member of the Board of Directors or Senior Management could be involved directly or indirectly or through a related party, making the necessary suggestions to manage the situations.
- To assess and inform the Board of Directors of possible conflicts of interest that could arise between the Board and branches and/or subsidiaries, or between these entities, or between administrators and related parties, making the necessary suggestions to manage the situations.
- Following prior authorization from the Board of Directors, to examine and inform the Board about direct or indirect operations of the Company with Board members, controlling or major shareholders, as defined in the company's ownership structure, or members of Senior Management at levels 1 through 3, and of operations between companies of the Corporate Group or entities related thereto (operations with related parties) that, because of their value, nature or terms, pose a risk for the company.

- To verify that operations are carried out according to fair market conditions and do not compromise equal treatment of shareholders.

During 2022, situations of conflict of interest reported by Board members and Senior Management members were settled by the instances and under the rules set forth in the Conflict of Interest Policy contained in the Company's Code of Ethics and Conduct, as described in the next chapter. Similarly, the situations reported by the company's other employees were properly managed per the policy, which is discussed later in the Compliance chapter.

The respective analyses were carried out for each of the reports received, and the Conflict of Interest Committee issued recommendations.

Finally, it should be noted that the members of the Board of Directors did not report any conflict of interest situations during the referred period.

Conflicts of interest that arose, the action Wof Board members, and mechanisms to resolve conflicts of interest between companies of the same conglomerate and their application during the fiscal year

The company has adequate mechanisms oriented toward fulfilling our policies of good governance and transparency, among which are those pertinent and suitable to report, analyze and manage situations of potential conflicts of interest reported by members of the Board of Directors and Senior Management. The following are the main activities that demonstrate the management of these mechanisms and their implementation during 2022:

- a. **Quarterly report on conflicts of interest defined by the Board of Directors and Senior Management:** to be able to identify and report any possible conflicts of interest correctly, the Board of Directors and Senior Management were requested, every quarter, to update information on companies in which they hold 10% or more of the share capital or over which they hold significant influence or any other situation that could result in a conflict of interest.
- b. **Analysis of reported situations:** the analysis of the reported situations was carried out in compliance with the guidelines defined in the Conflicts of Interest Policy contained in the Company's Code of Ethics and Conduct

and its provisions related to the governance structure and establishment of the Conflicts of Interest Committee. Thus, for the specific case of situations related to the members of Senior management that are part of levels 1 and 2 of the organizational structure, the Conflicts of Interest Committee was made up of the Audit and Risks Committee of the Board of Directors. Likewise, in the case of situations referring to members of the Board of Directors, the Conflicts of Interest Committee was made up of the remaining members of the Board of Directors not involved.

- c. **Mechanisms for the management and resolution of conflicts of interest:** the company ensured the proper functioning of the mechanisms for reporting situations of possible conflicts of interest for members of the Board of Directors and Senior Management, which enabled the guarantee of their timely communication. The cases reported by Senior management consisted mainly of the participation of one's own or a family member on the Boards of Directors of other companies or entities and in the shareholding in other companies with possible links to the company.

In each of the reports received, respective analyses were done, as well as the recommendations by the respective Conflict of Interest Committee, oriented toward the solution and Administration of the reported situations. This was done to safeguard objectivity and impartiality in the reporter's actions and protect the company's confidential and privileged information. In this regard, members of the Board of

Directors who reported a possible conflict of interest refrained from deliberating and deciding on the management of that situation.

None of the situations under analysis affected the operations as a whole, nor did they represent such an impact that it would make it impossible for the person concerned to exercise their position or role as a member of the Board of Directors or Senior Management.

Finally, it is reported that the members of the Board of Directors did not report any new situations involving conflicts of interest in 2022. **Members of the Board of Directors abstained from deliberating and making decisions on those who had previously known and managed conflict.**



Risk Management System

Internal Control System and its Modifications during the Year

Grupo Éxito carried out activities to strengthen the Internal Control System during 2022, in accordance with the provisions of the Corporate Governance Code.

The components that deploy the system are highlighted by the following points during the year:

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, led by Senior Management and supervised by the Board of Directors and its supporting committees.

- The company reviewed the strategy, challenges and initiatives that guide it toward strategic pillars, objectives, mission, and corporate values.
- - The company applied corporate governance standards, consolidating good practices, and building value relationships with stakeholders.

- The company designed and modified processes, according to the requirements of the environment and organizational needs. The Board of Directors was aware of and approved the adjustments in the organizational structure reviewed by Senior Management, considering rotation of personnel, internal promotion and execution of succession and career plans.
- During 2022, the company made progress in defining the Governance, Risk and Compliance (GRC) model, which seeks to integrate risk management at all levels (strategic, business, project, processes) with the control models and the operational reality of the organization, enabling a unified view of the company's internal control, and a quick and effective response to requests from different authorities.
- In 2022, the company made de pilot test of the risk and control self-assessment process – the Self-control Program – which is an enabling and value-enhancing mechanism in operational risk management and it strengthens the culture of self-management.
- Compliance programs in fraud, corruption and bribery risk management, money laundering and terrorist financing, and privacy and personal data protection were adapted to the economic recovery scenario. In this way, they leveraged organizational strategies within the framework of compliance with the legal requirements in these matters, both at



Equipares awarded Grupo Éxito with the Gold Seal: "Implementación acciones por la igualdad" (Implementation of Actions for Equality)."

the national level, and for those in the international sphere that apply directly by the parent company, as well as compliance in good practices. This has enabled the generation of value in making informed decisions.

- In February 2022, the company began the preparation process to qualify for the Gold Seal in 2022 "Implementación acciones por la igualdad" (Implementation of Actions for Equality) of the "Equipares" Labor Equity Program, by the national government.

Risk Management

The Integral Risk Management System of Almacenes Éxito is managed by the Department of Integral Risk Management, part of the Vice-Presidency of Corporate Affairs. It is responsible for designing and implementing the risk methodology and model at different levels of the organization and promoting the risk management culture with special emphasis on its contribution to meeting strategic objectives.

The system is guided by a comprehensive risk management policy that establishes the general framework for action and by the risk management guide that contains the model and methodology aligned with the ISO 31000 standard. The main actions in the area of risk management are presented in the chapter entitled **Description of the Risk Policy and its implementation during the financial year.**

Control Activities

The control activities are outlined in internal policies and procedures for process management, with an ongoing effort to optimize and excel in all the operational, technological, and digital

transformation processes and through the application of constantly improving methodologies.

- Throughout 2022, **the company used the control framework required by Sarbanes Oxley Act (SOX)** compliance standards. The governance bodies were informed of the period's scope, as well as the control gaps discovered during the control tests. .
- Las prácticas como **Six Sigma, robotización de tareas, Lean, agilismo**, entre otras, se continúan aplicando de manera constante, facilitando la optimización de los procesos y la mejora continua.
- **Six Sigma, task robotization, Lean, and Agilísimo methodologies**, among others, are constantly being applied, facilitating process optimization and continuous improvement.
- The company had **management systems in place that strengthen the control system**, some of them related to occupational safety and health, road safety, BASC - Business Alliance for Secure Commerce, Anti-Smuggling Business Coalition; OEA (for its acronym in Spanish) – Authorized

Economic Operator – for the logistics and transport operations..

- **Grupo Éxito began updating the mapping of fraud**, bribery, and corruption risks in accordance with the French Sapin II Law and the French Anti-Corruption Agency's requirements (AFA). This exercise will be completed in 2023 and will allow us to identify the level of exposure to the risks mentioned along the value chain processes and from the employees' functions, with the goal of strengthening the controls in place for their prevention and response.
- **The company continued to mature the omni-channel strategy**, with the implementation of technological tools and modifying operational processes that enhance the sustainability of the business, in a control environment and in compliance with internal policies and current regulation.
- The company adapted the information systems and processes to respond to the needs derived from the days without VAT during the first part of the year. The modifications made are within the framework of the regulation defined for this activity and comply with internal policies and controls.

- The hybrid model (face-to-face and virtual) for collaborators of the organization was strengthened with technological solutions to facilitate collaborative and remote work, allowing business continuity, digital connectivity, information management and interaction between users and teams, with technology and information security controls.
- The company continued **implementing the Governance, Risk and Compliance** software, which integrates risk management and allows traceability of the organization's control processes, facilitating administration and follow-up.
- In conjunction with the Internal Control Department of Grupo Casino, **the company carried out an internal control self-assessment** campaign that aimed to make a diagnosis of general controls in accounting at Grupo Éxito. It also allowed the sharing of good practices among both companies.
- The company updated the Éxito and Carulla mobile applications to reflect its customers' changing consumer habits.

Compliance

With the conviction that its commitment to building integral and transparent relationships with its various stakeholders is important and valuable, the company continued strengthening and continuously improving its compliance process. This is integrated with the programs that manage the risks of money laundering and financing of terrorism, fraud, corruption, and bribery, and those related to privacy and protection of personal data within a framework of compliance with the applicable legal and regulatory provisions related to the management of these risks.

The management of the programs focused on strengthening their various elements in 2022, beginning with the development and updating of: policies, procedures, and risk assessment exercises for bribery, corruption, and risks associated with money laundering, financing of terrorism, and financing of the proliferation of weapons of mass destruction. The programs also sought to strengthen control measures and develop strategies for disseminating and communicating the program's guidelines and directives. Beginning with actions aimed at employees and progressing to external stakeholders such as suppliers, the importance and contribution of implementing these programs in building transparent and valuable relationships are highlighted

Management of the Transparency Program

[GRI 205-1]

Throughout 2022, the Transparency Program's management indicated the company's responsibility and commitment to continue promoting a culture inspired by compliance with corporate values and ethical principles, seeking continuous improvement of risk management systems, and generating sustainable and valuable relationships with all stakeholders. Thus, ten years after taking the first step to formalize the Transparency Program, we have a much more mature management system, with policies and procedures developed and updated following international standards and best practices in this field.

Leadership and organizational commitment

Under corporate ethical principles and values and following the responsibilities and roles designated within the Transparency Program's organizational structure, the company's management and senior management continued actively participating in the supervision and management of fraud, corruption, and bribery risks. In addition to the preceding, Senior management renewed its commitment to ethics and integrity by signing

Thus, ten years after taking the first step to formalize the Transparency Program, we have a much more mature management system, with policies and procedures developed and updated in accordance with international standards and best practices in this field.



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an express agreement to comply with the Transparency Program policies, keeping good business practices in this area and convinced that commitment is radiated by example. As a result, **we reaffirm that one of our top priorities is building valuable and transparent relationships with all stakeholders.**

Among the actions taken by the Board of Directors and Senior Management, the following stand out: the role of the Board of Directors and its Audit and Risk Committee concerning its supervising the Transparency Program; approving risk assessment exercises; updating and articulating policies designed in response to recent regulatory requirements; participating in the Ethics Committee, as the body representing Senior management, in line with the Transparency Program's strategic leadership and monitoring functions; and the face of the reports received through reporting channels. The Anti-Fraud and Anti-Corruption Operating Committee was constantly involved and provided guidance on how to handle the reported events based on their nature and criticality.

- **Supervision:** In accordance with regulatory requirements for the

management of corruption and bribery risks, and in pursuit of excellence and continuous improvement of the program following international standards, the company underwent an internal evaluation, which included a review of the main elements that comprise the Transparency Program in light of the regulatory references.

- **Risk assessment:** In accordance with the provisions issued by the parent company, the company **updated the fraud, bribery, and corruption risk mapping project** under the French Sapin II law and the requirements of the French Anti-Corruption Agency (AFA), which are by the applicable national regulations. The goal of this project was to update the exercise that was completed in 2020 and, in this way, identify the level of exposure to the risks mentioned above, as well as the controls implemented to mitigate them, throughout the processes that comprise the company's value network and from the nature of the employees' functions. Similarly, this exercise was extended to subsidiaries in Argentina and Uruguay in order to standardize the methodology and criteria for managing fraud, bribery, and corruption risks, as well as to ensure the constant permeation of the company's values and ethical standards.
- **Disclosure and Awareness [GRI 205-2]:** We celebrated the tenth anniversary of the Transparency Program, which was formalized in 2012, following the company's commitment in 2011, when it joined the United Nations Global Compact under Principle 10 (Anti-Corruption). Thus, communication and

awareness strategies were developed in order to reflect the evolution that has occurred during this period, emphasizing policies and procedures that govern actions and, as a result, permeate the message to **generate awareness of the company's dynamics, the responsibility it has towards society, and the prevention and management of bribery and corruption risks**, supported by best practices for the generation of valuable relationships with stakeholders, where objectivity, ethics, and transparency are protagonists. As a result, the communications campaign was continued under the concept "Soy Transparente (I am Transparent)," adding a distinguishing element that is highly relevant in the management of anti-corruption programs and is consistent in acting with integrity and conviction. To that end, disclosure actions were carried out for employees via various internal corporate media; for suppliers via communication bulletins provided for this purpose; and from awareness spaces carried out throughout the year to continue to generate a culture of transparency, good practices, and synergies with companies in the sector. Thus, we highlight the following actions that, with the assistance of communication and awareness-raising companies, became landmarks as ongoing activities.

- We highlight the opportunities for raising awareness about the value of ethics and the importance of **implementing Business Ethics Programs among external audiences such as suppliers.**

- Notably, **employees have become referents of these actions, aimed at prevailing objectivity** in their relationships with each of the stakeholders, through active participation in forums and regulatory compliance activities.
- **[GRI 2-17] Activities aimed at raising awareness among members** of the Board of Directors about this body's role in risk management, such as bribery and corruption.

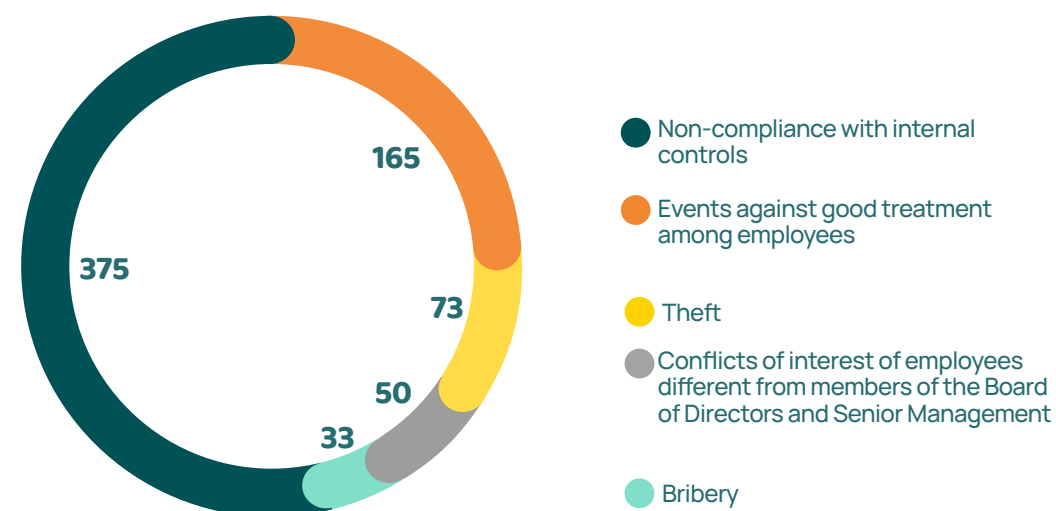
Reporting channels [GRI 2-26]

The reporting system, which allows for the timely prevention and management of acts that violate ethics and transparency, is one of the structural pillars of a strengthened Anti-Corruption Program. Throughout 2022, the company provided continuity to the management of the reporting channels by strict and continuous monitoring of their operation, administration, confidentiality, and efficiency, **recognizing their function as an enabling tool for risk monitoring and the effectiveness of the Transparency Program.** The reporting channels were included in the internal and external communications strategy as an integral part of the annual communications plan, with the goal of encouraging their conscious and responsible use to take early action to prevent and manage the risks of fraud, bribery, and corruption. It was widely disseminated via various internal and external media, with these channels serving as thematic axes in forums, supplier training spaces, social networks, web pages, and the corporate intranet.

[GRI 205-3] In 2022, the company received **738 reports** for alleged acts against ethics and transparency through various reporting channels, all of which were investigated without exception. Such management was developed in accordance with the definition

of roles and responsibilities established in the respective internal procedure, which incorporates the participation of expert managers in charge of the investigation, based on the nature of the reported situation, with the permanent accompaniment of the Anti-Fraud and Corruption Operating Committee, which works for the compliance and oversight of strategic and tactical guidelines against fraud and corruption. By the total number of complaints received in 2022, the five main typologies were as follows:

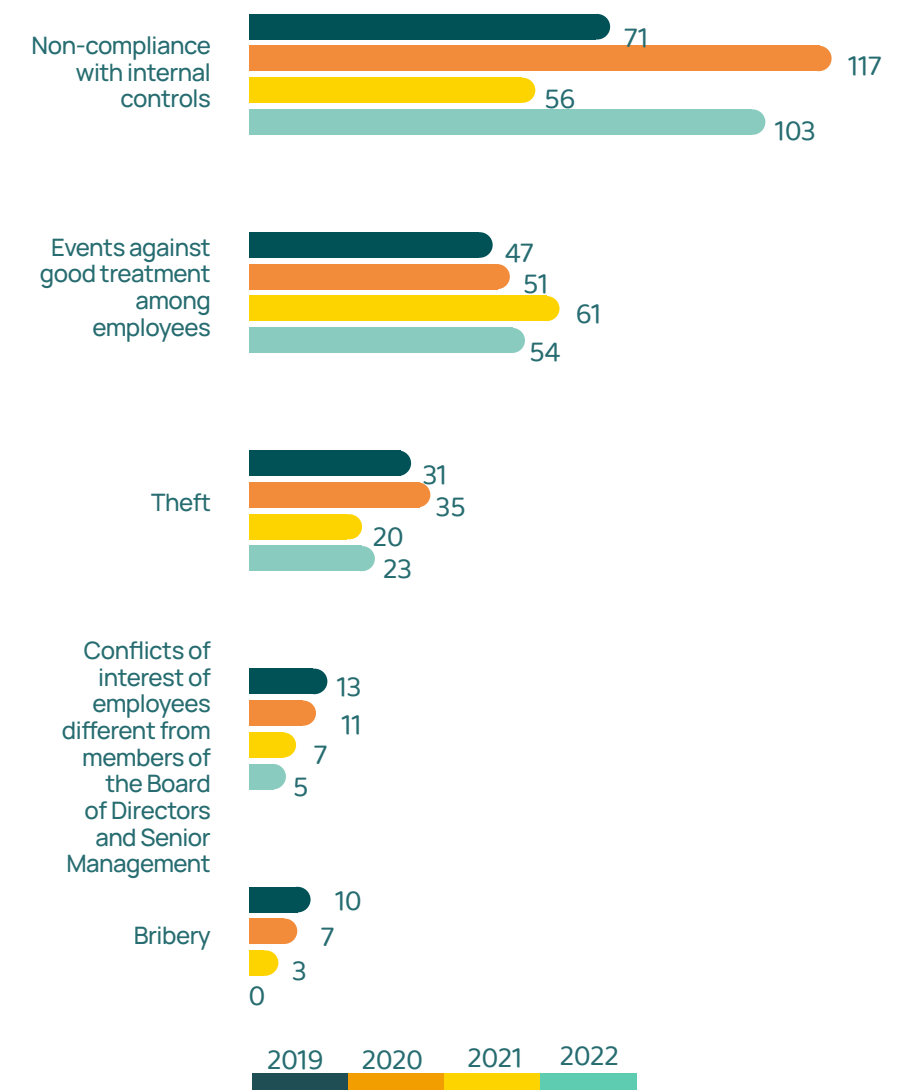
Top 5 cases received for alleged non-compliance with Transparency Program provisions



The information provided refers to cases received through the complaints channel rather than proven cases.

In 2022, 25% of the total number of reports completed were substantiated. None had a significant impact on the company. The following are the five main types of proven cases, along with their respective behavior over the last four years:

Top 5 proceeding typologies



[GRI-205-3] In response to the completed and verified reports, the following measures were implemented in line with the definitions foreseen and reported in the Code of Ethics and Conduct:

- 70 **feedback measures** for employees.
- 51 administrative decisions on **termination of employment contracts**.
- 21 **control update processes**, including procedure adjustments, automatic controls, policy design, and monitoring, among others.
- 17 **disciplinary measures**, including reprimands and suspension.
- 10 **accompanying leader plans**.
- 8 employee **transfer processes**.
- 3 **judiciary actions**.

None of the completed and verified reports related to bribery or corruption with public officials.

The company is not currently engaged in administrative or judicial proceedings in courses related to corruption and bribery.

Employee conflicts of interest management: in addition to the management of conflicts of interest of Board members and Senior Management described in the respective chapter of this report, the company complied with the Conflicts of Interest Policy set forth in the Code of Ethics and Conduct, supported in the constant training and preparation of its employees in the importance of giving timely management to those situations that can generate a potential risk of loss of objectivity in the development of their work, and in the mechanisms to record such situations. Said compliance was reflected in the total number of declarations received, especially since the execution of the annual day of declaration of conflicts of interest, which turned out to be a historical result with the registration of **1,173 declarations** of possible conflicts of interest. The highest number of situations reported was in the category.



The company complied with the Conflicts of Interest Policy set forth in the Code of Ethics and Conduct, supported by its employees' constant training and preparation.

of “working with a relative or affective partner in the company,” and “relatives or related working for third parties with ties to the company.”

The Conflicts of Interest Committee made pertinent recommendations to safeguard the company’s interests in response to situations reported by employees at levels 3, 4, 5, 6, and 7 of the organizational structure. For example, one of these situations involved a conflict of interest resolved by relocating an employee of level 3 of the organizational structure to ensure objectivity and independence in some processes and activities.

Relationship with the State and Government in the various initiatives of management of the company’s interest, the rules of conduct for relations with State and public servants established in the Code of Ethics and Conduct were complied with.

In 2022, and since 2015, the company has not made donations to campaigns, candidates, or political movements.

Furthermore, the social donations made in 2022 were in line with the company’s Sustainability Policy and the value approved in the donation proposal by the General Meeting of Shareholders, equivalent to COP1,796,372,024. In addition, these actions complied with the guidelines and rules of the Grants Policy and its associated internal procedures.



Program management for the Prevention and Control of Money Laundering, Financing Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction (ML/FT/FPWMD)

Risk management for the Prevention and Control of Money Laundering, Financing Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction (ML/FT/FPWMD) is viewed by the company as an enabler of the culture of transparency and integrity, given that risk prevention is a factor that contributes to the development of valuable, long-term relationships with various stakeholders.

The following program management actions are highlighted below:



Leadership and organizational commitment: the development and improvement of the management system is promoted and driven by Senior Management's leadership and commitment, aware of the importance of managing these risks in the construction of a culture of integrity, which generates value for the various stakeholders. This company body is regularly updated on the progress and management of the Risk Prevention Program of (ML/FT/FPWMD) via management reports and the various committees.



Risk assessment: As part of the risk-based approach, and under industry standards and best practices, **the process of updating the ML/FT/FPWMD Risk Matrix** began, which is an essential tool for categorizing the risks to which the company may be exposed, as well as planning and allocating resources and strategies for their prevention and mitigation. Furthermore, the execution of structuring and testing exercises for and testing digital analytics mechanisms, focusing on the automatic detection of warning signals in businesses exposed to the risks mentioned above, should also be highlighted.



Due diligence: Aware of the importance and value of generating sustainable and transparent relationships with various stakeholders, and based on risk management structured on a preventive and proactive approach, the company conducted a due diligence process equivalent to 107,960 validations on restrictive and binding lists, as well as in sources of ML/FT/FPWMD, during 2022 where Grupo Éxito established some link. Similarly, actions were carried out to update and monitor said audiences with which the company relates in the development of its corporate purpose.



Regulatory compliance [GRI 2-27]: In 2022, the company met all regulatory requirements, including those relating to internal reporting of unusual transactions, as well as their management and the generation of various external reports to the appropriate authorities, such as suspicious transaction reports and absence of suspicious transaction reports. Furthermore, an articulated work was carried out with the subsidiaries that were required to implement this system to comply with the various applicable regulations and, as a result, **align the methodologies and guidelines** for risk management with those of the company while respecting the particularities and requirements of each sector.

Management of the Personal Data Protection Program

The fundamental slogans in managing the Personal Data Protection Program during 2022 were strengthening an organizational culture of privacy, continuous improvement and generating trust with the company's various stakeholders, understanding privacy, and protecting personal data as a whole strategic risk for the company. The previous is supported by an action framework that ensures compliance with regulations on the protection of personal data and the respect and promotion of the fundamental right to privacy as the program's central axis.

We document the Personal Data Protection program, which is backed by the company's commitment to promote the basic right to privacy of information and, in respect of this right, measures targeted at structuring and updating internal processes.

Some relevant components of management are highlighted::

- **Management and Senior Management Commitment:** Their commitment was made visible through the active and proactive participation of the Audit and Risk Committee, the Board of Directors, and the Executive Committee for Personal Data Protection, which held four sessions following the established schedule during 2022. These entities carried out their various roles for the program's monitoring and oversight, as well as the promotion and development of strategic guidelines to manage the significant privacy concerns and assure respect for the basic right to privacy. Similarly, the Board of Directors and Senior Management examined and followed up on program reports and plans to mitigate relevant risks linked with personal data privacy and security.
- **Risk-based management:** The company continues to view the risk of personal data management and privacy as a strategic level risk, as indicated by the **corporate strategic risk profile**, which drives the program's continual improvement and the strengthening of controls to mitigate this risk. As part of the improvement and strengthening actions, **it is worth highlighting the diagnosis of risk treatment**

measures made with the assistance of an independent and specialized company. In addition, the controls were evaluated as measures to achieve greater effectiveness in risk management.

- **Management of habeas data consultations and claims [GRI 418-1]:** the requests of the owners of personal data received through the channel of habeas data arranged by the company were processed in accordance with the defined procedure. In 2022 the company received 2,033 applications distributed mainly in the following typologies:
 - Data update: 31.08%
 - Communication preferences: 24.49% .
 - Customer Creation: 13.42%
- **Program documentation: activities were designed to structure and update internal processes in order to promote the basic right to privacy of information owners and respect for this right, based on the company's commitment to promote this right which establishes the action guidelines for the company's collaborators regarding the adequate treatment of personal data, with emphasis on those documents that regulate the integral management of the queries and claims of the information's owners, as well as the**

means that have privacy integrated into their design, taking a proactive rather than a reactive approach strategy.

- **Monitoring of the Program:** An internal audit of the Personal Data Protection Program was performed to assess compliance with the legislation governing the appropriate use of personal information linked with our stakeholders. All of this is due to the company's good practices that it has established and refined, as well as its pursuit of continual process improvement and program strengthening. At the same time, we had the chance to conduct an audit process with the assistance of an external organization with expertise in the sector to assess the attention to personal data needs. We were able to fix several gaps in this audit in order to assure respect for the basic right to privacy.

- **Regulatory compliance:** The company met the various regulatory requirements on the subject, including the legal obligation to update the databases registered in the National Database Registry (RNBD, by its acronym in Spanish) and the information on claims received by the company from holders of personal data, under the criteria defined by the applicable regulations. According to documents obtained by the company's respective information system, there were five complaints in the first half of 2022 and five in the second half.
- **Requests from authorities:** The requests for personal data protection from the competent authority were fulfilled within the authorized time frame. In 2022, there were two sanctions associated with specific, isolated, and old facts, which constitute a situation corrected and overcome, which does not correspond to the company's strict commitment to respecting the fundamental rights of data owners, nor with the measures it has put in place to protect them and to improve the program continuously.

Participation in external forums and scenarios: :

- The company attended the event “Ethics, enabling virtue while dealing with personal data in the financial industry,” hosted by the School of Government and Public Ethics at Universidad Javeriana in collaboration with Bancolombia. In addition, the Vice-president of Corporate Affairs attended the event and took part in a conversation about the relevance of ethics in the use of personal data in businesses..



- The organization is a member of the **Colombian Corporate Compliance Committee** (CCEC, for its acronym in Spanish), where it actively develops and promotes best practices for compliance risk management.

Training and Awareness in Compliance Programs

[GRI 205-2]

[GRI 2-17] Via an expert firm in **business ethics and risk management systems**, the company delivered training to its Board of Directors on the importance of the Business Ethics Program and the critical role of Senior management in structuring and administering the program.

During 2022 the company trained 42,503 employees via its virtual training programs in the integral module called “Guardianes Grupo Éxito,” (Grupo Éxito Guardians), from which the fundamental aspects of compliance programs are addressed, with teachings from case studies originating in the experiences of a family, allowing the employee to receive appropriate orientation on the guidelines to follow around the proper management of risks of fraud,

During 2022 the company trained 42,503 employees via its virtual training programs in the integral module called “Guardianes Grupo Éxito,” (Grupo Éxito Guardians)

bribery, corruption, ML/FT, and those associated with the processing of personal data and compliance with applicable regulations. Additionally, concerning the risk management of the ML/FT, 7,409 employees were trained under the methodology focused on focal aspects for managing some risks of greater exposure in specific areas and processes, such as the money orders and remittances businesses.

Concerning the areas mentioned above and major exposure processes, a total of 296 employees were trained, with a focus on: (i) Transparency Program policies and

guidelines, (ii) the process of reporting and managing unusual operations, as well as due diligence in the area of ML/FT, and (iii) the importance of personal data protection.

In addition to training for our employees, the firm advanced tactics targeted at distributing the primary features and principles of the Compliance Program to its suppliers via the framework of its strategic pillar “Somos Integros” (We are Integral), reaching a total of 219 suppliers over the year.

Information and Communication [GRI 2-15]

- During the year, the reporting channels operated usually and without any interruption.
- Under a centralized government for the Colombian companies belonging to the Group and applying internal policies and good information security practices, the organization's operation was supported by information and communication platforms and systems.
- The efforts taken by the company's management to prepare for a potential listing on the Brazilian



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stock exchange and to modify its DRs program in the United States were fully and timely reported, following applicable rules and internal procedures.

- Senior management maintained communication with important personnel and outside parties via numerous channels to keep them up to date on operational difficulties. Sanitation and biosafety challenges, legislation, human resource management, operations, Omni-channels, initiatives, and financial performance were among the most pressing concerns.
- The changes in key positions in the structure were communicated to the whole organization, establishing roles and important dates for the transition..
- The Financial and Non-Financial Disclosure Policy was consistently applied, and information communication was coordinated based on the Disclosure Policy and good corporate governance practices..

- As in previous years, the company developed communication campaigns and internal training to promote and strengthen the structure and processes in corporate governance, compliance with the main regulatory regimes, and good practices in some relevant risks.
- As stated in the respective separate section of this report, during 2022, the company carried out communication and awareness campaigns corresponding to the Compliance Program.

Monitoring and Supervision

The supporting committees of the Board of Directors: Audit and Risk; Nominations, Remuneration, and Corporate Financial Governance; Sustainability; Business and Investment, carried out their functions of managing and monitoring important elements of the company's governance.

- The Audit and Risk Committee supported the Board of Directors in overseeing financial information and reporting, risk management, internal Audit, and fiscal review management, relevant internal control, regulatory compliance issues, and transactions between related parties and conflicts of interest within their competence..

- As part of corporate governance, company management participated in the Governance Committees and Boards established for national and international subsidiaries.
- To address common purposes, the Éxito and GPA audit committees worked together on oversight tasks.
- Internal Auditing performed the function of independent assurance, compliance with corporate governance rules and standards, risk management and control, and major strategic projects. Within the framework of a risk-based plan put to management and the Risk and Audit Committee at the beginning of the year, the company's processes were audited, with coverage in the national and international entities of the Group.
- Internal Auditing also supported the company in the investigation of possible fraud cases submitted via reporting channels. Evaluations have promoted action plans with Senior Management and process leaders to improve the design and operation of the Internal Control System.
- The Statutory Audit Firm KPMG SAS conducted assessments, which covered the accounting and financial processes



and systems; the preparation and disclosure of financial information; the risks and internal controls that have an impact on financial information; and compliance with the legal regulations, the Company Bylaws, and the decisions made by the Board of Directors. The SOX compliance assessment continued in 2022 as part of the annual compliance program.

- Internal Audit **evaluated the maturity level of the Internal Control System** for Éxito and four subsidiaries based on nine best practices-aligned pillars. This diagnostic allowed us to highlight

the system's strengths while proposing improvement possibilities for specific components, to improve the control system as a monitoring tool and allow the company's plan.

Description of the risk policy and its application during the financial year 2022

Risk management contributes to the sustainability of the company, continuity, and the strengthening of organizational resilience so that the company strengthens the capacity to anticipate, prepare and respond

to a given event to ensure the fulfillment of strategic objectives through a systematic and approved risk and opportunity management process.

The Policy for Integral Risk Management sets out the purpose, principles, scope, and general framework of action for comprehensive risk management, as well as the governance scheme defined for this purpose. In addition, it describes the different levels of risk management that comprise the strategic, project, business, and process levels.

The risk management methodology is an integral part of the policy and has as its main reference the ISO 31000 standard. The methodology included in the Risk Management Guidebook, in turn, refers to seven main stages, including setting the context, identifying the risk, analyzing, assessing the risk, treating, communication and monitoring, and review, which seeks to define relevant treatment measures to reduce the probability of occurrence of risks and their economic and reputation impact, as well as maximizing opportunities.

The Risk Management Guidebook was updated in 2022, considering the evolution in the maturity level of the company's Risk Management System

and the recommendations of the Audit and Risk Committee on its continuous improvement.

Application of Risk Policy during 2022

[GRI 2-12]

The year 2022 presented great challenges and opportunities around changes in the political, economic, and social environment at a national level, in the region, and in the international order. In this way, during the year, the company focused on sustainability in the long term and turned to the management of risks that could impact the fulfillment of objectives and the new opportunities in the exercise of our resilient culture..

In compliance with the Comprehensive Risk Management Policy and to ensure the business's continuity and sustainability, an analysis of the main risks and opportunities was conducted in 2022, with the participation and leadership of Senior management, in light of trends in the political, economic, social, technological, environmental, and legal context, at the global and sectoral levels; the dynamics of the industry on the operation of the business and the company's strategic vision. With all the above, a new strategic risk profile was

Various strategic planning sessions with Senior management were held under the leadership of the Strategy and Innovation Management Department, during which the Integrated Risk Management Department assisted in identifying risks and opportunities associated with emerging trends.

obtained and then extended to the company's different businesses through the exercises of updating the risk management matrix. In addition, strategic-level risks and their management measures were reviewed periodically by the Audit and Risk Committee and validated by the Board of Directors.



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[GRI 2-17] Concerning the identified strategic risks, particularly the strategic risk of cybersecurity, training was provided to members of the Board of Directors, during which the perception and landscape of cyber risk, the most critical cases of cyber-attacks worldwide, the myths of cybersecurity in organizations, the State of global cyber resilience, the different types of attacks, and good practices to mitigate the occurrence and negative impacts of these attacks were discussed.

In 2022, various strategic planning sessions with Senior management were held under the leadership of the Strategy and Innovation Management Department, during which the Integrated Risk Management Department assisted in identifying risks and opportunities associated with emerging trends and aspects in the following segments that leverage the achievement of the company's strategy: new commercial and consumer models, operational excellence, development of private labels, omnichannel evolution, business ecosystem expansion, real estate, and customer experience. In a transversal manner, on each of these segments, elements of sustainability were recognized.

Likewise, as part of the company's efforts to **improve business continuity management, the General Crisis Management Plan, as well as the protocols and annexes that comprise it**, were updated in 2022 in order to strengthen corporate governance, structure, and response capacity to adverse events that may have an impact on the safety and integrity of stakeholders, profitability, operational capability, and reputation. Similarly, two crisis management training were conducted during the year, **based on the modeling of large-scale scenarios relating to two strategic risks of the firm: cybersecurity risk and social risk, which, if materialized, might damage crucial variables of the organization.**

Es for the **Business Continuity Plan**, a review was carried out to fine-tune its corporate governance, and the Business Impact Analysis (BIA) started its updating process.

In 2022, the firm assessed 10 essential corporate buildings, with the assistance of a professional team from AXA XL Risk Consulting, to examine the present status of their physical risk, considering the kind of construction, occupancy, protection, and exposure.

In addition, in 2022, the firm, with the assistance of a professional team from AXA XL Risk Consulting, inspected 10 significant corporate sites to assess the current status

of their physical risk, taking into account the kind of structure, occupancy, protection, and exposure. As a result, obtain good findings on this physical condition at the end of each examination. Similarly, a study of future climate risks (in a time scenario between 2030 and 2050) that may harm Colombia's most vital assets was conducted under Grupo Casino's supervision and with AXA Climate specialists' assistance. **This research is based on global climate models that estimate several climatic scenarios**, ranging from the most optimistic to the most pessimistic. Regarding the latter, specific suggestions for the protection of assets that may be damaged in the future by landslides and floods developed, taking into mind that these would be the most severe climatic circumstances according to Colombian environmental standards. On the other hand, throughout 2022, the company continued to mature the Model of Transversal Risk Managers applicable to the diverse processes through the deployment of GRC software (governance, risks, and compliance), which has reached the pilot phase and is being deployed for massification.

This new tool, through its risk module, has the potential to create a centralized repository of information on risks and controls at various management levels, to allow more significant and better standardization of the integrated risk management methodology at the process level, to encourage process owners to self-manage

risks and controls and to create an expeditious and efficient communication channel for risk managers and those responsible for the processes.

The Department of Integral Risk Management provided methodological accompaniment to areas specialized in cross-cutting issues in order to advance risk workshops within the framework of different strategic projects of the company, evaluating 50 risks in total. In addition, 12 new to important firm stakeholders were taught in risk management and business continuity management over the year.

During 2022, the company **conducted 215 comprehensive audits, corresponding to 96% of national own-brand suppliers**, where the risks associated with the following aspects were evaluated:

- Hiring Child Labor
- Hiring Child Labor
- Forced Labor
- Diversity and Inclusion
- Disciplinary Practices Harassment and Abuse
- Freedom of Association and Complaint Mechanisms
- Work and Overtime Hours
- Health and Work Safety
- Quality and Safety
- Environment

In addition, the company audited 41 international manufacturers of our private label under the multisectoral initiative ICS (Initiative for Compliance and Sustainability), seeking to improve working conditions in the global supply chain.



Strategic Risks

[GRI 3-3]



Risks

Scaling level

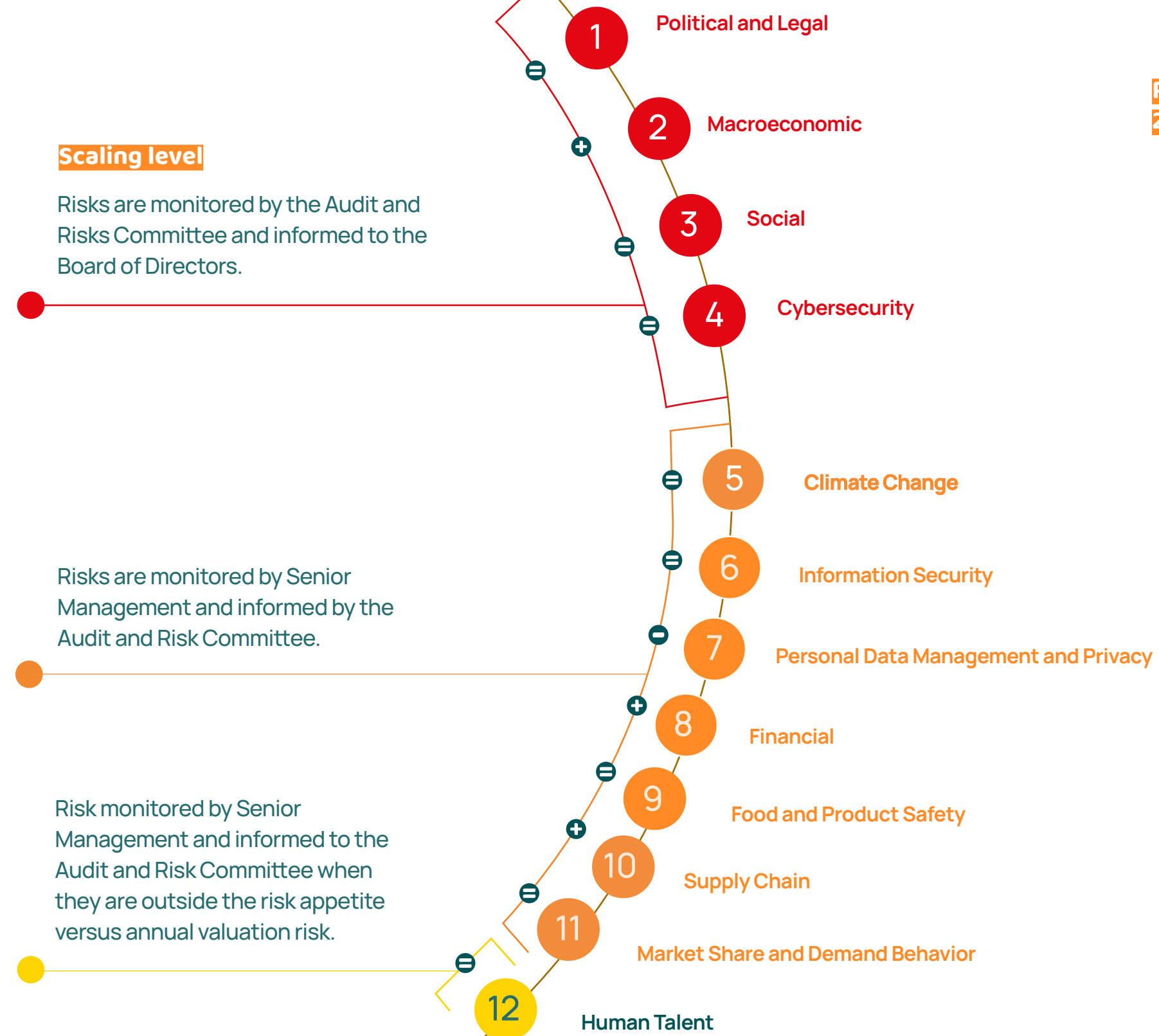
Risks are monitored by the Audit and Risks Committee and informed to the Board of Directors.

Risks are monitored by Senior Management and informed by the Audit and Risk Committee.

Risk monitored by Senior Management and informed to the Audit and Risk Committee when they are outside the risk appetite versus annual valuation risk.

Rating change concerning 2021

- + Increases
- Decreases
- = Equal



	Risk Description	Opportunities	Treatment measures for priority strategic risks
<p>Risks monitored by the Audit and Risks Committee and informed to the Board of Directors</p>	<p>1 Political and Legal</p> <p>Uncertainty in the legal, regulatory, or legislative environment, which affects the operational environment, company activities, or the development of the Group's strategy</p>	<ul style="list-style-type: none"> Adaptive capacities. Increased consumption by the population that can be positively impacted by social investment. Strengthening of local purchasing and production chains with a social focus. 	<ul style="list-style-type: none"> Creating opportunities for trade union and business engagement within the legal framework, with various social and political players. Implementation of risk-aversion measures (simulation of budget scenarios, review of operating models, etc.).
	<p>2 Macroeconomic</p> <p>High volatility in the macroeconomic environment's primary factors, such as inflation, devaluation, interest rates, FX rates, and/or commodity prices, substantially impact financial objectives, company activity, or the development of the Group's strategy.</p>	<ul style="list-style-type: none"> Market Consolidation Market competitive advantages due to the company's ability to avoid passing on the consequences of inflation to the final customer. Inflationary pressures are felt by consumers. Supplier contacts have been strengthened. 	<ul style="list-style-type: none"> Cost control. Lowering energy use. Hedging methods. Look for revolving lines. Capture sales levels influenced by inflation with a link to profitability. Anticipated purchase and brand enhancement.
	<p>3 Social</p> <p>Affection about the trust and operation of the company due to misperception of the company's organizational relationship with stakeholders in a context of the erosion of social cohesion.</p>	<ul style="list-style-type: none"> Strengthen the perception of a "Good neighbor." Understanding the customer as a contributing member of society. Strengthen our relationships with our stakeholders. 	<ul style="list-style-type: none"> Priorización de dependencias críticas para el análisis del entorno y de sus grupos de interés, de tal manera que se identifiquen plenamente las necesidades y expectativas de estos. Proyectos de inversión social: Pigmentos urbanos, Somos Cali, Terrazas verdes, Código, Paissana, Compra directa y Vida digna.
	<p>4 Cybersecurity</p> <p>Cyber vulnerability, with the potential to compromise key digital assets, affects the continuity of operations and/or information security.</p>	<ul style="list-style-type: none"> Self-care culture. Safe business consolidation 	<ul style="list-style-type: none"> Business governance, corporate culture, and cybersecurity training. Ethical hacking assessments Authentication of access Event monitoring 24/7 Critical information backups DRP created and tested



	Risk Description	Opportunities
<p>Risks monitored by Senior Management and informed by the Audit and Risk Committee.</p> <p>Risk monitored by Senior Management and informed to the Audit and Risk Committee when they are outside the risk appetite versus valuation annual risk</p>	<p>5 Climate Change</p> <p>Increase in the severity of extreme weather events and/or inability to articulate timely climate change adaptation strategies in the context of proliferation of new environmental regulations. Given that this risk is part of the company's sustainability strategy, the Sustainability Committee of the Board of Directors monitors and guides the management of associated issues.</p>	<ul style="list-style-type: none"> • Refrigeration equipment modernization • Conversion to renewable energy • Transition to sustainable mobility • Added value to brands, development of trust and reputation in a current setting when customers are more conscious of their ability to impact the environment positively.
	<p>6 Information Security</p> <p>Substantial effect on the availability, integrity, and/or secrecy of the company's key digital and physical information, both digital and physical, because of external causes and/or non-compliance with the custody process imperatives.</p>	<ul style="list-style-type: none"> • Consolidate a trusting atmosphere. • Enhance the internal control environment.
	<p>7 Personal Data Management and Privacy</p> <p>Infringement of the right to privacy of the holders of the information, in line with the personal data protection law, because of the development of strategic initiatives</p>	<ul style="list-style-type: none"> • Promote a culture of data protection and privacy. • Enhance monitoring procedures.
	<p>8 Financial</p> <p>Liquidity and/or working capital constraints that limit the timing of strategic investments or the execution of financial commitments.</p>	<ul style="list-style-type: none"> • Improved asset use. • Cost and expenditure optimization.
	<p>9 Food and Product Safety</p> <p>Marketing and/or manufacture of unsafe food, which can have major consequences for community health and create customer distrust.</p>	<ul style="list-style-type: none"> • Food safety awareness, culture, and dedication to product and food safety
	<p>10 Supply Chain</p> <p>Supply chain interruption impacting the needed supply of raw materials and/or available goods, resulting in shortages, delays, and loss of sales opportunity.</p>	<ul style="list-style-type: none"> • More sourcing flexibility. • Competitive advantages over management and risk-mitigation tactics. • Capabilities for resilient supply chain response. • Process digitalization improvements
	<p>11 Market Share and Demand Behavior</p> <p>Loss of competitive advantages as a result of competitor entry or faster expansion or difficulty responding swiftly to market developments and to adapt to the demands of consumers who want a unique (omni-channel), customized, fast, convenient, innovative and sustainable shopping experience.</p>	<ul style="list-style-type: none"> • Colombia's leading hypermarket. • Strengthening omnichannels. • Development of local industry.
	<p>12 Human Talent</p> <p>Challenges in implementing the company's strategy as a result of problems in the processes of human talent retention, achievement, development, and loyalty as a result of generational transitions and a strong labor offer in the market.</p>	<ul style="list-style-type: none"> • Enhance skills in the face of increasing labor and generational challenges. • Create multiple possibilities for individuals while also providing adequate living circumstances. • Strengthen the employer brand's external reputation.

Emerging Risks

	Risk Description	Impacts	Main mitigation actions
1	<p>Emerging regulations and standards</p> <p>Potential increase in spending associated with carbon footprint management in response to new regulations related to carbon pricing. As well, new standards are required. By the market concerning the communication and transparency of the actions implemented by the company in this matter.</p>	<ul style="list-style-type: none"> Increased tax or investment spending is required to minimize the carbon footprint. Possible reputational impact if adjustment to new standards is not achieved. 	<ul style="list-style-type: none"> To develop initiatives for renewable energy replacements To reduce refrigerant gases To purchase solar energy production for the supply at stores Climate change policies Communication and annual declaration on environmental Responsibility Certification of some VIVA shopping centers in LEED (Leadership in Energy & Environmental Design Certification) Installation of plants and solar panels on premises
2	<p>New consumption and purchasing patterns or changes in consumer preferences and habits</p> <p>The possibility of suffering negative consequences in developing commercial activity and strategy implementation due to unexpected variations in consumer needs, tastes, preferences, and priorities; in a context of generational and demographic changes, and greater awareness of physical and mental well-being, as well as more excellent environmental protection. These situations require agility, adaptation, and customization of new consumption and purchase habits, particularly those associated with health, ecological, sustainable, and digital trends, by the organization.</p>	<ul style="list-style-type: none"> Market share loss Financial losses Negative impact on business reputation Loss of competitive advantages 	<ul style="list-style-type: none"> Ongoing monitoring of purchasing and consumption trends worldwide. Format innovation Business ecosystem development
3	<p>Biases in algorithms</p> <p>Possibility of incurring economic or reputational impacts due to decision-making based on bias in algorithms in different processes, such as human resources, financial services, and marketing, among others.</p>	<ul style="list-style-type: none"> Reputation impacts Economic losses for possible damage to third parties or penalties for wrong decision-making 	<ul style="list-style-type: none"> Inclusion of a multi-disciplinary perspective in the review of the equity of the systems, carried out by professionals in the human sciences such as sociologists and psychologists and new roles in control and analysis of data translation Publication of the Best Practice Guide for models using personal data Implementation of the functions of the Artificial Intelligence Ethics Committee Research on trends in the use of some variables, such as gender, in modeling



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Materialization of Risks during the Fiscal Year

Among the main risks materialized are economic losses for damages to real estate of about COP700,000,000, related to the failure of a slope of an outbuilding, which occurred in September 2022, impacting the product, real estate, and assets.

Risk Transfer and Retention Initiatives

The risk management of the company contemplates the transfer of those risks that can be treated under a framework of traditional mechanisms or insurance policies, with which it seeks to cover the main threats, particularly those of greater severity, such as damage to the company's assets, possible losses during the transportation of goods, liability of managers, internal and external fraud, liability for damages to third parties, cybernetic risk, and risks arising from the contracting process of goods and services.

Throughout the year, progress was made in the **financial optimization of cybersecurity risk**, which allows us to determine the likelihood of exceeding the risk tolerance capacity, the insured loss limit, the economic cost of risk (ECOR, for its acronym in Spanish), and the premium efficiency ratio, as well as the likelihood of indemnities exceeding the premium paid. In addition, the directors' and officers' liability risk was estimated, and the retention analysis of the workers' and officers' life insurance policy was revised. The goal of the preceding activities is to establish an appropriate framework for risk transfer.

General Shareholders' Assembly

Ordinary Meeting

The ordinary meeting of the General Shareholders' Assembly was held on March 24, 2022, with the participation of 100 shareholders (a quorum of 98.20%), both present and represented, holders of 439,558,761 shares.

The ordinary meeting of the General Shareholders' Assembly was made in a hybrid mode, following the provisions of Article 19 of Law 222 of 1995 and Decree 398 of 2020, and in accordance with the good practices for issuers recommended by the Colombian Financial Superintendency and the Colombian Stock Exchange. In this regard, the meeting was held in person at the company's administrative headquarters, and a virtual room was made available to shareholders on the corporate website, with access restricted to shareholders and management staff. Shareholders were given instructions with the terms and indications for registration and access to the meeting via web, which also indicated: how and when shareholders could ask questions and how to exercise the right to vote at the meeting, both for those who chose to attend or for those online taking into account the best practices given by the Financial Superintendence of Colombia in



The ordinary meeting of the General Shareholders' Assembly was held on March 24, 2022, with the participation of 100 shareholders (a quorum of 98.20%), both present and represented, holders of 439,558,761 shares.

order to continue the company's proximity to its shareholders, providing them with valuable information for decision-making and the exercise of their rights.

Main Decisions

At the ordinary meeting of the General Shareholders' Assembly, the following decisions were approved:

- Approved the Management Report of the Board of Directors and CEO
- Approved the Annual Corporate Governance Report
- Approved the Separated and Consolidated Financial Statements on December 31, 2021
- Approve the profit distribution proposal.
- Approve the proposal in terms of donations
- Approval of the new Board of Directors composition and the proposal for their remuneration.
- Approval of the appointment of the new statutory auditor for the fiscal years 2022-2024, as well as the proposal to establish remuneration at COP 3,460,000,000 for the fiscal year 2022 and the same amount, subject to yearly CPI, increases for the fiscal year 2023.
- Approval of an amendment to the company's bylaws relating to the functions and powers of the General Shareholders' Assembly (Article 27).
- Approval of the proposal to change the

destination of the reserves to increase the reserve for share buyback, as well as the Board of Directors mandates to regulate such buyback.

Extraordinary meeting of the General Shareholders' Assembly

On May 24, 2022, the General Shareholders' Assembly convened an extraordinary meeting in person only, with the participation of 33 shareholders (a quorum of 97.90%), both present and represented, holders of 438,206,240 shares.

Main Decisions

At said extraordinary meeting, the following decisions were approved by the General Shareholders' Assembly:

- Approval of amendments to the bylaws concerning: (i) basic provisions, capital regime, and share regime; (ii) Assembly operating regime; (iii) Board of Directors and General Secretary operating regime; (iv) profit and dividend regime; (v) miscellaneous final provisions; and (vi) amendments corresponding to bylaw corrections in form and style, in order to improve the document's order, clarity, and consistency.
- Approval of amendments to the Rules of Procedure of the General Shareholders' Assembly to align them with the revisions to the bylaws agreed at the same meeting.

- Approval of the share buyback, the Board of Directors Share Buyback Rules and Procedures, and, as a result, a potential related-party transaction.

Extraordinary meeting of the General Shareholders' Assembly

On October 25, 2022, the General Shareholders' Assembly convened a new extraordinary meeting in person only, with the participation of 15 shareholders (a quorum of 97.12%), both present and represented, holders of 420,162,292 shares.

Main Decisions

At said extraordinary meeting, the following decisions were approved by the General Shareholders' Assembly:



Approval of the new Board of Directors, with the fees approved on March 24, 2022, ordinary general meeting remaining unaltered.

Approval of the bylaws amendment, consisting of adjusting Article 5 on authorized capital, to reduce the nominal value of shares (split) before the Colombian Stock Exchange.

Differences in the operation of the General Shareholders' Assembly between the minimum system of current regulation and that defined by the Company bylaws and Rules of Procedure of the General Shareholders' Assembly

The activities required for adequate development of the General Shareholders' Assembly in 2022 were different from the minimum legal requirements established in the following aspects:

The company has surpassed the legally provided timeframe for the call to the General Shareholders' Assembly for a greater period for the members to familiarize themselves with the matters to be discussed. The company bylaws and the Rules of Procedure of the General Shareholders' Assembly establish a 30 calendar days call period for ordinary meetings and 15 calendar days for extraordinary meetings²⁸, which are greater than the legally required terms.

The ordinary meeting of the General Shareholders' Assembly held on March 24, 2022, was called on February 18, 2022.

The company granted shareholders a term of five (5) calendar days following the call to the ordinary meeting of the General Shareholders' Assembly, which began on February 19, 2022, and ended on February 23, 2022, to: (i) propose the inclusion of one or more points on the meeting's agenda, (ii) submit new proposals for decisions on matters included in the agenda, and (iii) request additional information or raise questions about said matters.

The extraordinary General Shareholders' Assembly meeting, held on May 24, 2022, was called May 7, 2022.

The extraordinary meeting of the General Shareholders' Assembly, which was held on October 25, 2022, was called on October 7, 2022.

In order to provide equitable treatment to shareholders, on the day of the meeting the company published a proxy template form on its corporate website that included the vote on each of the items on the agenda to be discussed and/or approved at the meetings of the General Shareholders' Assembly held in 2022, so that the shareholders could indicate to their proxies how they would vote.

²⁸ Colombian legislation establishes that the call to the ordinary meeting of the General Shareholders' Assembly must be made at least fifteen (15) working days in advance, and in the case of extraordinary sessions, at least five (5) calendar days (Code of Commerce, Article 424)

The company published the announcement for the meetings of the General Shareholders' Assembly on *El Tiempo* and *El Colombiano* newspapers, on the *Primera Página* and *Valora Analitik* websites; through the relevant information mechanism provided by the Financial Superintendence of Colombia; in the offices of Fiduciaria Bancolombia, which managed the Company's Shareholders Department before the dematerialization of the company's shares; on the corporate website; and on the newsletter *News to Investors* sent by the Investor Relations Department.

Actions taken during the year to encourage shareholder participation

During 2022, the Company fully complied with the Circular Externa 028 of 2014, issued by the Financial Superintendency (known as Country Code Survey), and the provisions of the Company Bylaws and Corporate Governance Code, in terms of timely sending of clear and complete information to shareholders and with adequate notice regarding the General Shareholders' Assembly. In this way, the company encourages shareholders' participation and guarantees respect of their rights.

The following activities were carried out to promote the participation of shareholders in 2022:

- Four publications on quarterly results
- Four teleconferences on quarterly results
- One ordinary meeting of the General Shareholders' Assembly
- Two extraordinary meetings of the General Shareholders' Assembly
- Two meetings with shareholders and investors to share information on the progress of corporate projects.
- Six non-deal road shows (NDRs) in four countries and five cities.
- 65 meetings with local and foreign investment funds.
- Two international bank events and 10 meetings with invited funds were attended.
- 24 sessions or phone conversations with market analysts who cover our stock.
- 25 meetings or phone conversations with domestic and foreign investors.
- Ten meetings and/or phone conversations with representatives from the BVC, Superfinanciera (Colombian Regulator), and other capital market agents.
- An instructive presentation to shareholders to describe the project's implementation.

Information and Communication to Stockholders

In January of 2016, the company Board of Directors crafted the Information Revelation Policy in the Corporate Governance Code.

This policy aims to provide the company's interest groups with information on our business units' status, evolution, and progress so that members will have enough knowledge to make wise decisions.

Implementing and enforcing this policy is the responsibility of the Disclosure Committee, whose composition and responsibilities can be consulted in the Disclosure Procedure approved by the Audit and Risks Committee, available on the corporate website. This procedure is based on the Financial and Non-financial Disclosure Policy contained in the Corporate Governance Code of the company and the Code of Best Corporate Practices of Colombia (Encuesta Código País - Country Code Survey).

The following documents were published on the corporate website in the section of the "Shareholders Meeting" for the March 24, 2022 meeting:

- Call
- POAs for a legal person, natural person, parents of a minor, and parent of a minor to a third party
- Management Report
- Corporate Governance Report
- Sustainability Report
- Financial Statements as of December 31, 2021, together with their attachments and other legally required documents
- Proposal to amend the Company Bylaws
- Donations proposal

- Proposal for the change of destination of reserves
- Proposal to instruct the Board of Directors to regulate a share buyback
- Profit distribution proposal
- Proposal for the election of the statutory auditor
- Proposal for Statutory Auditor fees
- Proposal of Candidates for the election of members of the Board of Directors.
- Board of Directors remuneration proposal.
- Assessment report of candidates for election to the Board of Directors.
- Candidates' resumes and letters of acceptance to serve on the Board of Directors. In the case of independent members, there is also their independence certificate.

The following documents were published on the corporate website in the section of the "Shareholders Meeting" for the May 24, 2022 meeting :

- Call
- POAs for legal person, natural person, parents of minor, and parent of minor to a third party
- Proposal to amend the Company Bylaws
- Share buyback proposal
- Proposal to amend the Rules of Procedure of the General Shareholders' Assembly.
- Documents pertaining to the procedure for replacing securities.
- Documents pertaining to the procedure for immobilizing shares.
- Documents pertaining to the share exchange procedure.

- Document providing general information about the share buyback.
- Announcement of the share buyback offer.
- Announcement regarding the expiration of the share buyback deadline.
- Results of the share buyback process.

The following documents were published on the corporate website in the section of the "Shareholders Meeting" for the October 25, 2022 meeting:

- Call
- POAs for legal person, natural person, parents of minor, and parent of minor to a third party
- Proposal to amend the Company Bylaws
- Proposal of Candidates for the election of members of the Board of Directors.

- Assessment report of candidates for election to the Board of Directors.
- Candidates' resumes and letters of acceptance to serve on the Board of Directors. In the case of independent members, there is also their independence certificate.





During 2022, the company published 60 releases through the relevant information mechanism of the Financial Superintendence. By way of these, the company informed the markets on important decisions made by the Board of Directors and the General Shareholders' Assembly; the company's quarterly and yearly results; and information regarding the project's implementation in Brazil, which includes³⁰ a capital reduction with reimbursement of GPA's contributions, in which GPA will return approximately 83% of Éxito's capital to its more than 50,000 shareholders. Therefore, GPA stockholders would become direct shareholders of Éxito due to this transaction and would get their shares in Éxito via ADRs Level II or BDRs Level II.

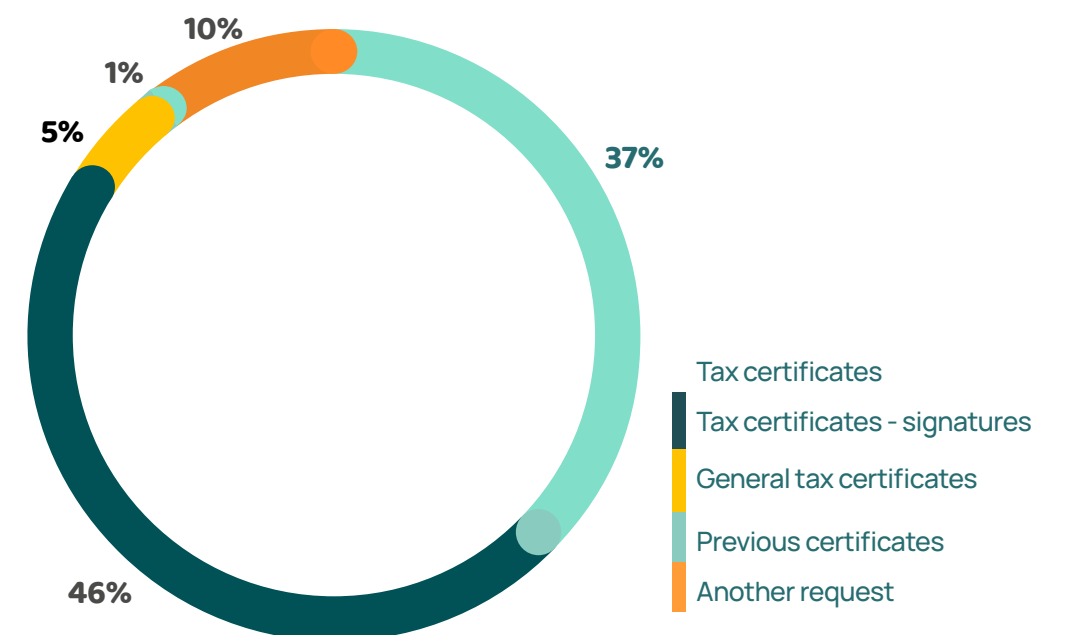
For more information on the shareholder protection mechanisms implemented by the company, [click here](#).

Number of requests and matters on which shareholders have requested information from the company

The company addressed the requests of approximately 64 shareholders on time during 2022 by way of telephone calls through Fiduciaria Bancolombia, company, which functioned as the administrator of the company's Shareholder Program prior to the dematerialization of the company's shares, and via Deceval, the current administrator of the company's Shareholder Program operated as administrator of the company's Shareholder Program.

Shareholder Requests

In total, around 667 shareholder requests were handled related to the following matters:



³⁰ As previously stated, the project includes: (i) the implementation of a Brazilian depository receipt program, Brazilian Depository Receipts Level II (BDRs Level II); and (ii) the adaptation of the depository receipt program to American Depository Receipts Level II (ADRs Level II).